

# **TRANSCRIPT**

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Release No. 0519.05

## **Transcript of New Jersey Farm Bill Forum with Under Secretary for Rural Development Tom Dorr and Moderator Christopher Ridenhour East Brunswick, New Jersey November 16, 2005**

THE MODERATOR: Great morning to you. We're going to start off our program with the Pledge of Allegiance. I'd like to introduce to you Mohat Muta [phon,] who is a 4-H member, local 4-H member, who will lead us with the Pledge of allegiance. If we can all rise, please.

(Pledge of Allegiance and the Star Spangled Banner.)

MODERATOR: At this point I'd like to invite to the stage to address New Jersey Secretary of Agriculture Charles Kuperus.

SECRETARY KUPERUS: Good morning, everyone. We're very, very happy to have a good turnout for a listening session that's important for us in the Garden State. There's no question in my mind that we have, probably we deal with every single issue in our state that you could imagine, and hearing the different perspectives whether it be on nutrition, education, conservation, farmland preservation, sustaining our individual farm enterprises, you know, we're going to hear even some with disease and pest control, we're going to hear a lot of different things today, and I believe in many ways we're going to see the different perspectives come together as part of this listening forum.

I want to offer a little introduction for a couple folks from USDA. Under Secretary Dorr is here to listen. I'm going to introduce him in a moment, but we can't forget USDA's place here in the State of New Jersey, and we have NRCS represented here and I don't know if Tony Kramer here this morning but Tony, if you could stand, anything related to conservation issues Tony Kramer is our state conservationist. A very, very good solid partner for us in New Jersey.

FSA director is led by Paul Hlubik, who is in the audience here. I did see him earlier. And Paul again a very important person, especially implementing all the, a lot of farm bill programs but CREP is a really wonderful program, conservation reserve enhancement program that we work with NRCS and FSA. Then we have Andy Law, who is standing in the back there. Raise your hand, Andy. Andy is one of the most precious assets USDA has, and most certainly we're so welcome and pleased to have him represent USDA for rural development in New Jersey. And Paul Hlubik standing right next to him. Thanks, Paul, for coming in the room.

But from our perspective, in the New Jersey Department of Agriculture we have the Farm Bureau here, we have the college here, we have members of the state board of agriculture here, and we have people that are leaders in nutrition, different industry leaders, and we're going to hear a lot of with respect to their perspectives of what the farm bill should look like with their particular commodities and their particular interests.

The focus here is for us at the state level as well as at the federal level is to listen. We have all kinds of challenges in our state and most certainly we want to make sure that we welcome new people into agriculture, and education is very critical to us. We want to make sure that we feed with healthy nutritious foods our school children, but making sure our hungry have enough to eat as well.

We want to make sure that we preserve our soil, health and water quality in this state, and that partnership is going to be reflected in some of the comments.

And we want to make sure that we preserve our farmland and sustain our farmers. And we're going to hear from some of the folks in the audience because we just had a little event downstairs to talk about the value added grant program, how important it is to allow our growers to benefit from a grant program to adapt to a changing marketplace.

But my job is going to be offer testimony a little later on, and I'm going to do that along with you. But my job this morning is to introduce -- I just want to make sure that I do one thing. The dean of Cook College is here, Dr. Goodman, if you could stand a moment. Farm Bureau president Rich Nieuwenhuis, is in

the audience. If I could introduce him in the back of the room. There's many other folks. We have members of the state board of agriculture here, but I don't see them right now. I have just want to make sure that everybody is very important to us in this room, and our job is to make sure that we have as much input as we possibly can.

But I'm really here to introduce Under Secretary Dorr. USDA had a choice. They could do -- they could continue the status quo when it came to developing policy for the next farm bill. And they chose, Secretary Johanns chose to go out in the country in every single state to host these listening forums and listen first and allow that dialogue to develop policy. And we have to congratulate them for that, because this is the first time I can remember this ever happening. And then sending senior members of his staff to go out and visit these different states to, you know, conduct these listening sessions is very, very important to show that it's a high level management team that's going out to hear what you have to say.

I have already had the opportunity to testify about nutrition issues in Manhattan several weeks ago, and it's very important for us as well, but hearing the diversity of the comments that you're going to hear, knowing people that we have in the audience is important as well. But Under Secretary Tom Dorr is not a stranger to us in New Jersey. He's been here many times. He's been an advocate for making sure that we have rural housing opportunities. In fact, we announced three and-a-half million dollars for farm labor housing in the city of Bridgeton. Rural development with water and sewer infrastructure, all those administered under him.

But the value added grant program, something that we're going to hear a lot about today, is also administered under rural development. Under Secretary Dorr, we're so pleased to have you, and I hope you can all join me in giving a warm Garden State welcome to Undersecretary Dorr.

(Applause.)

UNDER SECRETARY DORR: Thank you very much, Charlie. That was a very kind introduction. It is great to be back here again and see you and so many of your colleagues. It was fun last night to have been able to

participate briefly in the Farm Bureau's dinner, banquet last evening, and it was good to see Richard Nieuwenhuis, who I had not met before but I had heard of.

Dean Goodman, I've got to reintroduce a number of these folks, because they are significant to us. Dean Goodman, and the work that he and his staff at Rutgers Cook College have done is really, really significant.

But these listening sessions are far broader than just USDA, and it's my pleasure to also acknowledge the fact that Lisa Clemmons, state director of Senator Lautenberg's office -- Lisa, are you here? I thought she was supposed to be here. How about Jennifer Snead? They slept in this morning. How about Carl Brammer? Carl, are you here? They're all sleeping in. He's the congressman from [inaudible] office and I understand that someone from Congressman Smith's office was supposed to be here. I tell you what. We're going to ask them to work on the farm because they're going to have to hustle [inaudible] to get up here early in the morning.

But anyway, I'm glad to see all of you. I really am. This is a terrific turnout in a state that is, quite frankly, not typically associated with production and agriculture and to have this much interest and willingness to get involved and giving us your insight is very, very helpful.

I would be remiss if I didn't point out that in addition to Andy Law helping to put this together, Paul Hlubik and Tony Kramer, who were introduced earlier, were very instrumental in this as well. I think it's important for all of you to know that one of the things that Secretary Johanns is very adamant about is that we work together across agency lines more effectively perhaps than we have in the past, and I think that's very, very important.

But making agriculture work for the next generation is really the main reason that this discussion is taking place. This is a great way to kick things off, and we're here today to talk about the next farm bill. That's going to involve some tough choices. Those choices are going to be made first and foremost in Congress, so it's important to have the congressional representatives here that I hope will be here joining with us.

But the new farm bill is going to involve any number of specific issues. But in back of all of them is one big unavoidable reality, and that simply is change. Standing still is not an option, not with globalization, relentless competition, truly incredible scientific and technological advances in productivity yields along with rising energy costs, the access to broadband and diversification of the rural economy in general. Changing just isn't an option. Excuse me. Not changing isn't an option.

As the saying goes, "you can run but you can't hide." There's another quote, it gets variously attributed, but Google says it's by William Trotsky and it expresses the same idea. "You may not be interested in war, but war is interested in you." The same can be said about the structural changes sweeping the economy. If you're an auto worker, you may not be interested in Japan, but there's no doubt Toyota is interested in your market, not to mention your job.

If you make just about anything else, you may not be interested in China or Indonesia or Italy or India for that matter, but their companies are interested in whatever you produce. Of course the reverse is also true. The United States is still world's largest exporter as well as importer. And agriculture especially is a major export player.

So it's the same if you're a farmer. You may not be interested in Brazil or Canada or Argentina or Australia, but they sure are interested in you. The bottom line is we can't hide. We can only pretend to and perhaps only for a short time. But then we're going to have to pay the price. So if standing still isn't an option, we need to get ready. The next farm bill is in fact that opportunity to do that. Change is a double-edged sword. It did involves both challenges but also opportunities.

To meet the challenges and seize the opportunities, we need to be thinking ahead. So about three months ago President Bush in discussion with Secretary Johanns kicked off this series of farm bill listening forums. The purpose was, as Charlie's indicated earlier in his introduction, simply to open up the debate to the widest possible participation for people all around the country. I can tell you I've done any number of these already, and it is marvelous and remarkable what we're hearing, and I think we're

hearing a lot of things that people didn't think we would.

For example, although we've already held close to 45 of these, it's a good sign that people are ready to face up to serious questions. They're asking things like how do we keep American agriculture competitive and increase our exports. How do we encourage the next generation of farmers and the next generation of rural Americans and to make it possible for them to live and prosper while living in rural America. How do we best support rural America, diversify the rural economy and frankly to bring more when jobs back to rural America? Another question is where is technology taking us? What should we expect from the next generation of productivity increases as well as new products they bring, and what are those products. And how should we balance production regarding environmental responsibilities. These are all issues that give get raised.

If these were easy questions, quite honestly we wouldn't be here. We're here because they're tough. And because none of us, absolutely none of us I know in Washington because I moved there four years ago and before that I spent my time on a Iowa farm, none of us have a monopoly on good ideas.

I'm here primarily to listen. The next farm bill of today is a blank sheet waiting to be written. And if through these forums we develop some consensus about the direction we have to take, that's is terrific. But even if we don't find a consensus, and frankly, I expect that on a lot of issues we probably aren't going to be able to, but we can at least come to understand the other side's point of view and hopefully make the tough choices with our eyes open.

So as I said earlier this morning, I am thrilled to be here. I really mean that. I'm delighted at such a large crowd and looking forward to the next couple hours to listening to what you have to say to receiving your insight not only into the issues and the difficulties but importantly to what you view as the opportunities for rural American production agriculture as they impact your particular slice of evidence.

So thank you very, very much for taking the

time out of your busy schedules. Thank you again to the New Jersey Farm Bureau for letting us piggyback on to their conference, and at this point I'm going to turn it over to Christopher Ridenhour who's graciously agreed to be our host, and he's going to manage this thing so all I have to sit and listen and take a lot of it in. Thank you very, very much.

[Applause.]

MODERATOR: I had the pleasure of honoring this morning, I host a show here in New Jersey called New Jersey Works, and it's broadcast on New Jersey Public Television, and among the things that we do is all of the initiatives, resources and partnerships that are, that come out of the Department of Labor and Work Force Development. We feature the stories, the initiatives and all these things, and I had the pleasure of recently spending time with Andy Law on a recent show, and it was amazing to me. I grew up in Philadelphia, and I think there is something called centrism, you're really excited about a place where you grew up, and I love Fairmount Park and these kinds of things. And probably about four or five years ago my family, we moved to New Jersey and I showed the family that in fact a show that we did on all the initiatives on a food innovation center and the farmers that we featured on our show, it was a very interesting and informative and enervating introduction to New Jersey in the way that I did not associate with the state before.

And it was such a pleasure for me to be here and see that my children will be growing up in a state that is so concerned about conservation, about agriculture, fresh foods and these kinds of matters, so it is my pleasure to be here to moderate this session today.

I'd like to describe the guidelines of the structure that we will be following today. First I'd like to be sharing the six questions that our speakers were asked to comment on. The first is how should farm policy address any unintended consequences and ensure that such consequences do not discourage the farmers and the next generation of farmers from entering production agriculture.

The second question. How should farm policy

be designed to maximize U.S. competitiveness and our country's ability to effectively compete in global markets?

How should farm policy be designed to effectively and fairly distribute assistance to producers?

How can farm policy best achieve conservation and environmental goals?

Fifth, how can federal, rural and farm programs provide effective assistance in rural areas; and lastly, how should agricultural product development, marketing and research-related issues be addressed in the next farm bill?

Now, to maintain organization, we're going to ask that each of the speakers come up and know that they have three minutes. There's a system that we are using. If you see that cord as you approach the mic, it will do four times, you will see a green light that will let you know that everything is fine, keep going, keep going. The minute you see the blinking red light, it means that you have 30 seconds to wrap up your statement. Now, the good news is that is that we will get each individual three minutes so that we can get the most comments in, and we're going to let you know that you can come back and ask another question, but we're going to try get through the first folks first, all right?

We're going to ask that if there is a comment out of the audience or a response, we ask that all outbursts and side bar comments be kept to a minimum.

And if an audience member cannot physically get to the two microphones here in the center of the auditorium -- I feel like a flight attendant as you see down the path, there are two, hold up your hand and we will get the microphone to you. All the rest we ask you to come forward to the microphone.

We also want to make sure that you know that there are comment boxes located on the outside as well as you have the opportunity by way of mail and also e-mail, and for those of you that have pens, the web site is [www.usda.gov/farm\\_bill](http://www.usda.gov/farm_bill), and your comments and suggestions will be equally valued as we hold the value up here at the forum as well.

As you come forward, we're going to ask that

you clearly enunciate your name as well and tell us the city and state that you come from and also your involvement or connection to agriculture and the farm bill. All right? And we also want to know which of the questions you'll be addressing, okay.

Without further ado, I'd like to call forward four votes. I have Robert Goodman from Rutgers University. I have Dale Cruzan from FFA, Stephen Dey from the Monmouth County Board of Agriculture, and Santo Maccherone from Circle M Fruit Farms.

MR. ROBERT GOODMAN: Thanks very much, Under Secretary Tom Dorr. I welcome you on behalf of Rutgers University and Cook College and the Agricultural Experiment Station. I'm delighted to have you here.

I'd like to focus on the Critical Nature of Partnerships. We're a fundamental partnership across the scope, USDA, New Jersey Department of Agriculture, the New Jersey Department of Health, the New Jersey Department of Environmental Protection, Cook, the New Jersey Agricultural Experimental Station and all of the other units at Rutgers that try to work together to advance the interests of economic sectors including agriculture and agribusiness in the state.

There's a lot in the farm bill that's very important of us. Of course, fundamentally a significant amount of resources come to Rutgers and the experiment station, the food and nutrition program, conservation programs, farm-related programs and rural government, international educational programs and particularly with us land and food, land and safety issues, and fundamentally at some levels the most important the components of research, corporate research is very, very important.

I would hope for the new farm bill to include national policy, one that recognizes the diversity of agriculture across the country, the diversity of rural communities and their needs across the country. Here in New Jersey, as you know, the most densely populated state and also one of the states richest in rural tradition and still a very vibrant and active rural sector. We'd like to see a policy in the farm bill that meets needs of our special situations here in New Jersey.

Fundamentally I believe politics, I believe in diversity to yield resilience and to yield

sustainability. To me the diversity of farm projects is the diversity of business enterprises that surround the diversity and quality of life and growth of communities, all of that is fundamentally important to the health and the future of keeping us safe.

Thanks very much for the opportunity to be here and thank you for coming.

MODERATOR: Thank you.

MR. DALE CRUZAN: Good morning. I'm Dale Cruzan. I proudly represent New Jersey's 1,742 FFA members as the state president. I am currently enrolled as a freshman at Cook College Rutgers University, and I'm originally from Christian [inaudible] in Cumberland County.

I want to thank Under Secretary Dorr, Secretary Johanns and the United States Department of Agriculture for allowing me to address the importance of the 2007 farm bill. As a former Iowa FFA member, Secretary Johanns knows the importance of agriculture education, and we are grateful for his support.

Farm policy -- I'll address question number 1, I see two negative consequences of the farm bill that they must address. The negative perception -- excuse me -- that young people hold of agriculture and increasing [inaudible] prices. Farm policy must support the expansion of agricultural education and address the misconceptions young people hold about production agriculture.

A modern farmer is more than just a farmer. He's a soil scientist, a meteorologist, a chemist and a business leader. Farm policy must support this expansion and help meet the goal of the national organization of 10,000 chapters by 2015. And farm policy must create an aggressive outreach program to inform students of the science, business and technology of agriculture.

Along with education, the farm bill must address the importance of preservation of the family farm, increase urbanization in [inaudible] of land prices and discouraging young people from entering the agricultural industry.

I began my supervised agricultural experience on a family farm in Salem County, where I worked in a farm marketing and garden center. Here I learned the

importance of agriculture, learned the value of quality to the customer, the benefits of being in production agriculture and the importance of having a love for what you do.

The farm bill must support young people as they enter our industry through initiatives and other sources to help curb the costs of the increasing -- the increases in our industry. I hope the 2007 farm bill will address the need for increased agricultural education and to prepare our students for the broad industry, encourage a seamless transition from high school to post-secondary education and to preserve the importance of the family farm.

Thank you for allowing me the opportunity and FFA members around the nation to take part in this tremendous event. Thank you.

MODERATOR: Dale, thank you. I have to say for a student you sounded more like a faculty person. Rebecca Potosky.

MS. REBECCA POTOSKY: Good morning. My name is Rebecca Potosky. I'm a junior here at Cook College majoring in animal science with my concentration being livestock production and management. I also raise dairy goats and have been involved with livestock and 4-H for much of my life.

When I was asked to talk at this listening session, I was very excited, especially to find out who will be speaking on how farm policy can help the next generation of producers entering agriculture. Agriculture in this day is an incredibly involved issue dealing with issues such as rising costs and encroaching development. Agriculture manages essentially the experts not only in areas of plant, soil and animals, but also in economics, politics and marketing.

Balancing all these vast and disparate issues can be daunting, especially for the young people who will be the next generation of producers. How can we assure the future of agriculture and help the parent producers to handle this task? I believe the answer to this question is education, significantly continued support of programs like the 4-H program that gives you knowledge in project areas like agriculture and animal farms.

Equally as important, 4-H provides youth with

substantial life skills that are necessary no matter what career path you would choose to pursue. Data gathered from over 50,000 New Jersey 4-H members showed that the education provided by 4-H has helped prepare them for their futures. 72 percent feel comfortable with public speaking, 81 percent have gained knowledge in project area, and 71 percent have learned the importance of recordkeeping skills as a result of 4-H.

4-H, however, doesn't stop at educating future producers. Certainly 4-H hasn't forgotten its agricultural roots but has worked to expand its education of essential life skills to include all of you. Programs in addition to the traditional club includes school enrichment, short-term and after-school programs. These can also be essential to the agriculture producer and can serve to educate the greater public in all aspects of the industry.

One such program that links agriculture and others here in New Jersey with the RCRE Youth Pharmacia Project. This project expands the markets for New Jersey agricultural communities while providing work force preparation tools that are essential and are helping a critical need.

4-H has been so instrumental in my life and the lives of others that I continue to be active in the program, not only as a collegiate member but also as a 4-H club leader and volunteer.

In closing, the future of agriculture will need to be educated and determined to face the mounting issues in this industry. As an experience I can say 4-H has taught me many things, among them to be determined, to never give up and to strive continuously, as our motto states, to make the best better. Thank you.

MODERATOR: Rebecca, thank you, and as Stephen Dey is coming forward I'd like to announce Santo Maccherone, Larry Leung, Robert Frey and James Quarella, please.

DR. STEPHEN DEY: Good morning, Under Secretary Dorr. Thank you for the opportunity to speak. My name is Dr. Stephen Dey, a veterinarian, but I'm also a horse breeder, farm owner and on the executive board of Monmouth County Ag.

What I want to talk about is keeping New

Jersey green. As a result of the EPA's decision for the Clean Water Act in 1995, which is now beginning to show the areas that are going to be stressed, New Jersey has developed rules, which are in the proposal stage or close to the proposal stage affecting all of the livestock in the State of New Jersey. In order to keep our waterways clean, water needs to be cleaned up in our waterways.

There are many, many best management practices that are going to have to be instituted by our livestock owners. I am a horse breeder. We have 7500 horse farms in the State of New Jersey. They are all going to come under the soon to be developed livestock waste management rule, and this is going to require not only the funding and the conservation areas, which has been coming to the State of New Jersey but even more money in order to do these projects.

Farmers are not wealthy these days. A lot of them are just getting by. And the extra expense that is going to be needed in order to do these projects, they need help, they need help from the federal government, they need help from the USDA.

Thank you for the opportunity to speak to you about it tonight.

UNDER SECRETARY DORR: Did you say 7,500 horse farms?

DR. STEPHEN DEY: Yes, sir.

MR. SANTO MACCHERONE: I'm Santo Maccherone from the Circle M Farms. I'm here to speak about the value added grant and the importance of it.

I'm a success story, this would be my second grant. My idea was to take the peaches that I would normally throw away and make them productive, and what I did is I turned out a new peach cycle and it's been very successful.

There was a lot of benefits from that. Not only the profit for my farm, but there was other aspects where it helped my whole farm out greatly and enhanced the sale of my peaches to begin with. Opened up more markets, more clients for me, and my particular farm now is the strongest condition it's ever been in the terms of sales. So there have been a lot of

reciprocal things that were a benefit for me.

The grant, the grant, what it did, it allowed me to start off the right way. I went out and I hired the same people that worked for the State of New Jersey for the, that did some work for the State of New Jersey on the Jersey Fresh program. They designed my labels, they helped market my product, which was invaluable to the success of it. Without the grant, I never would have spent money like that. Or I never would have started. And it did a lot more, and that was what escalated everything.

I think that the value added -- the American public I think is yearning for these new products. They're yearning for it. I think there's a wide open market out there, all types of ideas, and I think farmers are entrepreneurs. I think they have all these ideas. They just need the help to get the ideas out, and this grant does it.

In the farm bill, there's a lot of you come out of Washington and probably the majority of it is there to keep farmers alive from one year to the next. The value of that is to invest in the future. It's investment in the resource and that's what is important.

I'm a third generation farmer, the son of an immigrant, and the fourth generation is in college, and I think that's the resource that this grant is really going to capture, because he's a talented kid. When he comes out of college he can do anything and be successful working without the farm. And you have to seize the opportunity, and I think that's resource that is the most important. That is what's going to keep the agriculture industry viable in the future.

That's it. That's the end of the speech.  
That's it.

MODERATOR: Thanks so much.

MR. LEONARD POLLARA: My name is Leonard Pollara. I reside in Montague Township in Sussex County. I'm a certified organic grower, and I suppose I'm interested in what happens in the farm bill, which is why I'm here. I think you asked us to state what our connection is and why we're here.

Looking at your questions at a certain level, there's no definitive answer. These questions are questions where the answers will evolve as agriculture

evolves and as our population and nation evolves, so it's not a static answer, and to see a static question I believe to be an error. So I'm going to speak more generally and only in one case be specific, so I'll get the specific out of the way.

The Organic Food Production Act specifically, and our state board called the national organic standards board to have an advisory capacity to be the only body that is authorized to determine the suitability of materials and the practices in organic production. It's absolutely critical that that board is funded at a level that they can function and that their role is fully recognized and not in any way subverted, and it is critical that the Department of Agriculture develop a worker culture supporting that. I don't believe that exists at this point in time because the function of that board is actually being -- the question that I find rather intriguing about how do we make, what do we do to encourage the next generation of farmers.

One of our tools that has been existing for over a hundred years is the agricultural experiment stations and development through research supportive information technologies and practices that help create a foundation for the underpinning of the future in agriculture as agriculture evolves. If that isn't fully supported, they are literally pulling apart the underpinning of our future. And the single thing that we can do that will make farming attractive for the next generation, I believe, is to demonstrate that there is a capacity for farming to be something that provides you a living, more than simply a lifestyle. If we are successful at farming, that in and of itself will create an inducement for others to follow, and so we need to support policies that contribute to the success of growers.

Labor is a very market issue, and labor, I think, resolving that critical issue of guest labor is one of the things that can give the United States a more tangible asset in terms of international competition, and I'll stop there since my time is up. Thank you.

MODERATOR: Robert Frey, please.

MR. ROBERT FREY: My name Robert Frey, and I'm a farmer in the Delaware watershed. My family has had a farm for generations. I'm a retired dairy farmer. I'd like to address the Clean Water Act. I

agree with what has been said about the need for the Clean Water Act and the need for additional privatization. Thank you.

MODERATOR: Thank you. Jim Quarella.

MR. JIM QUARELLA: Good morning. My name is Jim Quarella. I'm a fourth generation farmer of Bellview Farms. It's a 150-acre vegetable farm, or it was a vegetable farm in Atlantic County in Sykesville, New Jersey. In 2000 we started planting grapes and we opened a winery, and '02 was the last year we planted vegetables, so from '03 on all income was captured off the grapes and the winery.

We made that transition because the vegetable industry we felt was not being grown like we wanted to see it grow. But probably even more important to that was none of my family, my three sons and my wife had much interest in vegetables. Now with the winery my wife, my oldest son has come with us now the farm will stay viable.

Coming from production, staying in production was fairly easy. We could grow the crops, we could grow the grapes, we could manufacture the wine, we could produce a bottle of wine, but the key is to market it. This is why we applied for the value added grant. We received it, we hired professional help, we designed a label, professionalized our logo and brochures. This is what's going to keep us viable. All the lines, all the production, quality, is very important, you need that, but if the farm is to stay sustainable and productive and continue into generations we need to sell at a profit. And this grant is very, very available to us but it's only a start. We need to continue with this so we can have a share of the market so our New Jersey produce or products can be turned into value added products and receive more capital to make it more profitable for the farm.

So I'm going to keep it very to that point, the value added grants are very important to us small producers. We are overextended financially in trying to make the operation work, get all the EQUIPMENT we need, to have the labor force we need that this extra brings us to the

next level. Thank you for the opportunity to speak.

MODERATOR: As Chan Leung, Jocelyn Leung and Denny Doyle and Philip Neary come to the next floor, I'll just remind everybody to silence their technology.

MR. CHAN LEUNG: Good morning. My name is Chan Leung. I'm from Ringoes, New Jersey and I'm currently a vice-president of the state growers association. I'll address the second question about investment in human capital that will benefit the competitiveness of our agriculture and our country as a whole.

The Cooperative Extension Service of the U.S. Department of Agriculture and the cooperative extension system in our nation's 100 land grant universities, they support research and programs to improve agriculture, technology, nutrition, health, ecology, youth development and many other areas, but today I want to concentrate on one aspect, the cooperative extension systems collaboration in support of 4-H in promoting youth development.

4-H began over a century ago as a dynamic, progressive educational program to better offer agriculture people among people to learn about [inaudible] principle and to fortify the cooperative system at the USDA established by Congress in 1914. They are a nationwide network designed to meet the need of research, knowledge and education of the nation's agricultural, environmental and youth communities. With support from the cooperative extension systems and USDA and the land grant universities, today's 4-H group development programs span over 7 million young people aged from five to 19 in all 50 states, Guam, Puerto Rico and all U.S. armed forces installations throughout world.

35 percent of the youth reached by 4-H are from rural areas and 55 percent are from major metropolitan areas, suburbs and inner cities. As of 100 years ago 4-H remains a community of young people across America united to learn leadership, citizenship and other useful life skills. By promoting the growth of young people into productive, responsible citizens, and here is 4-H's profound impact that extends far beyond the farm sector. It can affect not just the future and the global competitiveness of agriculture but also our nation as a whole.

Now, how 4-H through our school programs benefits our youth are better told by those who have personal experience with the programs. I'm here to call attention to the important and often overlooked abstract, their benefits and cost effectiveness of 4-H youth development. Most state-organized 4-H clubs outside of school time with parents serving as volunteer leaders have come to expect the aid provided by professional support.

There are many devoted parents working tirelessly. They are devoting countless hours to make 4-H programs possible. Indeed, it's been estimated that every year over 640,000 annual volunteers for 4-H across the country with an annual contribution in terms of mileage, out-of-pocket expenses exceeds two billion dollars, and for every dollar provided the farming sectors the 4-H generally receives [inaudible] for participation.

So I'm saying that it is first cost effective and have many profound effects upon society, and I would urge the secretary to take this into consideration and continue to support the cooperative systems and let 4-H to continue with this mission. Thank you.

MODERATOR: Thank you so much.  
Jocelyn.

MS. JOCELYN LEUNG: My name is Jocelyn, and I'm currently vice-president of the New Jersey state advisory council. I'm also a freshman currently attending Cokesbury College in Maryland on a scholarship.

I would like to take a moment of your time to share with you my personal story of how 4-H helped me succeed both in life, in school and beyond. I'm only child so normally I'm very shy and introverted. I had a lot of trouble relating to my peers and I had even more trouble speaking in public like I'm doing right now, so excuse me if I start stumbling.

I thank my turn-around to my joining the Somerset 4-H County Association, initially the Chinese Culture Club, to keep more in touch with my ethnic background. I soon discovered that 4-H offers much more. Besides having a large section of clubs, everything having from raising animals to science and rocketry, it also provides the younger generation with

a valuable skill and character conditioning otherwise [inaudible]. This got me interested, and soon I became involved in many other interests. I learned the 4-H principle of learning by doing. I joined the Somerset 4-H Club, Somerset Association Club Outreach, a club of teens participating in the United Way, in the administration and other public office issues, do volunteer work at school and was elected as president in 2005. In Somerset County I was also selected as 2004's outstanding 4-Her, and in 2005 I was a scholarship recipient. In March of this year I received a presidential volunteer service award at the White House.

Through 4-H's [inaudible] youth throughout the country. Just inside the state of New Jersey are two of the largest farms are run and ruled by 4-H alumni, one is currently the present of the 4-H Association, and the other one is a former vice-president.

I therefore urge you at the USDA to take this carefully into account when preparing the next farm bill. I sincerely hope you will continue to give 4-H through the cooperative extension the necessary support so that many youth can also share the same opportunities that I was given.

I'd also to take this opportunity to submit some farm petitions I collected this summer among parents and four fellow 4-Hers in Somerset County.

MODERATOR: Thank you, Jocelyn.  
Denny Doyle.

MR. DENNY DOYLE: Good morning, I'm Denny Doyle, general manager of the Atlantic Blueberry Company, also past president of the blueberry action council and current vice chairman of the New Jersey blueberry council.

And two points I'd choose to bring up. One, I'm also very shy. (Laughter.) Most of the people in the room know that I'm far from shy. But I would like to bring up two points near and dear to my heart.

Just as you folks were doing outreaching into the grower community, I think we need to do that here in this state. It's generally very difficult for our growers and farmers in this state or most any other state to come to forums like this to speak, because generally age our farmers don't like the larger crowds. I mean it's very important for this farm bill to

preserve the land. But an important point is that in this state you have two issues that negatively affect farmers by the preservation of land. One is the Highlands Act, and two is the Highlands Act that's just been enacted.

Now, from a perspective of just reading the bills we have seen, it certainly seems that it's the right thing to do. But there has to be wordage, strong wordage to be in these type of preservation bills that will protect the farmer. We're under a situation here where our -- I am fourth-generation blueberry, there could possibly be, there could possibly be a fifth but in my particular case in my farm it's in the Pinelands. It won't happen. The expansion on our farm is limited. We can't do it because of the preservation of the ground. I cannot expand my farm. There needs to be an understanding about the preservation of land connected to the same people that have been preserving the land for generations. That has not been done. You can't restrict the land owners, the farmers of this state or any other state in the ability to expand. It's very, very important.

The other point very quickly, I see the little -- I told you I'm shy -- the other important part, we need to make sure that the universities, in this case Rutgers, excellent facility, the Department of Agriculture, we're very, very fortunate in the state to have people, the leadership of the college, the USDA and the Department of Agriculture, but we need a connection with those folks to our farmers. They need to outreach, as you folks rightly touched on, the outreach to the farmers in all the United States.

MODERATOR: Thank you so much.  
Philip Neary, Alex Tonetta and Gordon Dahl and Charles Kuperus.

MR. PHILIP NEARY: Yes, good morning. My name is Philip Neary. I work for Sunny Valley International, which is the marketing agent which is a group cooperative, fairly large cooperative here in New Jersey made up of blueberry and peach growers, chapters.

Jersey Fruit working along with our company received the value added grant. We were requested to come and speak on it. I'm thrilled to do so because of the success of the project, but also it involves, rural development, fire and all the people involved really went out of their way to help us and so I should at

least try to do well to come on behalf of them.

Jersey Fruit, you might think it's a large entity in this state, you know, the small farmers, but really I think some of the things we experienced might help to cement the success of the program. Jersey Fruit and our company, although large in the context fruit growers in the state, still lacks the resources, the staff and the time to do feasibility studies and research and development-type activities. We have good industry expertise, but it tended to be too provincial and too narrow, and these types of projects open your mind to what's out there in this global world marketplace.

What did the value added grant allow us to do? I think one of the best things that happened is we had full access to the fire and experiment station, their resources, their personnel, a tremendous benefit. The affordability to hire a consultant to have that broad experience that we lacked. It also gave a very in-depth and detailed analysis of our situation and the broader market out there, and I think one of the most important things is it gave us an objective perspective; again, in addition to being somewhat provincial, we tend to be very biased in our views.

What were some of the key aspects of the study? Key market trends, again you think you know it all but we got an expert in, a consultant in fire support who really knows what's out there and what the trends are.

Analyzing the competition. Again, you think you know it, but when you get a really professional in-depth study done, you really, it opens your eyes to what the competition is, what is their costs, what are their product development trends.

The strengths and weaknesses of our company, of Jersey Fruit and the New Jersey industry as a whole. Again, you think you know it, but when you have expertise coming it really opens your mind as to what your strengths are as well as your weaknesses and your profit analysis. Again, an in-depth study of that.

What is the implementation. We differentiated with the fresh peach products, we've improved the product quality based on the study. We've increased our partnerships in strategic alliances, all for very documentable returns, increased returns per account on the peaches as well as a much stronger position in the

market, all ramifications of the study. So we know that this type of work can continue for all the conditions that have been stated. Thank you.

MODERATOR: Alex Tonetta, please.

MR. ALEX TONETTA: Good morning, Mr. Under Secretary, I appreciate this opportunity. My name is Alex Tonetta. I'm a third generation grower in south Jersey and there are a couple of points that I'd like to talk about this morning.

First of all, last night at the farm growing banquet there was an inspirational speaker who talked about complaining, and in my home, if you looked up the word "complaining" in the dictionary there is a picture of a farmer there. So I really didn't understand too much about how complaining was wrong, so obviously he made some really good points; and I listened to my dad throughout years talking about marketing issues and weather issues, and that seems to be the way things were in my home.

When I started to become of age to take over the business, I found myself being a single parent and didn't have a wife at home to complain to so in my house a lot of times complaints turned into an argument and I was the only one in the room. At that point I realized something need to be done and I needed to take a look at what I was complaining about and what were the reasons for it.

Major thing that kept coming up in my business was opportunity for marketing. Small vegetable growers in south Jersey have very minimal opportunity to market their product. We expanded the consulting efforts to try to find out what was going on in the northeast. If there were a lot of growers facing the same issues, and we found that there were. Corporate farms, trade policies, consolidation in the industry have made it increasingly difficult, practically impossible for fresh market fruit and vegetable growers to compete.

We've made an attempt to look forward to USDA for some grant opportunities to put together some marking cooperative initials and couldn't find anything that fit. We were real close on several occasions to find something like that, but we just couldn't find anything.

My question to you if it's something that it's to your interest in preserving small farms not only in

New Jersey but actually in the region, east coast, northeast, what we need to do is try to find some way to collaborate as small growers. A regional distribution center is something that keeps coming up with all the consulting work, the research and studies that were done. That seems to be the way that we might be able to find a solution to compete.

The other issue that I want to talk about briefly is the profit issue. Very, very key to our existence. The one constant in our business is whether we make a profit. That's something that can be addressed in the farm bill. It's imperative, the cooperation between labor and university growers and governing agencies I think is key and something we need to bridge.

I think growers and labor and university and governing support have to provide some kind of profit assurance that works for small, medium-sized fruit and vegetable growers.

Thank you very much.

MODERATOR: Thank you. Gordon Dahl, please step forward.

MR. GORDON DAHL: Good morning, my name is Gordon Dahl. I represent the South Jersey Economic Development district.

Firstly I'd like to welcome back Under Secretary Dorr to New Jersey. He's familiar with New Jersey and also south Jersey, and we appreciate you coming down and doing the grass roots approach in getting input in this important legislation.

The second thing I would like to do and I'd be remiss if I didn't mention Andy Law and his professional staff who have been providing all the programmatic resources at USDA and all the development we have for our state.

I'll give you a little bit of background from our agency. We were formulated in 1979. We cover Atlantic, Cape May, Cumberland and Salem Counties. We were formulated under the federal Department of Commerce and Economic Development Administration and our mission in charge in southern New Jersey is to promote and coordinate orderly economic development.

And as you know, in southern New Jersey we're

one of the most rural parts of the state. 70 percent of our population is, a half a million, 565,000 population live outside of the community, 25,000 people or more; and 51 of our 68 municipalities, the populations under 10,000.

We work well with farmers and district board of directors feels that they are an integral part of the economy, and they formulated a policy years ago that said that's where the farmland preservation is making farming economically viable and is making investments in the co-op, the Vineland Co-op, the Landesville co-op, and most recently the board has addressed that. [Inaudible].

We appreciate the resources and both the magnitude and diversity of resources that USDA brings to the table in our region. In the talks that I've given over the years one of the things, we have two analogies, the first is you don't build a house on a sagging foundation or a low foundation. It doesn't make sense to make that investment. You make a strong foundation, an infrastructure and support for the economy and development. The second thing is don't ask to build a house with only one tool in your tool box.

The university programs helps communities with diversity of needs and diversity of services that they have to deliver to be successful. So we support that at USDA, we support the programs, the rural business enterprise grant, the facilities, the rural waste program, all those programs become an integral part of the makeup of the rural communities, and we hope that that would continue in the years to come. Thank you.

MODERATOR: Thank you. Charles Kuperus, please.

MR. CHARLES KUPERUS: Thank you. First of all, I want to make sure I did knowledge the comments that Cook College did a wonderful job making the stage, and we really, I want to say thank you personally for it.

[Applause.]

MR. CHARLES KUPERUS: You can see southern New Jersey's finest fresh fruits and vegetables here as well, Under Secretary Dorr.

I want to start with a couple of things. First

nutrition. You know, most certainly nutrition is an important part of the farm bill, and when I testified recently I think we need to take a new look at how some of those commodity food buys happen, and I suggested that we take a different approach. Rather than buying food, you know, nationally or internationally and distributing food at the diversity feeding programs, start local, then regional and then national or international if necessary so it influences the local marketplace by taking some of those products out of the marketplace and adding value to that local marketplace. The savings can be just, just protect the nation's savings alone can help make that self-sufficient.

The Department of Defense does it with our Farmers in Schools program, and we see a lot of it happening elsewhere across State of New Jersey and most certainly we want to see our fresh nutritious products being distributed through the federal program.

But I want to talk a little bit about the changing nature of agriculture. Often, you know, you think agriculture is static, and it's perceived as static by the public in some ways, but in New Jersey we have a very rapidly changing agriculture. We know there's been some years when poultry was the number 1 sector of New Jersey agriculture. Dairy was the number 1 sector for a period of time, and now what we have is this wonderful array of diverse farmers across the state, from farming in our bays to growing soft shellfish to milking sheep and making cheese from that sheep. We have it all in our state.

The farm bill needs to recognize that changing landscape, and it's changing much more rapidly than it has in the past. We're close to this wonderful marketplace, and I don't have to repeat some of the testimony you heard earlier about farmers adapting to that changing marketplace. But in many ways what we need to do is understand, just like other businesses have to deal with the changing -- the technology industry, for example, they have to deal with changing marketplace, so do we. And so we welcome the dialogue that's going to happen.

I really appreciate the audience that's here today, because you can see that the Garden State is really engaged in the issues that are part of the farm bill. Thanks again for coming to us, Secretary.

MODERATOR: Michael Rassweiler, Carl Schulze, Christina Harrigan, Thomas Gerber will be the next four.

MR. MICHAEL RASSWEILER: Michael Rassweiler, West Amwell, Hunterdon County, production and direct marketing of Certified Organic Produce farmers and stewards of training opportunities.

To ensure the future of farmers, we must foster a vigilant stewardship that includes farmers in our efforts to maintain and achieve healthy communities. In every community there must be housing and work opportunities for the individuals who are drawn to the trade of agriculture. Independence and sustainability come not from global markets but from regional production of regionally valuable products and services. Allow a free market to set the competitors. Government should stay focused on protecting the rights of individuals to find their own paths.

The Natural Resource Conservation Service must bridge the cultural gap between agricultural and trades people and increasing the clout environmental and legislative lobbies. The government can best serve farmers by providing high quality consulting, engineering and planning services at low or no cost. Such existing operations can keep up to date on the constantly evolving best management practices.

Conservation and environmental goals are community assets that agricultural operations should be compensated for, either directly or through related incentives such as protection from land grabbing legislation. As communities declare themselves anti-development, there must be a foot left in the door to provide housing, industry infrastructure and build up transportation fundings for the workers required for agriculture.

Large lot zoning without provisions for cluster development will be the death knoll for what is left in agriculture in New Jersey. We must develop and promote systems where the waste of human activity is captured and re-utilized by agricultural interests. Properly managed agricultural operations can recycle energy that we currently discard as waste.

Agricultural operations should be empowered to reuse waste water from primary users. Agricultural operations should also be empowered to be a source of future energy needs to the integration of community solar arrays, harvesting of biogases and the regenerative production of energy rich crops. Thank you.

MODERATOR: Thank you. Carl?

MR. CARL SCHULZE: Good morning, Mr. Under Secretary, welcome to New Jersey. My name is Carl Schulze. I'm the director of New Jersey's Division of [inaudible]. I'd like to direct questions two, three and four.

New Jersey is a unique Gateway and transportation corridor as well as moving trade through the United States. With two seaports and a major airport, the risk of harm and pests threats is a constant threat to the agricultural mainstream products and services.

Globalization is linked to the increased importation of foreign pests and diseases. When new pests and diseases enter our production system, our competitiveness and our ability to compete in global markets are affected by crop damage or loss and the end costs are controlled although the loss of export markets due to crops damage is (inaudible).

New Jersey is largely seen as a crop state. These crops include nurseries, green house, vegetables, fruits and beverages. Low energy and labor costs in developing countries have led to tremendous increases in propagative stock imported from abroad, which can harbor foreign pests and diseases.

Peaches, as you heard earlier, are a major crop in New Jersey. Nearly 25 percent of peach production is exported to Pennsylvania has been eliminated in an effort to eradicate [inaudible] virus. We carried out extensive surveys in all orchards in New Jersey to make sure we were free here. However, here in Middlesex County where we are today and the neighboring Union County 10,000 shade trees have been cut down and destroyed in an ongoing cooperative effort with USDA to eradicate [inaudible].

These control efforts and others such as done last year [inaudible] are from a USDA emergency land use grant budget item. The lack of adequate funding hampers the ability the USDA gave us to safeguard American family sources and protecting the nation's competitiveness [inaudible].

USDA should be funded at \$100 million and the emergent pest funding be funded at least \$175 million. The cost of pest control represents about 34 percent of

the farmers' variable production costs, especially the crop producers in New Jersey and in the northeast have benefited greatly from the NRCS's EQIP cost share funds, supporting integrated pest management and integrated profit.

Growers participating in the Rutgers Cooperative Extension fruit program have reduced pesticide use by 40 percent over the past few years that provided new marketing opportunity to maintain export markets while all along benefiting.

We must work to increase the state experiment stations for crop damage research and extension and EQIP cost share should be available to all growers who wish to participate in the ICM programs and not limited solely to the new participants in three to five years. Thank you.

MODERATOR: Thank you, Mr. Schultz. Christina Harrigan, please.

MS. CHRISTINA HARRIGAN: Good morning. I'm Christina Harrigan. I'm a consulting forester in New Jersey. I would like to address question four, how can farm policy best achieve conservation and environmental goals.

One of the best ways that that can be done is to fund a forestry title in a farm bill. Approximately 42 percent of the nation's forests are owned by farm families, and that accounts for about 10 million owners. Approximately two-thirds of the country's water is supplied through these forests, and encouraging these private forest land owners to effectively manage those properties for improve vitality of the forests, clean air or wildlife habitat and watershed benefits as well as many other benefits is extremely important.

Here in New Jersey approximately 45 percent of the state is forested, and 65 percent of that is owned by forest land owners. Forest land owners have benefited from the previous farm bill, forest land enhancement program and the forest stewardship program that has helped people to fund management plans, reforestation projects, wildlife habitat enhancement, control of exotic and endangered species, so all of that is very important to the forest family owners of New Jersey, and so I would encourage you to continue to fund the forestry title in the farm bill. Thank you.

MODERATOR: Just FYI, we will be breaking at 11:00, so we may cut a foursome off in half. Thomas Gerber, please.

MR. THOMAS GERBER: Good morning, Under Secretary Dorr. Tom Gerber. I'm a fourth generation cranberry farmer, Burlington County, the state's largest county, also the president of the Burlington County Board of Agriculture. In the county we pretty much have all the diverse forms of agriculture, from fishing and shellfish in the southeastern corner to dairy and fruits and vegetables throughout the county.

My wife and I operate a 60-acre cranberry farm near the village of Medford, and we maintain and support about a thousand acres of forested land and watershed areas. Two-thirds of my county is in the Pineland National Reserve, a globally-recognized environmentally sensitive area.

The farm bill in its entirety as the law in Burlington County, I'd like to speak primarily on question four, the support, the continued and expanded funding for the cost share program.

A lot of the stuff comes down to money. Money and the prices that they fall, particularly in the cranberry industry, in order to carry out these practices the 75 and hundred percent cost shares have really been helpful in doing a lot of the water retention projects, irrigation, just maintaining the land and water areas. The office is in Hainesport, the FSA and the NRCS programs and the people that work there have been outstanding in helping us to move forward on a lot of these very costly projects.

I would encourage the powers to be to keep the funding expanded. The work is being done and the farmers of Burlington County support it. Thank you very much.

MODERATOR: Tom Gilbert.

MR. TOM GILBERT: Good morning. My name is Tom Gilbert. I'm director of Conversation with the Wilderness Society and I'm right here in Bucks County, Pennsylvania, and I'd like address question number 4, achieving the conservation and environmental goals.

I'm also on the board of the Highlands Coalition and I'd like to talk a little bit about the need for increased funding for conservation

enhancement programs in the context of the Highlands.

The Highlands region has been recognized as nationally sensitive by the national forest service and Congress has enacted the Highlands Conservation Act, late last year when it was signed by President Bush in November. The forest service documented the loss of over 5,000 acres of forest and farmland each year in the New York and New Jersey Highlands alone. Funding for the USDA conservation enforcement programs we feel should be doubled to help conserve threatened forests and farmlands and to assist private land owners in the Highlands and beyond.

The forest [inaudible] program has been important to help conserve water levels in the Highlands, but funding levels are not keeping pace with demand, which is at least \$300 million annually as identified by the participating agency.

The proposed suburban and community forestry program would provide another valuable tool to help state and local governments and private land trusts conserve suburban and community forests recognized for all, which would be especially helpful in the State of New Jersey and in the Highlands region in general.

The Highlands region is a microcosm and perhaps a front line in the struggle over the future of our forests [inaudible]. The recent forest service report, Forests on the Edge projected over 40 million acres of private forests, primarily in the east were mostly forests that were privately owned, are likely to see a significant increased development in the next three decades, with significant impacts to waterfall and other ecological, economic and social services that these forests provide.

The next part of the law to respond to this crisis by including a comprehensive forestry title with more tools and funding to conserve private forests and by better targeting existing forestry conservation programs to protect critical and threatened watershed and landscapes such as those in the Highlands. Thank you.

MODERATOR: Kristen Sykes, George Adams.

MS. KRISTEN SYKES: Good morning. Thank you for the opportunity to speak with you today.

My name is Kristen Sykes. I'm a Highlands advocate with the Appalachian mountain club, the country's oldest conservation and recreational organization. I'm also on the board of the Highlands Coalition. [Inaudible.] I'll be addressing question number 4 and also get into one of the comments my predecessor just made.

Today I'd like to speak to you about the importance of the farm bill in protecting the Highlands. I'm essentially asking for the Highlands region, the forest fires, a land of 3.5 million acres and protecting trees that populate the areas from Northwest Connecticut through New York, New Jersey and central Pennsylvania. As Tom Gilbert mentioned, the Highlands region has been recognized as a national region by the USDA Forest Service and Congress through two studies they did of the New York-New Jersey Highlands when they enacted the Highlands Conservation Act signed last November by President Bush.

Currently the USDA Forest Service is studying the Connecticut Highlands, and that process is going very well. I'd also like to mention interestingly enough that it was through the 1990 farm bill that the first New York-New Jersey Highlands study came. The Appalachian Mountain Club believes that the USDA should give the farm bill the authorization to help preserve threatened forest and farming through Highlands and to assist private land owners through stewardship programs. There was at least 100,000 acres of farm land lost to development in the New York-New Jersey Highlands and 7,000 acres of farm land in Connecticut lost. This cannot come soon enough.

Programs such as the CRP programs and other conservation programs should continue [inaudible]. However, equally important are our forests. Forestry-provided community services like clean air, clean water, vital habitat can serve as goals today for our Highlands resources.

The farm bill can put a major role to protect for the forests of the Highlands. The next farm bill should put a major emphasis on forests as well as farm land including the separate forestry title in order to achieve adequate potential.

The forest legacy program is a critical tool that helps save and conserve plant forests. [Inaudible.] The forest legacy program needs to be authorized for at least \$300 million just to simply

cover the existing needs, and as Tom mentioned before our private forestry needs are vanishing quickly.

I would also like to mention that the forest program show more flexibility regarding [inaudible]. There should be more funding and flexibility to assist communities in reaching their conservation and stewardship goals regarding forests.

I'll close my remarks because I'm running out of time here. In closing, the AMC believes the USDA should make the priority to protect the Highland forests of the Highlands by funding the interests in farmlands as well as it should prioritize the conservation and stewardship of forests, soils and wildlife habitat. Thank you.

(Recess was taken.)

MODERATOR: Thank you, George, please.

MR. GEORGE ADAMS: Good morning. My name is George Adams, I'm a first generation cranberry farmer from Shamong Township. Along with my son we operate Green Gables Cranberry Farm where he would be second generation.

Just real quickly I'm going to address the question one. That's the unforeseen things that happen that kind of put new farming, the young farmers off from farming. Andy Jamison talks about how God sent the flood and after the flood he looked at the earth and said I won't curse the earth anymore. Well, sometimes I wonder about that, because as a farmer, boy you just feel like your earth is cursed. You run into droughts and flooding, long periods of rain. This year we come from a drought to long periods of rain, and for cranberries sometimes that's devastating, I know for other farmers.

I served on the Burlington County FSA Committee and I also served on the cranberry marketing committee as well as on the number of township committee where I live that we're addressing these things all the time with different disasters that we face, so as any young farmer that's entering farming if you're on the farm for a couple of years you know you're probably going to be experiencing things such as droughts and flood and whatnot. The year before this we experienced a tremendous amount of rainfall in a short period of time, 12 to 14 inches of rain in our locale in just three or four hours that caused a lot of severe damage

to cranberry operations.

Fortunately, the government had the ECP program, which helped cranberry farmers put their property back in operating condition and had dams washed out, flood gates washed out, bogs that were covered in sand, vines that were destroyed, you know. Five, six, seven years before you can get back into production. Actually that's by a new plan and that program also helped with that. So my son Daniel in business with me was at times very, very disappointed and not knowing what we're going to do, how we're going to survive, these programs really help. And I understand that the ECP program was the first time I guess in over 30 years that that program was thought to benefit New Jersey. They're in our locale and up in north Jersey.

So I just want to stress again that you continue with these programs, you just don't know how vital it is to the farmers and especially young farmers to know that they have this protection. Thank you so much.

MODERATOR: Okay. Milton Eachus.

MR. MILTON EACHUS: Yes, I'm Milton Eachus. I'm a dairy farmer in Salem County, New Jersey, and I farm with my wife and I have two children who went to college to learn how to farm. And have another son.

I want to talk about question number 3 and 4. I want to talk about the dairy MILC, and we qualified for three months on a couple years ago and my question is what's their definition of a family farm. We work together as a family. We all got resources together and it put a strenuous strain on our operating budget over the time, the three months we got the extra money from the government, and your definition is that 150 cows, 125,000 gallons [inaudible] on a family farm. We got pretty good management, we were making lot more milk, and we just had to go to the bank and borrowed a lot of money to stay in business to try and keep up with and justify it. We want to have a program, you need to (unintelligible). Also analyzed crop insurance and analyze dairy farmers. We're not available for that because you have a dairy farm.

And one of the other problems as we see it is we have, if you have a large farm. We don't consider us as a large farm. We just consider us say farm operating in New Jersey, but if you have a large farm that's over a thousand cows and are grossing over

\$2.5 million, then that doesn't go for EQIP programs.

I just recently learned about a large farm in New York, they had to put in a lagoon and it broke and they had a tremendous problem with the waste water running down, you know, so I think we need to work together to help so that the large farmer could get just as much help as some of the smaller farmers maybe with the EQIP program.

And the other problem we have is that there's a lot of exports coming into the country that are cutting into our low price, we need to work on that a little bit too.

And we also would like to see the USDA continue in the [inaudible] program as a health matter for our farm for dairy and cattle, and I'll give you a little sample. I went to Salem one day, bought a nice animal. Brought her home, it was a national sale, paid almost \$5,000 and as soon as we got her home she had [inaudible], that wasn't a very nice place to be in. And I think we need more in control with our program and monitoring the cows. They come and go, bill of sale and stuff and also --

MODERATOR: Thank you.

MR. PHILLIP PRICKET: Phillip Pricket, Burlington County, Burlington Township, state board of agriculture. I'd like to speak to the positive program that we have involved in the soybean checkoff program. I was involved nine years. I think farmers have a big stake in this. Agriculture in general, and by having a checkoff program, you're taking some of the farmers' money, which is true, some of them say it's just a tax, a new tax, but we do have a say. And we have a tendency to pay more attention when you're taking money out of our pocket how it's spent. And I think by bringing in monies from the checkoff, we match to the USDA, we work on world trade, we work on the local areas, we help the extension service by funding some of their projects and so forth, it just makes the whole system work a lot better if the farmers' eye and hand is in it.

When it's your money, you pay attention. If somebody else's money involved, the taxpayers' money, whatever, they're helping us, it's all well and good. But it's lot better spent when the farmer's hand and eye is there.

The other thing I want to speak on is crop insurance program. I think it's an excellent thing. I think it can be a lot simpler. I think it should be maybe done by a per, value per acre so all people can be insured, not limited to certain products and this and that. If you insure per value per acre, the farmer can choose, you know, if he wants to insure for a hundred an acre, if he wants to insure for \$200 an acre, you got a high value crop, you would go to a thousand dollars an acre. You can step up and you pay your way. Naturally the USDA funding of the crop insurance helps keep the premiums low, which we need.

You know, the extremes of farming can devastate you. And as far as helping the young farmer, I think with the crop insurance program I'm involved with other programs where you try and touch business into your area and so on. But by letting the young farmers have [inaudible] crop insurance, it would greatly help the young farmer get a start. Thank you.

MODERATOR: As Karen Ensle is coming, I'd like to have Tom Byrne, Nancy Bilyk, Karen Anderson and Douglas Ricker, please line up at the other mikes. Thank you.

MS. KAREN ENSLE: Good morning. I'm Dr. Karen Ensle of Family and Community Health Science, an educator for Rutgers Cooperative Research and Extension of Union County, New Jersey. I want to thank Under Secretary Tom Dorr for the opportunity to offer comments on the farm bill today and also the F and S Food and Nutrition Services of Robbinsville for approaching me to participate in this important nutrition session and farm bill session today.

I represent Cooperative Extension Family and Community Health Sciences Educators in New Jersey who are dedicated to promoting healthy, sustainable food choices with a vision of helping people living in healthy communities, which is part of our New Jersey Living Well Cooperative Extension Initiative here in New Jersey as well as across the country.

I encourage changes in the 2007 farm bill that will support the living well goals of health and sustainability. My colleagues and I educate consumers and conduct applied research with the goal of changing and improving nutrition, food and health behaviors. Our goal is to improve the health of New Jersey residents so they can enjoy life, stay active and reduce health care costs.

Our programs help today's busy individuals and families make choices to enhance their health through a variety of publications, seminars and on-line learning. Perfect examples include seminars on portion sizes, food safety, child obesity conferences and from our farms learning boxes. Two of our major nutrition programs here in New Jersey are the Food Stamp Nutrition Education Program and also the expanded Food Nutrition Education Program.

We thank the USDA for the money, over \$3.6 million supporting nutrition education through the food stamp legislation. This gives us \$3.6 million, and it gives me over \$700,000 -- \$700,000 in Union County to hire seven staff to promote nutrition education with some of our poorest residents in New Jersey.

The expanded food and nutrition education expanded in this country. This program also addresses the nutrition needs of our poorest populations in the United States.

Looking at the 2005 dietary guidelines, it's very important that food stamp recipients are choosing healthy foods. So I would recommend some standards that require a percentage of the food stamp dollar being allocated to foods that recommend that meet the 2005 dietary guidelines including a focus on fruits, vegetables, whole grain and multi-dairy products.

And to close, I thank you very much for the funding for nutrition education in New Jersey and across the country, and we are hopeful that the funding will continue in the future. Thank you.

MODERATOR: Tom Byrne.

MR. TOM BYRNE: Tom Byrne, Vice-president of New Jersey Farm Bureau, and welcome to my home county here of Middlesex County. 20,000 acres is still here in agriculture, even though it is quite urbanized as you see.

In light of today's economic conditions, the rapidly rising input costs and flat commodity prices, that any reduction to the farm program would be devastating to agriculture, which in turn would have a negative impact on the U.S. economy.

Our traditional plan was to provide a safety net for producers, and we should revisit the level of support based on increased costs and production. A switch from a traditional to new program must be phased in maybe by increasing the funds for conservation by reason where traditional plans were less utilized.

All of this cannot be done without increased funding, both for staffing to implement new and expanded programs and for the actual costs of the program. Even though we have a dedicated and hard-working staff providing these programs in New Jersey, they are limited as to what they can provide.

We can't forget the diversity of agriculture and the need to address each of these areas equally while providing funding. Here in New Jersey conservation programs are underutilized due to the lack of funding, not due to the lack of farmer interest. One such very important program is integrated pest management.

Above all, the farm bill must promote a viable and profitable agriculture. By achieving this goal, we will have young people searching out a future in agriculture. This is our most valuable resource, our young ag producers, because without them all other concerns are mute. Thank you.

MODERATOR: Nancy Bilyk, please.

MS. NANCY BILYK: Hi, I'm Nancy Bilyk, Warren County, New Jersey. Five generations on farms.

I just want to make this very short and sweet. We do need farm subsidies and we do need cost share programs. As Bilyk Farms uses both, we are very happy the government is working with us, and we would love to continue to work with you and be farmers. Thank you.

MODERATOR: As Karen Anderson is coming forward, Jenny Carleo, Bob Williams, Jim Etsch, Cliff Lundin if you can please line up behind her.

MS. KAREN ANDERSON: Karen Anderson, Burlington, New Jersey. I'm here representing the Northeast Organic Farming Association of New Jersey, a membership-based nonprofit organization that supports organic and sustainable agriculture.

It's been said that wherever the country is

going New Jersey is going to get there first. There are some down sides to that. We're already the most densely populated state in the union, we're projected to be the first state to reach full build caps. We have the most expensive agricultural land in the country.

But there's also an upside. We have one of the oldest and most aggressive farmland preservation programs in the country with almost 120,000 acres preserved permanently. We have one of the most diversified agricultures in the country, and because of that our farmers and citizens need flexible and far-sighted agricultural policy that's appropriated to meet the characteristics of our state. Regional equity is a really important part of that, and we ask that you consider regional equity in the formulation in the farm bill.

We also need farm bill programs that support a diversity of crops, agricultural practices and scales of operations that embraces a multi-functional view of agriculture, that recognizes the environmental and social contributions of farming and food production; that supports a working landscape that allows economic development in rural areas without encouraging sprawl; that promotes community-based food systems as an alternative to global markets; that has renewed emphasis on nutrition and health and all agricultural programs, not only in the school lunch program and food stamps but in commodity policy, plant preview and value added programs and that understands and embraces the important role in diversifying [inaudible] without threatening homeland security. I'm not done now.

In addition, we ask you to craft a new farm bill that would support the farming enterprises of farmers by investing in new farmer education, farming [inaudible] and financial assistance for new farm enterprises that encourages value added activities, infrastructure retention and development and regulatory relief that allows communities to produce and consume locally produced food, reducing the current average 1400-mile journey from field to table.

We ask that you support research activities that are in the public interests, particularly those that don't have the payoff of intellectual property, make it possible for our researchers to look at crop rotation, farm worker safety and seed saving practice.

And last I'm going to ask that you keep

community-based conservation in the forefront of your conservation programming. Let station districts determine what their environmental challenges and priorities are. Don't send conflicting messages about locally led conservation and then squeeze us into the same box.

The strategic plan for the USDA says all the right things. It's time for the programs in the farm bill to address the same priorities. Thank you.

MODERATOR: Thank you. Douglas Ricker.

MR. DOUGLAS RICKER: Douglas Ricker from Sussex County, the largest county in New Jersey and the last county in the state to have at one time more dairy cows than people, the last township in New Jersey to have more dairy cows than people.

Value added is my issue. Being a dairy farmer, it's come now to the point where there's only one person buying dairy milk from the dairy cow in the United States. Very, very rare. Because of that, the value added program is available to us in New Jersey. We are in the process of negotiating for a plan to market a milk product on the New Jersey Fresh label, which will hopefully lead to a project, which will encompass New Jersey and New York, very unique. This location will probably be in Kingston, New York. So we will need funding under the national umbrella of the rural development, because it will involve probably two states. So it's very necessary to try to maintain dairy farming in New Jersey. Thank you.

MODERATOR: Thank you. Jenny Carleo.

MS. JENNY CARLEO: Jenny Carleo, Lambertville, New Jersey. I work for Rutgers Cooperative Research Extension of Atlantic County.

I am going to be responding primarily to question number 3, how should farm policy be designed effectively and fairly distribute assistance to producers. The 2007 farm bill must reflect all the [inaudible], including those such as small [inaudible] State of New Jersey.

New Jersey is important to the northeast region because, for example, according to [inaudible] 2002

study the average market value of agricultural products sold annually per acre in New Jersey is more than \$700 over the national average. So we are a small state but we are a very productive state.

Additional distinctive characteristics of the New Jersey farmers include the fact that we are small farmers who buy a multiple parcel of land. We are located in a densely populated region, and we typically cultivate high value minor crops while utilizing intensive high input agriculture.

We also have a decreasing number of new farmers with nonfarm backgrounds. Farm bill programs traditionally [inaudible] large farms. In conversation with one of our senior agricultural extension agents I asked him why don't more farmers participate in the NRCS conservation program. He sort of chuckled and said they simply can't afford it.

So in addition to this I might include designing smaller and more affordable programs crop share programs, incentives for facilitating the cooperation in the community and providing integrated health management and funding into the farm bill, fruits, vegetables and [inaudible].

In summary, the 2007 farm bill has taken into account special circumstances facing New Jersey farmers. This could be accomplished by modifying existing programs to be in accordance with the progressive agricultural designs in New Jersey and the northeast region. Thank you.

MODERATOR: Bob Williams.

MR. BOB WILLIAMS: I'm Bob Williams of Gloucester County, southern New Jersey. I'm a consultant forester. I'm here on behalf of several hundred land owners. I'm also on the board of directors of New Jersey Forestry Association, and the Pinelands Forest and [inaudible].

Previous folks have said something that I don't understand, so I'll just [inaudible]. Most people don't know the U.S. Forest Service is in the Department of Agriculture, and we had an opportunity to get Chief Bosworth here about two years ago, show him the forestry in New Jersey. New Jersey certainly isn't thought of as the place where you'd see forestry, but we have great forests here. Last year we gave a tour to people from the U.S. Forest Service on the

stewardship program which comes out as a [inaudible].

One of the conclusions of that review by the U.S. Forest Service was they all thought New Jersey was doing a good job of preserving land, that is creating open space and protecting it. There's little, if any, effort to stewarding, let's say. Preservation is not conservation. We have done little to steward these important forest resources. The results are overwhelming when you look at the conditions of our forests today.

In large part that burden is falling on the private owners since the government doesn't have the political will or social will to manage these forestry services. So as the forest health issue, there's nothing more important to farmers than healthy forests. They truly are protecting the water and the soil, the air, everything. The fact that we all use [inaudible] should not be something that we have to ask for. Typically it is brought up in discussion because it's viewed in negative terms.

We believe that healthy forests, healthy, thriving forest ecosystems and [inaudible] are not mutually exclusive. It depends on how it's done, but we should be pursuing that.

And the two forestry programs FLEP and EQIP, we should strengthen [inaudible] to private land owners who want to achieve some specific objectives. Forest health, restoring ecologically rare forest types, globally rare forest ecosystems should be given priority. Money should be focused on that.

Lastly, we here in southern New Jersey have the highest -- except for southern California -- fire hazard in North America. This is not being addressed.

MODERATOR: Excuse me.

MR. WILLIAMS: That issue needs to be addressed.

MODERATOR: Thank you. Jim Etsch.

MR. JIM ETSCH: My name is Jim Etsch. I'm a third generation grain farmer in Middlesex County. I also represent the other farmers involved in the establishment of an ethanol plant in New Jersey.

This morning I'd like to make a comment as to

value added grants received by Garden State Ethanol. We received our first grant in 2002 with a 50 percent cost share. Activities funded by this grant included developing a business operating plan, conducting an energy feasibility study, hiring finance consultants, project management consultant, conducting a preengineering feasibility study and permeating consultant, especially in this state we need that.

This project focused on locating 41 million-gallon a year corn ethanol plant in south Jersey. When operational, it has tremendous potential to add value to the grain crops produced in the region while also providing a renewable U.S.-based transportation fuel. The grant funds allow the farmer-run project to move forward through a difficult phase of the business development process when funding is normally difficult to obtain.

The project is slowly moving forward with the assistance of the farm bureau, New Jersey Board of Public Utilities, federal grant funds and private investors. We're in the process of our first feasibility study. We found that the valuable byproduct is CO<sub>2</sub>. At that point we applied for our second grant, title [inaudible] fees and locally grown produce which CO<sub>2</sub> would provide from an onsite ethanol plant. That was also a 50 percent cost share grant. It was received in 2002.

The activities funded by this grant included conducting a supply feasibility study, conducting a sales and marketing feasibility study, developing facility layout specifications, completing a business plan for the project. This grant showed the benefits of the [inaudible] and flash freeze facility adjacent to an ethanol plant.

Farmer surveys indicated that there's an excess production of [inaudible] and peaches in the Garden State that is wasted along the years. The project has intention to add \$1.1 million of farm-grade pepper sales and 1.7 million to the farm grade pepper sales. Running on two shifts a day, the flash freezer facility could generate gross revenues of \$6 million a year. Similar facilities would be set up at ethanol plants in the Midwest using the model created right here in New Jersey.

The project was conducted jointly by Garden State Ethanol, New Jersey Department of Agriculture, Rutgers Eco Complex and the Food Innovation Center.

At this time I'd like to thank the U.S. Department of Agriculture, the rural development, specifically [inaudible] and Andy Law for these grants that have been very beneficial to us and helped get us off the ground.

I also will encourage continuation of these value added grants to the next farm bill. These grants and projects and others like them will help keep the farmer on the farm. Thank you.

MODERATOR: As Cliff Lundin is coming forward, Mary Jo Hebert, Rita Muzzarelli, Kurt Alstede and Steve Jany, you could line up behind the next mic.

MR. CLIFF LUNDIN: Good morning, Mr. Under Secretary. My name is Cliff Lundin. I'm from Hopatcong, New Jersey. I'm the chairman of Sussex County Soil Conservation district, and I'm also past president of the New Jersey Association of Conservation Districts.

On behalf of the New Jersey 15 districts, I welcome you to our state.

I'd like to address the issue concerning conservation and environmental programs. One, the New Jersey conservation partnership is strong. I'd like to highly praise the NRCS as well as Secretary Johanns' department.

Concerning the farm bill, we support EQIP, we support CREP, we support with, in the farmland preservation, we view it very effectively here in New Jersey and we encourage its continuation at increased funding levels.

We also strongly support the regional equity provision in the 2002 farm bill. That has brought additional sums into New Jersey. One of the down sides, however, of the 2002 farm bill had to do more toward moving the NRCS program toward programs rather than overlooking the traditional Conservation Technical Assistance program. We would like to encourage additional attention and funds toward the Conservation Technical Assistance program to the new development of the farm conservation plans through best management practices. That has a tremendous potential for impacting water quality, and that is the entry level program to get farmers in agriculture into the other programs. So we strongly recommend continuing

and expanding the Conservation Technical Assistance program.

We also touch upon urban conservation. The sign behind you that says Listening to Rural America is wrong. It should be Listening to All America, suburban America, urban America. They are the voters, and they are the people that are moving to the farm communities, and we need an urban conservation program to address those fringe areas, those interface areas the right-to-farm areas, the areas where there are conflicts between farmers and the people moving in surrounding them.

Education, best management practices. National resource factors are as important to the farm as it is to development. There is no difference between the various land uses. Soil data is absolutely critical. So we fully urge some urban conservation elements within the farm bill.

With that I will conclude my remarks. We think we would be submitting some detailed comments on the various programs, but urban conservation is important. The conservation partnership in New Jersey is strong. We have a very active program, and I thank you for listening.

MODERATOR: Mary Jo Hebert.

MS. MARY JO HERBERT: Hello. Thank you for coming. My name is Mary Jo Herbert. I'm a member of the state board of agriculture. I represent the equine industry, which is the third largest agriculture industry in our state. I am very much -- let me read this.

To help our horse farmers, we need to be able to be part of the loan program for manure, fencing, glass filters, you know, all kinds of programs. The horse farms provide beautiful open fields, they need hay, grain, veterinarians, barriers, fertilizer, tractor and EQIPment supplies and farm help that provides many jobs. I know that Paul Hlubrik is, he really helps us tremendously and, you know, I really appreciate all he has done for our state.

Also, the Equine Science Center from Cook College, which is a wonderful place, they've been doing so much for us for over 20 years.

The loan program, the horse farmers need an

increasing participation among the loan programs, must include the expansion. We'd like to be considered production agriculture so we would qualify for more of these loans. We have 28,896 -- this is as of the 2002 census -- head of equine in our states. Dr. Dey talked about the number of farms, the equine farms in our state. There are 4,978 women farm operators in New Jersey, 1,922 farms with women as the primary operator. The majority of those farms are equine. 1,725 farms showing women as full owners, and most of those are equine. So we would like to be considered production agriculture so we can qualify for some of these loans. Thank you very much.

MODERATOR: Rita Muzzarelli.

MS. RITA MUZZARELLI: Good morning Secretary. Thank you very much for giving me this opportunity.

I want to tell you a little bit about our farm. My husband and I, we farm a 200-acre farm. We only own about 45 or 50 acres. On our farm we've had many, many disasters unfortunately, like others have. We're very, very diversified, and I think that's a key word along with weather-related, and with the Farm Service Agency in mind, our farm and many other farms probably wouldn't be up and running if it wasn't for those programs that we have been able to participate in.

Once in a while we will come into a problem with some of these programs and maybe not so much problem, but it's probably not understanding our diversity. With a 200-acre farm or with a 45-acre farm you can grow many, many crops, 27, 28, 29, 30 different crops on small acreage. It's very hard for some to understand that. We are very fortunate with our weather. We do have warm weather. There's years that we can start planting in February and sometimes we'll have a disaster or there will be a program out there to help us that don't put limits on us where they'll tell us well there's only two plants here. Again, weather-related. You need to remember how diversified we are, how weather-related we are. I can start planting in February and continue to plant until August or later. I can continue to harvest crops sometimes until January, if the weather cooperates. If the weather doesn't cooperate, of course then that's another different story; but just try keep in mind the diversity of our state, the weather that we've had in our state, not that no other states doesn't have that weather, I'm not saying that.

But I would like to see maybe that the state or the district or the county could have some type of control over the limitations, the regulations that are put in these programs for us and that will be a great need, and it is a great need and it will be greatly appreciated.

Again, farmers in my area would not be operating if it wasn't for the programs. Thank you again for giving me this opportunity.

MODERATOR: Kurt Alstede.

MR. KURT ALSTED: Good morning, Under Secretary Dorr. I appreciate you coming out to the Garden State today and your efforts along with Secretary Johanns and President Bush to hear our inputs.

First generation farmer in Morris County, New Jersey, farm approximately 500 acres and raise about 130 different crops and a grandson of German immigrants, and I think my grandparents came here pursuing the American dream, and I think there's lot of people in the world today that wish to pursue that dream today in America, and we need them to work on our farms and I can't emphasize enough the importance of the guest worker program, getting something fixed, H2A is a nightmare. I understand your department doesn't have authority over any of these things, but perhaps you can influence those departments that do.

It's also important to have good, safe, clean housing for these people that work very hard in our farms. We've taken advantage twice now of farm labor housing loan programs that are under your authority both in building, purchasing and rehabilitating farm labor housing. I would just ask that you be mindful of the costs of real estate and homes here in the northeast. It's a lot more expensive than other places in the country and just make sure that the programs reflect the fact that we can be looking at numbers that are much, much larger than in other parts of the country but they're still very real numbers for us and we need that housing.

I also wanted to comment today on some FSA programs. Previous speaker just mentioned the fact that we have an excellent staff here in this state and on the county level that administers these programs, but sometimes national programs don't always fit the

needs of growers here in New Jersey. The national insurance program I think is well intended, but it doesn't quite provide the coverage in a way that are useful and meaningful to the producers of New Jersey.

You just heard reference to the reporting periods, very difficult and cumbersome to report plantings of fruits and vegetables. It's real simple if you're a grain farmer, you come in and buy five-sixteenths or a quarter acre. If you're growing many multiple crops over the course the entire growing season, it becomes extremely cumbersome to report those acreages.

Another issue is the fact that we have small counties in New Jersey. We're required to purchase maximum -- we have to pay for a maximum of three policies in each county. Why should we be jeopardized and have to pay for policies for a county that maybe are a mile away from our farm just because we happen to be located on a county line. I'm sure there's a way that you can administer those policies and procedures more equitably close by.

And finally, the \$2 million gross income requirement for NAP, you're growing high value crops which we need to in New Jersey, \$2 million is not hard to come by, and plus that includes all other business incomes. NAP is treated differently than other FSA programs. I think you really need to look hard at that \$2 million-dollar cap for eligibility for NAP coverage.

I appreciate the time, thank you very much.

MODERATOR: As Steve Jany is coming to the microphone, Adele Latourette, John Rigoluzzo, Richard Nieuwenhuis and John Banschler, if you can come to other microphone, please.

NR. STEVE JANY: Good morning, I thank you for holding this here today. I'm on the Mercer County Board of Agriculture, New Jersey Farm Bureau and my brother and I are running a 2200-acre grain farm in Mercer County and Middlesex County. My wife's family have a 50-acre Christmas tree farm in Middlesex County.

The program crops needs support of at least the safety net as a minimum. We needed the programs continued for renewable fuels to help us to utilize our excess crops that aren't food. Hopefully by enhancing that value added that way we can keep the prices high enough that we don't need that safety net.

We need crop insurance, risk management, the whole program between the management help that they give you, the financial management and the crop insurance, we need those programs continued. We need our land grant colleges, our Rutgers Cooperative Extension in this state, funded so that we have the leading edge technology to keep us ahead of our competitors.

We need our FSA offices for our participation in the programs, they help us in so many ways for all the different programs that there are.

The Green programs need to be funded in New Jersey. While grain might be the largest acreage, the diversity as you heard from other speakers is so great in this state that there's a lot of use in those programs. They also help with clean water and conservation.

We need a viable young farmer program, and I certainly don't have the answer. New Jersey is tough with the land costs and the cost to start up here, the cost of living. In West Windsor Township where I live the average cost of a house is around \$400,000. How is anybody young going to be able to afford to live there in the farm. If they have family help, sometimes they can get started that way.

And if you -- if USDA chooses or the government chooses to cut programs drastically, I don't see how you won't lose farmers across this country. The farm program is there, lots of years that's the only money you make in the course of a year. Thank you.

MODERATOR: Adele Latourette.

MS. ADELE LATOURETTE: Good afternoon. My name is Adele Latourette, and I'm from the state-wide Emergency Food and Hunger Network. I have to say I'm a bit out of place, but I'm going to address the nutrition programs, specifically the Food Stamp program that is contained in the 2007 farm bill and actually began as a farm support program. So don't [inaudible].

Most critically, I think especially at this time we needed to make sure we keep the entitlement structure of the Food Stamp program intact. We saw in Hurricane Katrina how even incredibly effective and immediate the [inaudible] from the Food Stamp. We need

to make sure that that's always in place in disaster times. Food stamp families cannot afford cuts in the Food Stamp program. We're looking at those right now, they're on the boards in the House and Senate. But specifically about the farm bill we need to make sure that the Food Stamp program remains intact.

specific a recommendations in the area of eligibility, we need raise or eliminate the asset limits, specifically as it relates to savings for retirement and the education of children in the household. We need to raise the income eligibility to 185 percent of covering and make it equal with other nutritional programs. We need fully restore immigrant eligibility and the single adult eligibility. We need to allow children under the age of 22 who have children and are living with their parents eligible as separate households. The household definition has really been a problem. We need to raise the minimum benefit of \$10 a month to at least \$25 a month to make it a program that people want to participate in. And we need to increase all allotments from the national average of 93 cents per person per meal per day, woefully inadequate.

In terms of access to the administration, we need to make it an easier program to access. We need to conduct extensive outreach. New Jersey has only about a 50 percent participation rate of eligibles. We need to ensure that all state and local offices offer extended hours. It makes it more accessible to more of the people who need it, the working people. Increase administrative monies to states so that they can operate the program effectively, and again we hope you would take these opinions into serious consideration, and I thank you for your time.

MODERATOR: Thank you. John Rigoluzzo.

MR. JOHN RIGOLUZZO: That's me. I'm real shy like Danny Doyle was (laughter).

Mr. Secretary, thanks for being here today. I think the last time we had an opportunity in New Jersey to speak at one of these forums it was in Virginia or St. Louis. This is a real step forward.

I am John Rigoluzzo. I'm a fifth generation fruit and vegetable and grain farmer. I farm about 400 acres in Camden County and Burlington Counties. There's two things that I really would like to address, and they are about AGR and also world trade issues, but

I want to say also there were some good comments here. I have already raised three children and they're up and grown and out of the farm, but I have the opportunity now that I'm raising a six and-a-half year old and if I can last 20 more years maybe we'll keep him on the farm.

But the two things that I was concerned about besides all the other issues here and Rita, I want to say Rita Muzzarelli addressed the small farm very well. The AGR program, I participated in it, I, at one time I was a Farm Bureau President of the state and I promoted it and I don't participate in it now for several reasons. One of them was my personal experience was crappy, pardon the French. The 15 months for the adjustor to come out seemed a little bit too long. I'm not sure that's still the same today, but the program is expensive. If you're a large farmer, you're paying a lot of premium, a lot of hope that you don't have to use it. In years where you don't take in a lot of income that extra premium expense becomes quite a lump of crap. In the beginning there was a 50 percent subsidy and as we moved along that subsidy has been dropped.

I want to say that I think with the experience that we've had with it that AGR should not be based on expected income. AGR program should be based on your expenses, the farm expenses. And you can buy out or whatever, have those options included. I think that would lower the premiums, give the farmers a better opportunity to afford to manage their risks. This was a very popular terminology in Washington a few years ago, and I personally believe in it, but right now what we have is kind of tough for many farmers, not all but for me.

I'm also very interested in world trade issues. I had the opportunity to travel around the world many times as president of the Farm Bureau, and I currently work with Dean Kleckner on Truth about Trade. The world trade issues are going to be very, have a very big impact on New Jersey, and I really think that New Jersey farmers need to pay more attention to that. But as you develop a farm bill you need to remember that. If you can do it and it did work well in New Jersey, it will work well everywhere. If you do it based on if it works good in Iowa, it may not work here. Thank you for your time.

MODERATOR: As Richard Nieuwenhuis comes to the microphone, we are going to be ending

probably in about ten minutes or so. The list is longer than the time will allow. I will remind everyone again that there are two other options that exist. One is the comment box, and the other is the web site. You can be assured that the information and comments, which you provide in both of those, by both of those means will be just as weighted as the verbal comments that are being offered now. So just so you know, if we do not get to you, please know that you have some other options as well.

MR. RICHARD NIEUWENHUIS: Good morning, Under Secretary Dorr. I had the pleasure of meeting you last night. My name is Richard Nieuwenhuis, and I'm the president of the New Jersey Farm Bureau. We feel very privileged to have you here and piggybacked behind our very successful convention we had for the last few days, and of course the farm bill was a discussion in our resolution as well.

There's a couple items I'd just like to briefly address with you, and many of them have been covered already, but the farm and ranch land protection program is very, very vital here in New Jersey. Due to the high land costs, the high labor costs, we have the honor of the largest amount of or the largest percentage of preserved farmland in the nation on a percentage basis. But there is some problems with federal money on that end. One of the major stumbling blocks is I myself coming from the greenhouse industry is the impervious cover issue in some of the preservation programs. Two percent does not work for New Jersey. We have operations here that are on 5 or 6 acres that need to have that possibility of having more than 2 percent impervious cover. It just -- we're not a big land base here so we're very, very restricted in that, and I think that goes for the whole picture of northeast agriculture, which my colleagues, farm bureau presidents in the northeast are very well aware of. As a matter of fact, in a couple weeks we're getting together to discuss regionalized comments that we would like to make for the farm bill.

The other thing is some of the loan programs, the \$200,000 limit is way too low for New Jersey. That just doesn't work. Equine operations we would like to see come under that purview as well. I think they are a very bona fide agriculture operation, especially in a state like New Jersey and the higher value area.

And we support a change to allow direct farm

ownership, ownership funds to be used for financing debt, which is another item that I think is very, very important to us. As John Rigoluzzo just mentioned about world trade, that definitely affects us as well as, Under Secretary, your opening comments here.

But world trade issues are going to probably be settled on payment, on program payments because obviously that's a huge issue. But we need to have some other type of safety net, some other type of incentive built into that program. If we're going to be cutting commodity payments, we need to bring something up elsewhere as a support net.

Just to get back just real quickly to the regionalized area, a lot of times federal programs just don't fit in the northeast for sure, and there are other areas in the country as well, but the northeast is very, very unique with its high density of population and the high costs of operations, and I hope that the farm bill addresses that directly. Thank you very much for being here. We appreciate it.

MODERATOR: As John Banscher comes forward, I will call up Tom Wells, please, and then we'll see how we are with time.

MR. JOHN BANSCHER: Good morning, Under Secretary and ladies and gentlemen. My name is John Banscher. I'm the president of the Professional Horse Association in New Jersey. I'm a farmer in Diggstown, New Jersey, Gloucester County.

I'm just going to take a few moments of your time to respond to the question about new farmers and new generation farmers that are in our state. One of the biggest problems is the low prices of our products in the market. We want to set a minimum price for our products statewide and also ask the state government to compensate farmers with grants. We cannot compensate our expenses and costs of rising labor if our product does not sell at a just price.

I've submitted a full copy of my comments to the board, and if you need any more comments or any questions, please feel free to contact me.

MR. TOM WELLS: Good morning. My name is Tom Wells, and I'm with the Nature Conservancy here in New Jersey. I'd like to thank you for the opportunity for us to provide input into the development of the administration's 2007 farm bill.

The Nature Conservancy is an international organization. We have chapters in all states in the country and about a million members.

I'd like to comment on question four, how farm policy can best achieve conservation and environmental goals. Generally we believe that the 2007 farm bill should eliminate incentives that encourage the conversion or intensify production on ecologically sensitive lands. Here in New Jersey [inaudible] species as [inaudible] are primary threat to forest health, and based on this we recommend that the Plant Protection Act be amended to bolster [inaudible] and preventing the introduction of plants of pests that goes along with the development of urban and rural forests here in New Jersey.

We also believe that the 2007 farm bill should do a better job at targeting a portion of conservation program funds to specific landscapes, watersheds or species where concentrated funding can produce the greatest conservation results.

In addition, we strongly recommend that ecologically-based measures tied to each conservation program being incorporated in the 2007 farm bill to measure the success and to inform future program implementation.

We think that resources should be increased to monitor compliance with the existing conservation farmers and that the NRCS should be required to return to the historical spot check regarding conservation compliance.

As was mentioned before, the four-state Highlands region includes part of New Jersey, and it's been recognized nationally as nationally significant by the USDA Forest Service. The trend in New Jersey as it is in many other developing areas of the country is increasing nonindustrial forest ownership. We ask that the 2007 farm bill eliminate barriers to participation by nonindustrial forest owners to all USDA conservation programs.

Finally, the Nature Conservancy of New Jersey has made good use of the Wildlife Habitat Incentive Program, and we strongly recommend that this program continue to be well funded in the next farm bill. Thank you very much.

MODERATOR: There is room for one more.

Troy Ettel, please come forward.

MR. TROY ETTEL: I appreciate the opportunity to speak today, especially being the last one. I didn't think I was going to make it, but I represent the New Jersey Audubon Society. We have about 22,000 members in the State of New Jersey, and I want to echo the sentiment of several people that have said about whatever direction the United States is headed in in New Jersey is going to get there first. I think that's a really key issue for all of us.

People have alluded to some of the animosity that exists sometimes between the conservation community and the farming community. And I think New Jersey is maybe the best example in the country, and so I'll settle that once and for all. I'll create the model where that kind of [inaudible] anymore.

New Jersey Audubon believes that maintaining viable farming, keeping farmers on the land is critical to the preservation of wildlife. That's the main thing that we do. We advocate for the preservation of wild life, and there's a real problem with farming and wildlife in the United States, not just in New Jersey. A lot of farmers in New Jersey, especially in central and southern New Jersey, could easily recount seeing wild life quail on their farm in the years past. Well, there are no quail on farms in New Jersey anymore. There are no quails on farms in Indiana, Tennessee. I mean it's a universal problem. There's a huge issue with farm and wild life.

And so looking at question number 4, we need to increase the amount of funding that's going into these programs that actually subsidize conservation programs on the farm. We need to increase the amount of technical assistance that NRCS can actually provide to the farmer, because a lot of programs are really good but there is not enough staff to market them well.

Tony Kramer's staff is one of the best staffs that I work with around the country in promoting these programs, but they're understaffed, they're undermanned. We need more technical assistance to actually get out and market these programs. And the programs should be tied to any species at risk that we're losing on farms and throughout the country.

The last thing I want to comment about is there is a real need to increase the attention paid to forest health in the next farm bill. We're going to lose so

many species in our forests. We've got, Dutch Elm disease is an example of eliminating our elms. We've got chestnut blight that's eradicated American chestnut from our forests. Now we've Asian longhorn beetle. We've got [inaudible]. We have these diseases that are going to devastate the economic viability of our forests and also the ecological value of our forests.

We need more, we need to fund those programs that are already in place and additional programs helping to prolong these species and renewed forest stewardship.

MODERATOR: That will be our last verbal comment. Now for some remarks by Under Secretary Dorr.

UNDER SECRETARY DORR: Well, first of all, let me once again thank all of you for taking the time out of your day to spend three and-a-half hours with us and sharing your concerns, your thoughts and many opportunities that we see.

You know, there are a lot of, there's been a common theme throughout the farm bill listening sessions that I've heard. They are pretty consistent quite, frankly. There are four or five of them.

Number 1, consistently is how do we retain young people in rural communities and particularly in farming operations.

Number 2 are very consistently conservation water issues. What do we do and how do we continue to fund those programs that are so viable to the clean air, clean water issues, which we're dealing with.

Another one that comes through on a regular basis is farmland preservation, particularly out here in the northeast in this part of the area.

Another one that we hear a great deal about is renewable energy and our value added programs and niche market opportunities. The consistency with them, quite honestly, is not surprising when you really think about what has transpired over the last 20 years, and yet the challenges are to try to define programs that will accommodate these new changes, these new insights, these new thoughts.

Let me make one anecdotal observation. We

probably relative to the forest issues, and they come up a lot in this part of the country, we probably have one of the most outstanding under secretaries in NRCS that I've known in my career of being involved in agriculture. Mark Rey is an outstanding forester. He understands the healthy forest issues probably as well as anyone I've ever heard discuss it. And it's my anticipation that given a few more years under his leadership there would be some very firm groundwork laid relative to a number of these forest issues.

Interestingly enough, about three weeks ago I did a farm bill listening forum in Arkansas. It was a minority farm bill listening forum sponsored by the Arkansas Land and Farm Development Group. The moderator, the host of that session was a gentleman by the name of Dick Bell, and I don't know if many of you remember him or not. I know some of the farm bureau leaders probably do. Dick Bell is a guy that really made Earl Butz look great. He's a very traditional agri-economist, I think that's a fair way to characterize him, out of the University of Illinois, the Illinois Farm Group. He broke his teeth cutting the Russian grain deal for Earl Butz in 1973 or '75, whenever it was. He was the consummate international trader.

After he left government he went to Stuttgart, Arkansas to assume the position of CEO of the Riceland Foods Group. Riceland Foods is probably the most successful cooperatively owned rice company in the country. They not only sold commodity rights, but they were very effective at developing brand new rice product, selling them all over the world.

Dick Bell is a guy that I've known for a long time and I've got a lot of respect for, and at that particular farm bill forum, he essentially retired about a year and-a-half ago from farmland [inaudible], and Governor Huckabee of Arkansas appointed him as his first Secretary of Agriculture. It was an appointed position. Given this background that I've laid out, Dick Bell gets up and says, "You know, having spent all my life in agriculture and watched what's going on in agriculture, I've decided that we're going to have four primary focuses here in this state in agriculture at least while I'm in office and as long as Governor Huckabee tolerate raise it."

And it was poignant when Mary Jo Herbert got up to talk about the number of women involved with production of agriculture here in the State of New Jersey. He said first of all we need to understand

that 58 percent of all the farming operations in Arkansas are headed by females. So my first focus is going to be on women in agriculture.

So he said, "My second primary focus is going to be on renewable energy." It was interesting how he said it, because he said historically Arkansas, particularly eastern Arkansas and the delta has had a traditional advantage because of its access to export markets for rice, for soy beans, for cotton, crops of that ilk. He said, Well, we've lost that traditional export advantage due to global changes in production agriculture so we're going to focus on renewable energy because we need energy. That's a product that we can compete with very, very effectively. We're not going to give up on the rest of it but we're going to focus on renewable energy.

And then he went on to say, "My third focus is going to be farmers markets." Farmers markets. And the fourth one is going to be on niche market opportunities for rural Americans in general.

Folks, the reason I point this out is because you talked about all of those things here today. When you get a traditional retired ag economist from the University of Illinois talking about the same things, you know that there is a sea change taking place in the thought process of developing farm policy.

I commend all of you for providing that similar insight, that guidance and that assistance for us, and I can assure you that the secretary and the president will take this very, very seriously, and I'm certain if you go to the web site and look at the transcriptions of all the farm bill listening sessions we have across the country, particularly those of you representing your congressional delegations, you're going to find an immense amount of equally good fodder for the development of the next farm bill that will obviously be written by Congress.

So on behalf again of Secretary Johanns, President Bush and particularly myself, I'd like to thank all of you for some very, very good insights and a delightful time on my part here in New Jersey, and I wish you the very best in the coming year both as producers and as rural Americans. Thank you very much.

(Applause.)

UNDER SECRETARY DORR: I did forget one

thing. Dean Goodman asked me to point out that the array up front and I know, it was actually provided by Dickie Graff (phon.) and Gail Johnson of Cook College, and they did do a magnificent job. I love cauliflower.

(Applause.)

MODERATOR: Last reminder for those of you that would still like to provide a comment, you can do so both at comment box or go to [www.usda.gov/farmbill](http://www.usda.gov/farmbill).

