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Report of the Blueprint Commission for the Future of New Jersey Agriculture. and Appendix

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Report

OF THE BLUEPRINT COMMISSION ON THE FUTURE OF NEW JERSEY AGRICULTURE

Reprint: August 1977

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STATE OF NEW JERSEY
DEPARTMENT OF AGRICULTURE
PHILLIP ALAMPI, SECRETARY
TRENTON 08625

The Honorable William T. Cahill
Governor of New Jersey
Trenton, New Jersey 08625

Dear Governor Cahill:

In response to your directive in 1971, a Blueprint Commission on the Future of New Jersey Agriculture was created. For more than 18 months, the Commission has diligently studied the condition of agriculture in the Garden State and has sought means of assuring its permanent future as a viable industry in the state.

The objective of the Commission's work has been to find ways to maintain production of commodities consumers want, to encourage orderly and timely development, and to preserve taxpaying open space which, in turn, provides for clean air, water recharge, recreation, and outdoor beauty.

We believe that the recommendations that follow in this report as unanimously adopted by this Commission are worthy of serious consideration by you, the Legislature, and the citizens of New Jersey. We trust that action may follow to implement the proposals of the Commission. We pledge the wholehearted support of the Blueprint Commission to this effort.

Sincerely yours,

Phillip Alampi

Phillip Alampi
Chairman

THE BLUEPRINT COMMISSION
ON THE FUTURE OF NEW JERSEY AGRICULTURE

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INTRODUCTION

In his message to the Legislature in January, 1971, Governor William T. Cahill announced his firm belief in the need for a Blueprint Commission on the Future of New Jersey Agriculture. This followed the desires of the agricultural community as expressed in resolutions of the State Agricultural Convention, which in turn had been generated earlier by the concern of leading farm organizations.

Later in the year, Governor Cahill directed Secretary of Agriculture Phillip Alampi to create the Commission, assume its leadership, and to appoint the members of the Commission. The initial meeting of the Commission was held in mid-September, at which time the outline of work prepared at staff level was approved by the Commission. The first phase of the work was started immediately by establishing eight task forces. These groups covered business climate, research and education, production, marketing, management and commercial services, land and water resources, agribusiness, and organizations.

The second phase of the program was implemented shortly after the task forces began their work. This effort centered on the real issue of establishing a permanent land base for a continuing agriculture here in the Garden State. After numerous meetings, including public hearings and extensive staff support, the Commission held its final session in mid-April, at which time this report was approved for submittal to Governor Cahill and to the Legislature.

HIGHLIGHTS OF THE REPORT

THE NEW JERSEY AGRICULTURAL SITUATION

Agriculture in New Jersey operates in the most densely populated area in the nation, hence has both problems and opportunities. Farmland declined rapidly from 1954 to 1968, and has substantially slowed down since then, due, in part, to the Farmland Assessment Act.

There are presently about 1.1 million acres in farms in the state, which is over 600,000 acres less than in 1950.

Due largely to forces external to itself, agriculture in New Jersey is operating under the influence of an impermanence syndrome which leads to short-term decision making, less investment in agricultural enterprises, and slower technological adaptation. This can be corrected by creating a permanent land preserve for agricultural production and by making it feasible for farmers to farm this land and make a profit. This report addresses itself to both of these objectives.

I. A LAND POLICY FOR PERMANENT AGRICULTURE

1. There is a converging of the interests of the environmentalists and those interested in agricultural production. Both recognize that land use management is of prime importance as a means of achieving their goals.
2. As a source of food and fiber and environmental open space, agriculture exists for the public benefit and, as an industry, in turn, is affected by the public interest. New Jersey needs its agriculture:
   a. To provide productive, tax-paying, privately maintained, open space with its environmental benefits, including rural aesthetics and enhanced air and water quality.
   b. To provide consumers with a ready access to wholesome, locally grown food products and protect the consumer buying power for food.
   c. To encourage the productive use of land and natural resources which contribute significantly to the income and employment of many citizens of the state and the New Jersey economy in general.
   d. To allow for the recycling of sewage wastes on land as a partial alternative to existing methods and as technical problems are resolved.
   e. To establish a land reserve for future generations and prohibit premature development.
3. Present land use policy for the state, including the Farmland Assessment Act, exhibits foresight and noble goals, but at best offers only partial solutions. A more comprehensive program is needed.
4. **The Commission recommends** the adoption of an agricultural open space plan administered jointly by the state and local municipalities with the following features:
   a. Under the plan, each municipality in the state would be required to designate an Agricultural Open Space Preserve within its boundaries composed of at least 70 percent of its prime farmland. The preserve would become part of the local master plan and should reflect the local community needs for open space and other agricultural benefits.
   b. Landowners whose properties are located in a preserved area would be able to sell the development easement to their land to the state administering agency or to others.
   c. The rate of compensation for development easements would be the difference between the market value for the land and its farm value.
   d. At the option of the landowner, the easements could be held for later sale and the compensation for delayed sales would reflect the increased development value of the easement had the preserved area not been established.
   e. The program would be financed by a tax on all real estate transfers in the state. The rate would be at 4 mills, or 4/10 of 1 percent of the transfer value at the time of the sale. In nearly all instances, the tax would be paid from realized capital gains on the real property transferred.
   f. The responsibility for administration of the program would be vested in a Board of Directors composed of persons appointed by the Governor and approved by the Senate and selected ex officio members of state government. The professional staff would be attached to the Department of Agriculture.

II. EDUCATION

Educational programs must be in tune with the social and economic needs and demands related to agriculture, renewable natural resources, and environmental protection.

The Commission recommends development of an overall plan for career orientation and exploration in the primary and junior high school grades, widespread agricultural and natural resource education in the high schools and technical education for natural resources and agricultural occupations in New

Jersey at the junior college grades or technical level. It recommends a comprehensive technical institute; continuing education for commercial farmers, others employed in agribusiness, and seasonal workers; and periodic reevaluation and strengthening of curricula offered for professional education in agriculturally-related fields at Rutgers University.

III. FARM LABOR

A major effort has been made over the past 15 years to improve conditions for farmworkers in spite of difficult, competitive problems facing agriculture.

The Commission recommends state and federal legislation to bring agriculture under a labor-management relations act designed for agriculture; support for the Child Labor Law Study Commission in its preliminary report proposing legislation to increase employment of youth in agriculture and other occupations; establishment of a farm and rural safety and health committee, which may also serve in an informal advisory capacity to the Federal Occupational Safety and Health Act; training and retraining of farm workers; a pilot program for a multi-state skilled farmworkers corporation; and establishment of a Council on Farm Labor within the Department of Labor and Industry.

IV. FARMLAND ASSESSMENT

The Farmland Assessment Act has served agriculture well and in the way it was intended. Unquestionably, it makes it possible for production farming to continue in our urbanizing state.

The Commission recommends strong support be given to the current farmland assessment program, that the Division of Taxation further clarify the term "actively devoted" in the Act to insure proper application, and enactment of S-620 to increase program eligibility requirements.

V. FEDERAL ESTATE AND STATE INHERITANCE TAXES

The transfer of valuable farm property from a decedent to his heirs inevitably causes a liquidity and family crisis. The market value of the property may have little relationship to the agricultural income which must provide for the Federal estate and State inheritance taxes.

The Commission recommends federal legislation to increase the taxable estate exemption and to tax qualified land for estate purposes on the basis of its agricultural value, state legislation to increase the taxable estate exemption, and that qualified farmland should be taxed on its agricultural value for inheritance taxes, but, as a condition for such treatment, farmland must remain in agricultural use for ten years or be subject to a penalty payment.

VI. MANAGEMENT

The business of farming grows ever more risky, costly, complicated, and regulated, and the farmer must serve in many roles in his operation.

The Commission recommends that farmers must continue to be committed to upgrading their management capabilities and learn to effectively use the tools, skills, and equipments of farm business management and that a farm management advisory committee should be established under the aegis of the Cooperative Extension Service to strengthen all facets of farm management application.

VII. MARKETING

Effective marketing of New Jersey farm products requires a special effort if the producer is to obtain a profitable return.

The Commission recommends further development of direct farmer-to-consumer marketing channels, establishment of a New Jersey agricultural export committee to stimulate overseas trade, a feasibility study for a central agricultural distribution center, more adequate state labeling laws for commodities, and the appointment of an advisory committee for the creation of an organization to coordinate the existing production and marketing programs and to further develop a total systematic approach to producing and selling our agricultural products.

VIII. NATURAL RESOURCES

Natural resource conservation, soil surveys, conservation cost sharing, agricultural water resources, and multiple uses of agricultural lands are discussed.

The Commission recommends prompt completion of the Cooperative Soil Survey so that the lack of basic data does not delay the agricultural land preservation program; further direct state funding for the State Soil Conservation Committee and its district units; a three-year pilot program for cost-sharing with private landowners for priority conservation practices; water resource studies, demonstrations and pilot projects, including evaluation of "waste" waters for agricultural production purposes and potential ground water replenishment; development of more nonfood functions on farmland; information about the benefits flowing from private open lands; and possible leasing of private lands for specialized recreational activities.

IX. ORGANIZATIONS

New Jersey agriculture is represented by many organizations, all of which were developed for particular purposes. The effectiveness and future role of all existing organizations should be evaluated.

The Commission recommends that each agricultural organization should establish a special evaluation committee to review its goals, functions, and effectiveness; that agricultural interests reaffirm to the state government the importance of maintaining the State Board of Agriculture, Department of Agriculture, and Board of Managers, Rutgers College of Agriculture and Environmental Science (Cook College); and that a unified policy and voice for the farm community of the state be developed wherever possible through the cooperation and/or consolidation of the numerous farm organizations in New Jersey.

X. RECYCLING WASTE

It is imperative that the vast quantities of biodegradable agricultural and municipal wastes being generated in New Jersey be utilized and recycled whenever possible.

The Commission recommends that an Agricultural Waste Council be formally established by law in the Department of Agriculture. It would promote research, develop feasibility studies and desirable legislation in regard to recycling wastes.

XI. RESEARCH

Research is a basic service to New Jersey agriculture. It improves production and marketing technologies and it develops new ones. The New Jersey Agricultural Experiment Station emphasizes its work in improving the physical quality of the environment, expanding the socio-economic and cultural opportunities of people to improve their environment, improving agricultural and forest production, and generating and disseminating knowledge needed to develop new and improved food products and processes, protect consumer health, improve the nutrition and physical well-being of the people, and to assure a secure supply of wholesome foods to consumers in the state.

The Commission recommends that the Agricultural Experiment Station should continue its present research program, strengthen it with adequate financial support, periodically update its research priorities, coordinate its research with industrial concerns to assure full coverage of problem areas, and avoid unnecessary duplication.

XII. RURAL ADVISORY COUNCIL

An emerging comprehensive rural development program and a population expanding into rural agricultural areas calls for a broadened public program to deal with these complex unsettling changes.

The Commission recommends that the Rural Advisory Council in the New Jersey Department of Agriculture serve in an advisory capacity to an expanded agricultural and rural development program which would include an agricultural plan for the state; improvement of economic and social conditions of agriculture and rural areas; programs to minimize the impact of urbanization on agriculture; studies and recommendations on agricultural and rural issues; and consultation with other state agencies on issues peculiar to agricultural and rural areas.

XIII. TAXATION

New Jersey agriculture suffers from the heavy burden of local property taxes. Farmland tax per acre is the highest in the nation, and the property tax represents nearly 34 percent of the farmer's net income, as opposed to less than 10 percent for non-farm incomes which range up to $15,000. The Farmland Assessment Act has helped, but municipalities can make charges against farmland for public facilities, such as sanitary sewer lines, on the basis of acreage owned or front footage.

The Commission recommends that legislation be enacted to require local municipalities or special purpose utility authorities to make all charges against the property for the construction or installation of public facilities on the basis of current assessments rather than a front-footage charge. It also endorses the sales tax exemptions applying to qualified farmers.

* * *

The aforementioned highlights of this report sum up the essential needs of a permanent agriculture. These are pertinent to a multi-land use concept which agriculture so completely typifies. However, it must be stressed that these proposals for permanence are a package deal. The whole concept must be viewed in toto. Any fragmentation denying one or more essentials would destroy the objectives of the program.

THE NEW JERSEY AGRICULTURAL SITUATION

Since colonial times, New Jersey agriculture has been the custodian of much of the state's most valuable non-renewable resources -- its land and water. It has a remarkable record of continued productivity increases in spite of a worsening business climate. Long known as the "Garden State," New Jersey fosters viable fruit, vegetable, ornamental, and turf production industries, as well as significant levels of dairy, poultry, swine, and field crop production. Beef and horse farming enterprises are becoming increasingly important to the agricultural income of the state.

New Jersey's farmers find themselves today facing both problems and opportunities which are truly unique in all agriculture, and which a few decades ago would have been labeled unbelievable. They operate a business in the midst of the most urbanized area in the nation where they are a tiny minority. And yet, at their doorstep is the largest single market in the western world, and additionally, they have access to other markets, both domestic and foreign.

In recent years, the pressures of urbanization have caused radical changes in Garden State agriculture. Farmland acreage decreased by 200,000 in each of the periods 1954-1959 and 1959-1964. The most severe loss occurred in the four-year period 1964-1968 when 220,000 acres were lost. The Farmland Assessment Act of 1964 began to have some effect and since 1968, the loss of farmland has been less than 10,000 acres annually.

In 1954, New Jersey had about 23,000 farms; whereas in 1972, this figure dropped to 8,300. Survival often depends not on earnings, but on land equity. For example, the average value per acre (land and buildings) in New Jersey in 1972 was $1,409, as compared to $403 in 1954. This inflated charge reflects the increase in the value of an acre of land in the state. But despite the advantages of the Farmland Assessment Act of 1964, the farmer in New Jersey pays a higher tax per acre of farmland than farmers in any state in the nation. In 1972, it was $21.67 per acre, compared to the United States average of $2.63.

Economic pressures have contributed to the squeeze on farm profits, not to mention the impact of urban influences on the kind of social, political, and economic climate that is needed to farm successfully. On a per-acre basis, farmers earn about 20 percent less than in 1952. Farm returns or equity declined from 17.4 percent in the 1948-1951 period to less than 10 percent in 1972. In order to make up for this trend toward lower net income, which on the average is substantially below nonfarm family income, farmers have turned to off-farm employment. In 1969, more than one-half of farm operators had off-farm incomes which were higher than the net income from their farms.

Impermanence Syndrome

A common characteristic of management of business enterprises is a high degree of confidence in the stability and long-run profitability of their firm. The element of confidence is essential in agricultural production where large initial capital investments are necessary and where continuing investments in human and capital resources are required to keep pace with technological changes affecting the competitive efficiency of the farm. A lack of such confidence results in a "wait and see" attitude or causes the owner to sell his farm for the highest price.

In spite of the current high demands for food and the benefits of the Farmland Assessment Act, there still prevails a strong sense of impermanence, due to outside pressures, which results in management decision making confined to short-run considerations; and lower production and marketing efficiency than could otherwise be achieved. The urbanizing pressures of rising land values, taxes, and labor costs, increasing numbers of regulations, and competition from other producing areas result in economic pressures which make it difficult to justify the continuation of farming. Younger men are not willing to make the huge capital expenditures and take the risks to operate in such an environment. In 1969, the average capitalization per farm in New Jersey was $150,000, and the operators' average age was 53.

Yet it is striking to note that most of our remaining farmers are better managers, their farms are larger, more capital is used, mechanization is replacing hand labor, and outdated methods are being discarded. The new breed of New Jersey farmer makes wise use of his resources, of which his land is paramount. He is also looking at farm production to meet the demands of his urban and suburban neighbors, growing acceptable commodities he can sell at his farm gate. The basic problem has been the impermanence of agriculture in the total environment in which it operates. This is often little understood or appreciated by masses of otherwise thoughtful citizens who take his output and his trusteeship of the aesthetic farm countryside for granted. Without a more rational look, this unfolding situation can be catastrophic for the future shape of this state. If it comes to cold economic fact, New Jersey people need the farmer worse than he needs New Jersey. He still holds more than 20 percent of our open land,

and this has equity value vastly more attractive than the present impermanence of his minority farming status. He can quietly await the fateful hour of sale accept his appreciated value, and go elsewhere to farm or live as his free choice decrees.

Many people in the Garden State know of this confrontation, but give it little attention because of their own problems. Yet there are yardsticks to show they do care. The Water Bond Act of 1958 (Spruce Run and Round Valley), the Green Acres Bond Issue of 1961, the Farmland Assessment Act of 1964, the Water Conservation Bond Fund of 1969, and the Green Acres Bond Issue of 1971 are five good examples.

But unless New Jersey, its government, its people, and its talents for creativity are addressed to this issue of attrition of our farms, farmers and our rural heritage will soon be gone. To meet this great issue, we must use a two-headed spear. One must be pointed at the physical problem of finding a way to make farming and farmland more permanent, and the other, at the economic, social, and political forces which create man-made handicaps which, unlike the natural vicissitudes of soils, insects, diseases, and weather, are quite avoidable.

Aside from the problems of income and survival under the impermanent status, an inventory of other issues particularly harmful to farming reveals that, while assuring a permanent land base on which to farm is paramount, this action must be accompanied with certain reforms or improved attitudes to assure that agriculture can continue. Research and education for agricultural and agribusiness oriented people are essential. So is a favorable political attitude on the part of legislative leaders, political parties, labor unions, reformers, and even many in the executive branch of government. Regulations, reports, permits, orders, rules, are the normal procedure, and they tend to proliferate. Nonfarm neighbors in suburbia and obviously everywhere in urban-dominated New Jersey show little tolerance for noises, odors, and sights which are occupational facts of life in farming. Yet there are those who seem willing to accept other noises, odors, and sights in their own back yards without a murmur. Tolerance, fair play, and mutuality are not unreasonable attitudes to apply to the good neighbor approach that agriculture needs and must have to survive.

I. A LAND POLICY FOR PERMANENT AGRICULTURE

LAND USE — THE CENTRAL ISSUE

New Jersey is the most densely populated state in the nation with approximately one thousand persons per square mile. This density ranges from a few hundred persons to over fifty thousand per square mile in the communities adjacent to New York City. The state is located in the heart of the megalopolitan corridor reaching from Boston to Washington, D.C. The incentives for economic growth in the corridor are enormous and New Jersey shares in the development demands being generated.

There is widespread concern for a visible decline in the quality of the environment. There is a felt need for green belts and open spaces within our urban centers. There is a need to improve air and water quality. There is a need to preserve air and water recharge areas. There is a need to recycle water resources and solid wastes. There is a need to provide buffer zones between residential areas and arterial highway routes, industrial sites, and commercial centers. There is a need to remove the blight from our cities and enhance the aesthetics and visual quality of our living space. The fulfillment of these needs is highly dependent upon the effective use of land and associated water resources and the cost of assuring the desired usage.

Land is obviously a prime resource in agricultural production. Its permanence as a resource base is absolutely essential to long run viability of the agricultural industry.

There is, therefore, a converging interest in the use of land for public purposes in New Jersey. The central issue in improving the quality of the environment is the use of land efficiently and effectively. Similarly, the central issue in improving the economic health of agriculture in the public interest involves permanence in land use. There is a need to develop a public land use policy in New Jersey which will be responsive to the needs outlined above and promote the simultaneous use of such lands for agriculture and other social interests of the public.

Public Benefits of Land Policy

As a source of essential food and fiber and environmental open space, agriculture exists for the public benefit and as an industry, in turn, is affected by the public interest. The Commission has determined that the wise use of prime farmland in the state is of paramount importance and recommends that a comprehensive land use policy be adopted which will guarantee the attainment of the objectives discussed below.

The major objective of the proposed land policy included in this report is to promote the beneficial and efficient use of New Jersey land and associated resources and to improve the quality of life for citizens of the state. More specifically, it is:

1. **To provide productive, tax-paying, privately maintained agricultural open space with its environmental benefits, including rural aesthetics and enhanced air and water quality.**

Privately owned and operated farms can provide open space buffers between our cities. They provide

an aesthetic relief from concrete and mortar within urban centers. They are a productive means of protecting water and air recharge areas. They can serve as environmental protective buffer areas around selected industrial sites, arterial highway routes, or commercial centers.

2. **To provide consumers with a ready access to wholesome, locally produced food products and protect the consumer buying power for food.**

New Jersey is famous for its fresh tomatoes, its fresh sweet corn, its strawberries, its fine roadside markets, and a host of other foods and services. A ready supply of basic vegetables, milk, and poultry products is of benefit to the citizenry as a means of protecting the security of the food supply of the state, over 80 percent of which is derived from sources outside the state. A secure and efficiently produced local supply of food is a potential force for protecting the local consumer from unduly high prices of foods shipped in from outside.

3. **To encourage the productive use of land and natural resources which contribute significantly to the income and employment of many citizens of the state and the New Jersey economy in general.**

During 1971, the gross state product of New Jersey, which is the final value of all goods and services produced during the year, amounted to about $35 billion. Taking into account that part of the agricultural and food complex in the state directly associated with production agriculture, including suppliers, producers, and processors, the agricultural contribution to the state's income is approximately $1.25 billion annually. Research at the New Jersey Agricultural Experiment Station, Rutgers University, indicates that New Jersey agriculture is capable of the competitive efficiency necessary for a viable industry once a permanent land base is secured. Without a permanent land base, Garden State agriculture will decline unnecessarily, and with it, many jobs and means of livelihood for New Jersey families.

4. **To allow for the recycling of sewage wastes on land as a partial alternative to existing methods and as technical problems are resolved.**

The problems of disposing sewage effluents into local waterways have reached mammoth proportions. In order to meet environmental protection standards, such effluents must be subjected to extensive treatment. An alternative for some communities will be to apply secondary effluent to agricultural land as supplemental irrigation. The nutrients are harvested as forage or ornamentals and the land serves as a purifier as the water not utilized by the plants percolates into the groundwaters. Sludges which have no heavy metals also can be recycled through the soil at costs substantially less than the operation of a tertiary treatment plant.

5. **To establish a land reserve for future generations and prohibit premature development.**

Although idealistic, this objective is meaningful. Our generation should leave a legacy for our children a little better than that we received from our forebears. It is unclear to us now what land needs in New Jersey will be 50, 100, or 200 years from now. Once land is placed under asphalt or concrete, it is virtually impossible to reclaim it for food production or open space. A redirection of development in our day away from prime farmlands, water recharge areas, scenic spots, and the like will serve present day open space and food needs and enhance development flexibility in the distant future.

Elements of Present Land Use Policy

The Commission endorses the following elements of the state's land use policy, but after studying the issues in depth, concludes that they are partial solutions, and a more comprehensive policy is needed to preserve the prime farmlands of the state as a mechanism for fulfilling the objectives presented in the foregoing section of this report. The more significant land use policies for the state are as follows:

1. **Use-value taxation of agricultural land**—There were approximately one million acres of farmland qualified under the Farmland Assessment Act of 1964 during 1971. The Act has slowed the egress of land from agriculture and, in some instances, brought abandoned farmland back into production, but it is a stop-gap measure at best. The Act does not discourage developers from building on prime open farmland because of low bulldozer costs, for example.
2. **Open space land acquisition**—New Jersey Green Acres Program. Important open space units have been acquired under the program, but it has insufficient funds or program authority to fully execute the task envisioned by the Commission.
3. **General planning and zoning**—Planning laws in New Jersey provide for planning and development strategies, but do not provide for exclusive or permanent open space zoning.
4. **Dedication of development easements**—Under existing law, landowners may donate or dedicate the development easements to governmental units. There is relatively little land in the state which is preserved as open space through this method. The Commission applauds such actions, but concludes it cannot preserve sufficient land for a viable agriculture by such means.
5. **The agri-city concept**—Under present Planned Unit Development authority, a municipality may adopt an ordinance whereby a developer may

incorporate open farmland into a planned city. Such theoretical actions are highly desirable from the standpoint of improving the environmental qualities of the planned city, but have not been tried and are not sufficient to preserve a critical mass of land necessary for efficient agriculture.

6. **Agricultural priority districts**—The agricultural land preserve that would be created under the plan proposed in this report should also be constituted as an agricultural priority district, for the protection of normal agricultural practices. This would mean that procedures would be established by law to give approved agricultural practices priority consideration within the preserve, and would include a review and public hearing procedure by the State and Municipal Open Space Agency at the state level where any ordinances, rules and regulations or any proposed public actions threaten to interfere with such practices.

RECOMMENDATIONS

After extensive deliberations, the Commission concludes that the most critical need of agriculture in meeting its mission as set forth above is the assurance of a permanent land base of sufficient size to promote production and marketing efficiency. It was also agreed that a plan of action should be presented in this report upon which a legislative program for implementation could be organized.

The Commission recommends that the agricultural open space plan be administered cooperatively by the state and the local municipality. Under the plan, each municipality would be required to designate a permanent Agricultural Open Space Preserve (AOSP) within its boundaries composed of at least 70 percent of the prime farmland located therein. The preserve would then become part of the local master plan and should reflect the local communities' needs for open space. Land designated to an AOSP is restricted to agriculture and related open space uses (see Figure 1).

Landowners whose properties are included in the AOSP would be able to sell the development easement for their land to the state administering agency at the inception of the program or they could delay the sale until a future time at their option. The compensation for delayed easement sales would reflect "would be" increases in the development value of the land.

The funds for financing the program would be derived from a tax on all real estate transfers in the state. The rate is proposed to be at 4 mills, or 4/10 of 1 percent of the real estate transfer value.

Policy Guidelines

The agricultural land use policy set forth below, developed by the Commission and its advisors, is based upon the following principles and guidelines:

1. The plan should assure the creation of **permanent** agricultural open space preserves.
2. The agricultural open space preserves should consist largely of **prime farmland** so that such preserves can be both open and productive. The land area so preserved should be of sufficient size to justify the operation of economically efficient agricultural supply, service, and first-processing firms.
3. **The constitutional rights of landowners** should be protected from confiscatory measures as their lands are included in an open space preserve; and they should be justly compensated for the value of property rights taken from the land.
4. **The authority of local municipalities** with respect to planning and zoning should be recognized. The determination of the location of lands in an open space preserve should rest with local municipalities consistent with established guidelines.
5. Land in an open space preserve should remain under **private ownership and control** even though its use is restricted. Procedures should be established to encourage owner-operated farming. Undue fragmentation of land ownership units should be avoided.
6. **The cost of the program** should be equitably distributed among those who benefit therefrom.
7. Landowners and others affected by the land use plan should have ready access to **review or appeal procedures** and have ultimate recourse to the courts if necessary. The standards for determining areas to be preserved, compensation rates, appeal procedures, and the like should be objectively determined.
8. **Normal and recommended activities and practices essential to agricultural production would be protected** by designating the agricultural land preserve as an Agricultural Priority District, and providing for certain review and public hearing procedures where any public action threatens such practices.
9. The plan should be devised to alleviate the immediate impact that **inheritance and estate taxes** have upon land use, ownership and control.

Designation of Agricultural Open Space Preserves

It is the Commission's goal that a minimum of 1,000,000 acres of farmland be preserved as agricultural open space. At least 750,000 acres of this should be prime farmland of Classes I, II, and III, and special cranberry, blueberry, and muck lands as defined by the Soil Conservation Service (see Figure 2 and Table 1). The balance would include contiguous farmland of lower classes as presently recognized under the Farmland Assessment Act.

EASEMENT PURCHASE PROGRAM
AGRICULTURAL OPEN SPACE PRESERVE

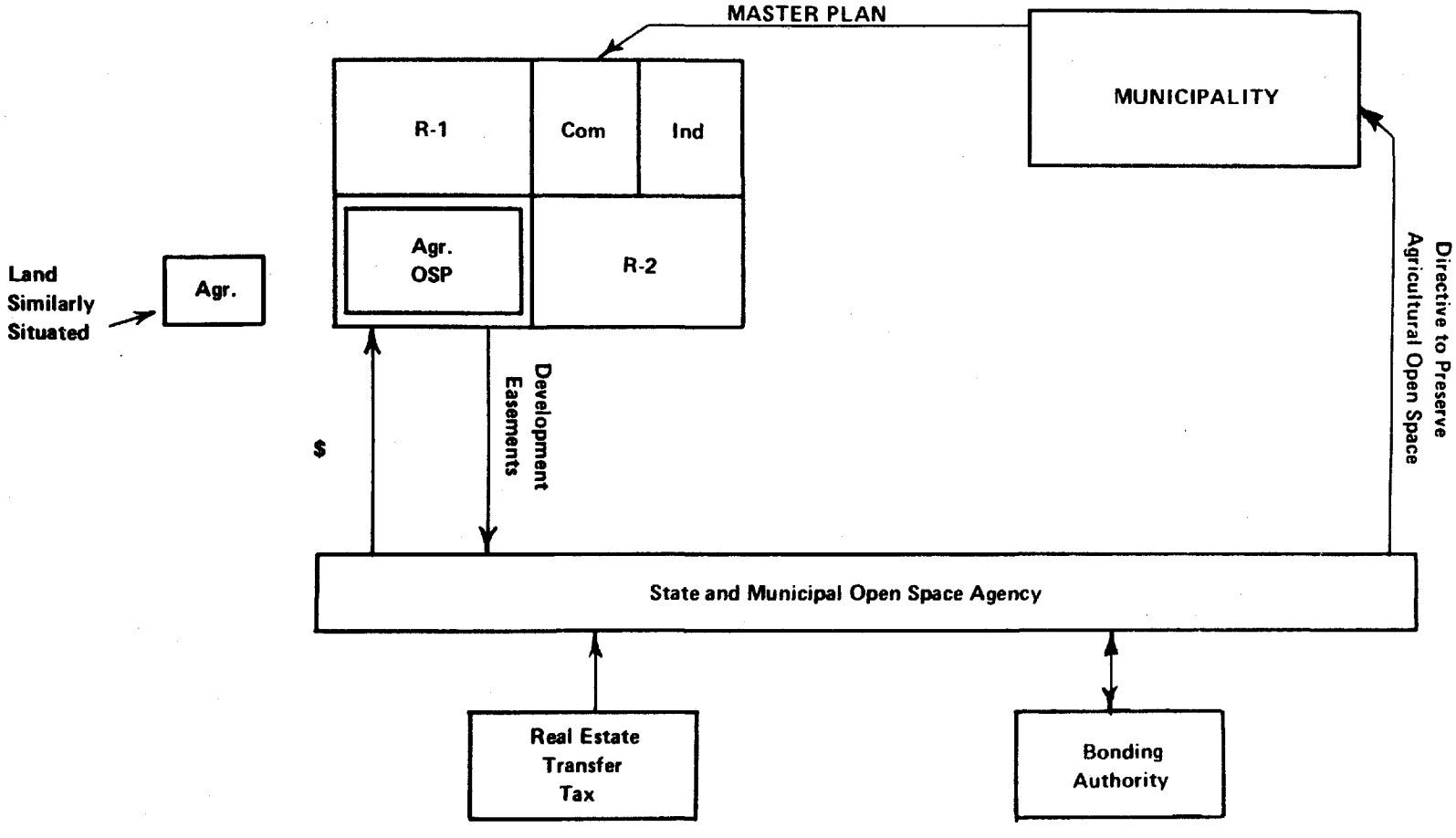
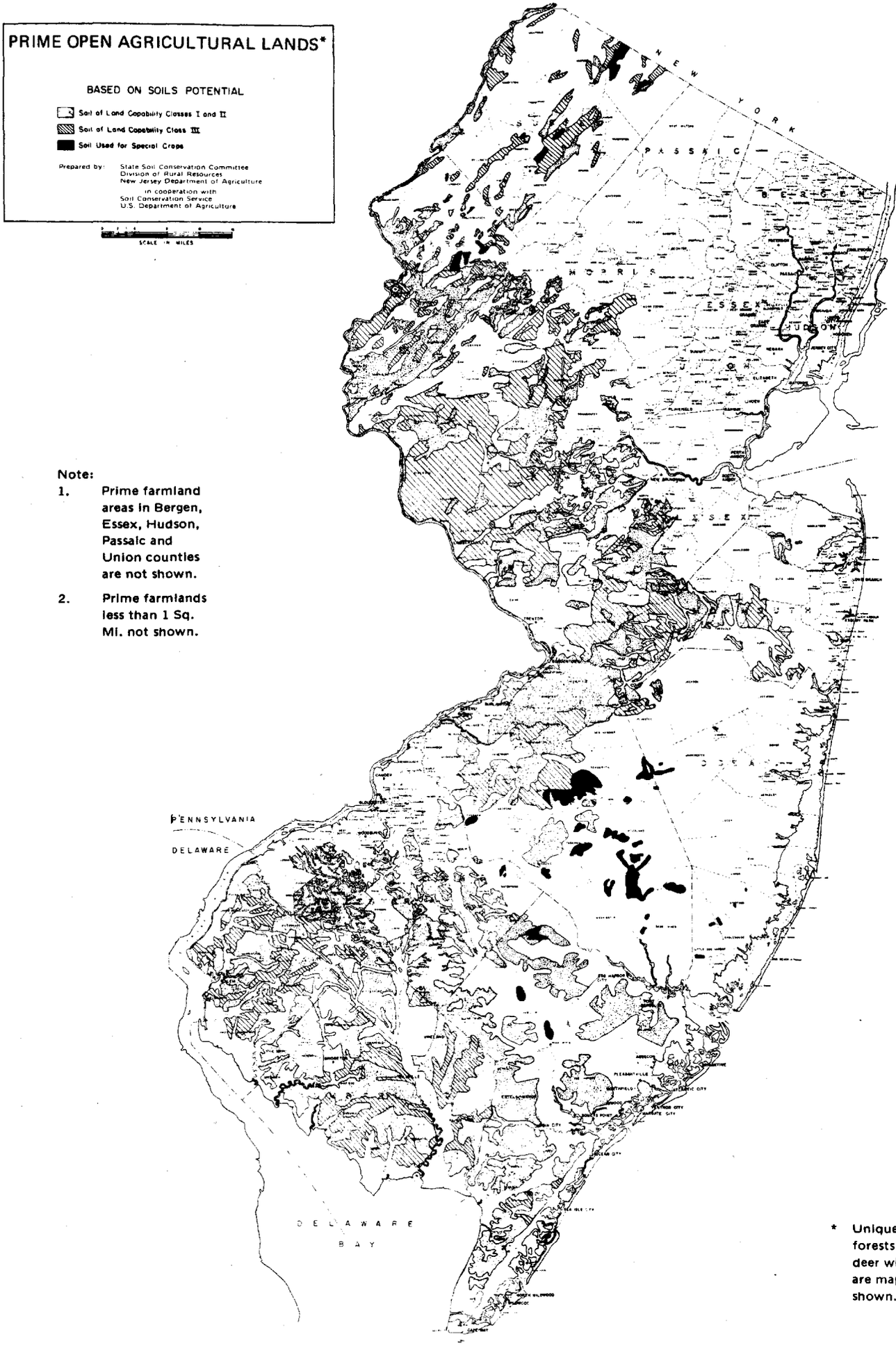


Figure 1

FIGURE 2



Note:

1. Prime farmland areas in Bergen, Essex, Hudson, Passaic and Union counties are not shown.
2. Prime farmlands less than 1 Sq. Mi. not shown.

* Unique agric. forests and agric. deer wintering areas are mapped; but not shown.

Table 1

ESTIMATES, BY COUNTY, OF THE ACREAGES OF "PRIME" AGRICULTURAL LANDS IN NEW JERSEY BY SPECIFIED CATEGORIES[1]

County	Open Class I & II	Open Class III	Acres Wooded Class I, II, III[2]	Special	Total
Atlantic	37,540	-0-	94,300	4,600	136,440
Bergen	No estimate made				
Burlington	85,040	32,820	6,230	24,310	148,400
Camden	22,350	2,570	6,680	180	31,780
Cape May	23,030	1,260	65,200	-0-	89,490
Cumberland	81,600	32,060	113,510	-0-	227,170
Essex	No estimate made				
Gloucester	60,230	1,340	24,410	210	86,190
Hudson	No estimate made				
Hunterdon	49,770	128,060	-0-	-0-	177,830
Mercer	27,060	44,520	-0-	-0-	71,580
Middlesex	28,830	14,070	-0-	-0-	42,900
Monmouth	25,650	17,450	16,830	-0-	59,930
Morris	5,590	5,970	-0-	-0-	11,560
Ocean	2,730	2,400	340	1,660	7,130
Passaic	No estimate made				
Salem	83,650	39,530	24,830	-0-	148,010
Somerset	46,330	33,530	-0-	-0-	79,860
Sussex	29,610	36,870	5,070	5,210	76,760
Union	No estimate made				
Warren	67,500	30,190	-0-	5,000	102,690
TOTAL	676,510	422,640	357,400	41,170	1,497,720

[1] Estimates for counties with "Prime" lands which are based on Soil Conservation Service soil capability classifications I, II & III plus special land which includes areas such as those devoted to the production of cranberries and blueberries and areas of muckland.

Estimates are based on county maps delineated on a generalized basis excluding developed land and using a minimum size area of 640 acres.

[2] A zero indicates that Class I, II & III wooded areas or special areas for the county were either nonexistent or did not generally meet the minimum criteria.

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State Soil Cons. Committee
Div. of Rural Resources

It would be the responsibility and opportunity of each local municipality to designate the land to be included in its Agricultural Open Space Preserve (AOSP) as follows:

1. Each municipality in the state shall designate to an AOSP a minimum of 70 percent of its open Classes I, II, and III, and special agricultural lands; and other contiguous agricultural land.
2. If a municipality fails to designate its AOSP within 24 months, the agency administering the program would be empowered to do so. A municipality may voluntarily relinquish AOSP designation to the state administering agency if it wishes to do so.
3. Land designated to an AOSP can only be used for agriculture and related uses.
4. Ownership and control of AOSP lands remain in private hands.

The administering agency, in cooperation with the Soil Conservation Service, whose definitions are used in the plan, would distribute maps, by way of local districts, showing the location of lands eligible for inclusion in an AOSP. The map labeled Figure 2 shows the location of the larger parcels of eligible AOSP land. More detailed local maps would be prepared in due time. It is estimated that there are approximately 1.4 million acres of Classes I, II, and III, and special agricultural lands in the state.

State Purchase of Development Easements

As indicated above, the inclusion of farm property in an AOSP removes from it the rights of development, inasmuch as it cannot be used for other than agriculture and related open space uses. The constitutional property rights of the landowners must be protected. Property ownership and control still remain in the hands of the landowner. It is the use of his land for development purposes that is restricted. The Commisson concluded that, in principle, the development value of the land is the difference between its market value and its farm value. Landowners would be given maximum flexibility as to when they sell their development easements to the state administering agency, whether it be at the inception of the program or into the indefinite future. If the easement sale is delayed, the compensation value would be computed at the time of the sale as the difference between the farm value of the property at that time and the "would be" market value had the AOSP not been established. This "would be" market value would increase over time at the same rate as properties similarly situated, but located outside the AOSP. This process is illustrated in Figure 3.

This procedure establishes a permanent agricultural open space from the inception of the program forward. It allows landowners to delay the sale of their easements into the future if they elect to do so, thereby permitting them to enjoy the increases in the development value of their property. From the standpoint of the public, they receive the benefits of open space and agricultural food production immediately, but are able to spread the cost through time.

The Commission concludes that the compensation procedure be as set forth below:

1. Each landowner in an AOSP may sell the development easements on his land to the administering agency at the inception of the program or at any time in the indefinite future at his option. Installment sales to the administering agency would be permitted without interest at the option of the owner.
2. A landowner may sell the development easements on his land to a party other than the administering agency at his option. The new owner of the easement may sell to the administering agency in the indefinite future at his option.
3. The rate of compensation for the purchase of development easements on farmland (compensation value) shall be the difference between the market value, including the development easement, and the value of land for farming at the time of the sale of the easement, as determined by established, acceptable appraisal procedures.
4. For delayed sales of easements, the compensation value as defined above shall be adjusted in proportion to the change in the value of land similarly situated outside the AOSP as determined by the administering agency.
5. The compensation value for delayed sales of easements may not be less than the compensation value at the inception of the program, adjusted for changes in the general price level as measured by the Bureau of Labor Statistics' Wholesale Price Index.

Funding and Program Cost

It is proposed that the program outlined above be financed by 4/10 of 1 percent (4 mills) tax on all real estate transfers in the state. (The present 1 mill Real Estate Transfer Tax, the proceeds from which are used by county government, would not be affected.) Gross proceeds at 1971 prices would have been about $22 million. It is believed that this is a sufficient amount when spread over a long period of time to preserve the Commission goal of a million acres in preserved areas.

It is the judgment of the Commission that the benefits of agricultural open space far outweigh its cost. The tax is only imposed when property is transferred. If the transfer price of a house is $40,000, for example, the tax would amount to $160, which the seller would presumably pay out of the capital gains realized on the property preceding the sale. From an aggregate point of view of the state, collections at

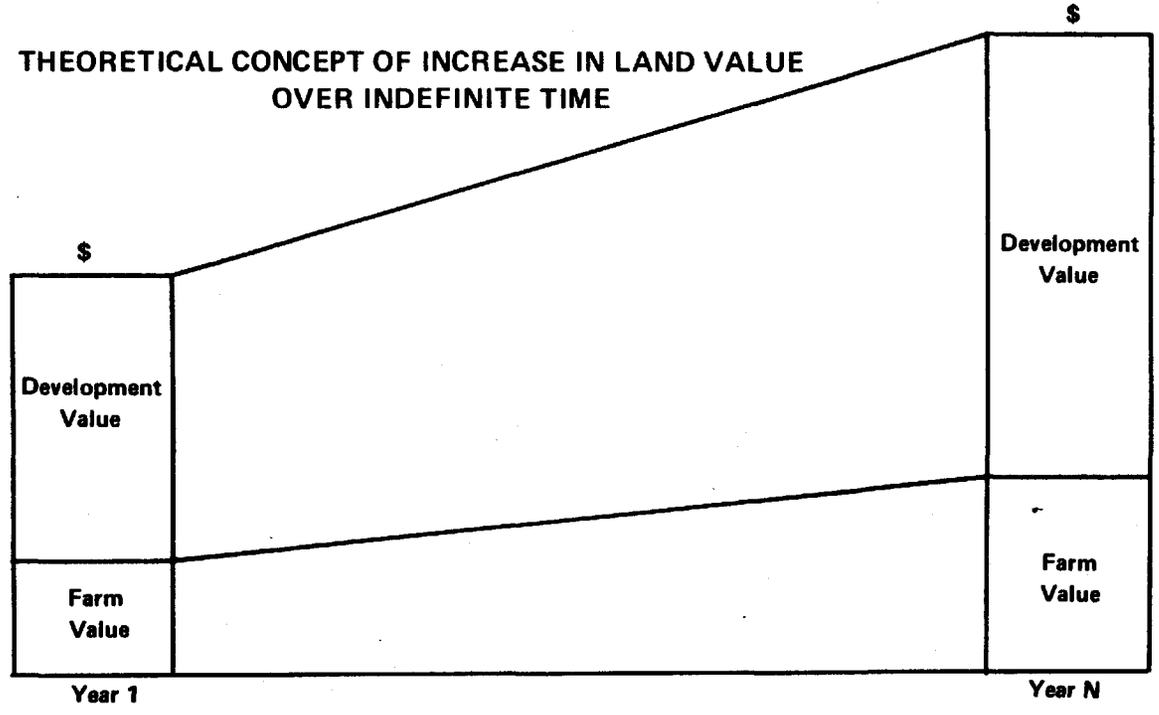
THEORETICAL CONCEPT OF INCREASE IN LAND VALUE
OVER INDEFINITE TIME
$
$
Development
Value
Development
Value
Farm
Value
Farm
Value
Year 1
Year N

Figure 3

1971 levels would be at the rate of 6/100 of 1 percent of the value of the state's gross state income and 36/100 of 1 percent of the increases in real estate property values during the year.

It is also proposed that supplemental bonding authority be granted to the administering agency to assure continued integrity in the cash flow and stability of the fund.

The funds collected under the 4 mill Real Estate Transfer Tax should be reserved for exclusive use by the administering agency in purchasing development easements on AOSP lands, administration, and related program development and research.

Administration

The administration of the program is shared by the state and the local municipality. The responsibility regarding designation of the AOSP lands as part of local planning and zoning activities is outlined above in more detail. The state functions would be administered by a State and Municipal Agricultural Open Space Agency (SMAOSA). This agency would be composed of a professional staff attached to the Department of Agriculture, but under the direction of a Board of Directors composed of appointed and ex officio members of state government. It is intended that the appointed members of the Board be persons of integrity with a special interest in preserving and improving the environmental quality and agricultural productivity of the state. Their appointment by the Governor should be approved by the Senate. The Commission recommends that the program be administered as follows:

1. A State and Municipal Agricultural Open Space Agency (SMAOSA) shall be established to administer the program.
   a. The chief executive of the SMAOSA should be a member of a Governor's planning council.
   b. Membership of the SMAOSA Board of Directors shall consist of nine members, four of whom shall be the Secretary of Agriculture, ex officio, the Commissioner of Community Affairs, ex officio, the Commissioner of Environmental Protection, ex officio, the State Treasurer, ex officio, and five public members, all of whom shall be appointed by the Governor, with the advice and consent of the Senate.

      Of the five public members, two shall be appointed for terms of five years, two shall be for terms of four years, and one shall be for a term of three years. Thereafter, all appointments shall be made for terms of five years. All appointed members shall serve after the expiration of their terms until their respective successors are appointed and shall qualify, and any vacancy occurring in the appointed membership of the Council shall be filled in the same manner as the original appointment.
2. The program would be administered by a professional staff in the Department of Agriculture, but who are responsible to the SMAOSA Board of Directors.
3. An administrative appeal procedure with ultimate recourse to the courts shall be provided to hear grievances of persons directly affected by the program (e.g., inclusion or exclusion of land, price offering, hardship cases, or questionable usage).
4. Funds derived from the Real Estate Transfer Tax would be administered by SMAOSA and used for easement purchase and debt service, administration. and research and development pertaining to the program.
5. SMAOSA would promulgate rules and regulations designed to assure that land in the preserved areas is used for agriculture and related uses only; to provide for review and hearing procedures where any public action threatens to interfere with normal and recommended agricultural practices within the preserve; to prevent undue fragmentation of farming units; and to encourage owner-operator farming in the preserve.

Supplemental Land Use Considerations

In its deliberations, the Commission evaluated a large number of programs or mechanisms which might have application to New Jersey conditions. Two deserve mention here:

1. Transfer of Development Rights

The Transfer of Development Rights (TDR) concept is an extension of existing planning and zoning procedures which make exclusive agricultural or other so-called "lower use" zoning possible. A special zoning district is established and all development therein other than farming is essentially prohibited. For each unit of development eliminated in such district, a substituted unit of development is provided for in the zoning which controls growth in the developable sections of the community.

A development right is created for each eliminated unit (e.g., housing unit) and is given as compensation to the owners of the land in the zone where development is prohibited. In order to build the substituted unit in the developable section of the community, a development right is required along with the appropriate zoning and land ownership. Therefore, a builder must purchase a development right from a landowner in the preserved district in order to build at a higher density in the developable side of town. The value of that right is the sale price arrived at through the bargaining process between the builder and the holder of the right.

The Commission concludes that the TDR concept has merit for use in certain municipalities of the state, but cannot be relied upon to meet fully the policy objectives presented in preceding sections of this report. The concept should be considered as supplemental to the plan proposed by the Commission.

2. Institution for Buying and Selling Development Easements

There may be a need to facilitate the sale of development easements by landowners in the AOSP by providing a ready private market. It was suggested by a member of the Commission that a financial institution, funded by private capital, but regulated by the state agency (SMAOSA), be established to provide the market. The institution would be prepared to purchase easements as they are offered for sale and hold for future resale to SMAOSA. The institution could be of substantial assistance in assisting SMAOSA to meet its cash flow requirements at lower cost. It is not proposed as a formal part of the Commission's land use plan, but for consideration as a supplemental device in the event of its need.

II. EDUCATION

THE ISSUE

A viable agricultural industry in New Jersey requires organized instructional and experience programs embracing the following broad elements: agricultural production and management operations and associated services; the manufacturing and distribution of agricultural equipment and supplies; the processing, storage, marketing, and distribution of food, fiber, and other agricultural commodities; environmental protection and wise use of renewable natural resources, including air, forest, water, soil, animal, marine, and plant life, and recreational resources.

The purpose of these programs is to provide quality agricultural and natural resource education as a part of the total program of public education. Such educational programs should be available throughout the state to all persons who are preparing for employment in, or who are employed in, occupations requiring knowledge and skills in the broad field of agriculture.

Programs must be commensurate with the social and economic needs and demands related to agriculture, renewable natural resources, and environmental protection. Educational programs should be flexible in nature to qualify students for entry into occupations, to pursue additional options, and to fulfill their role as effective citizens in a democracy.

Educational programs must be based upon realistic manpower requirements of the total agribusiness and renewable natural resources industry in the State of New Jersey. A comprehensive study entitled "The New Jersey Manpower Needs in Areas Related to Natural Resources and/or Agriculture and Implications for Educational Program Development" has been completed and can supply the essential data for program planning. Up to this time, agricultural education has been neglected in suburban and urban schools.

RECOMMENDATIONS

1. **Career Orientation and Exploration:** (Kindergarten through ninth grade.) An overall plan should be developed in the State Department of Education for introducing career orientation and exploration, including agribusiness and renewable natural resource occupations, at the elementary, middle, and junior high school levels. The development of this plan, insofar as it relates to agribusiness and renewable natural resource occupations, should be assisted through one or more positions being assigned to the environmental education group at the Rutgers College of Agriculture and Environmental Science (Cook College) for the employment of an environmental educator. This person would contribute to the overall state plan by developing and assembling curricula materials appropriate for use in New Jersey's kindergarten, middle, and junior high schools.
2. **Vocational Education:** (Tenth grade through twelfth grade levels.) The trend in New Jersey is toward the establishment of countywide programs at county vocational-technical high schools. The Division of Vocational-Technical Education in the Department of Education should conduct a study of all existing agricultural and natural resource programs in the state to determine if this trend will provide for the most widespread coverage and efficient operation for such occupational educational programs.
3. **Technical Education:** There should be established at Rutgers University, to be affiliated with Cook College, a two-year technical institute in environmental studies, to include programs in agriculture and in the natural resource areas. The reasons for these recommendations are: (1) the proximity to faculty and expertise; (2) excellent facilities, which could be used by the two-year school; (3) central location of New Brunswick; and (4) one good two-year college-technical institute in environmental studies could meet most, if not all, of the requirements of the State of New Jersey.
   This recommendation should not exclude or reduce the importance of those programs already begun at various community colleges in the state. This recommendation is made because it is our opinion that the courses, curriculum, and staffing will make it difficult for most community colleges

and technical institutes in the state to offer quality comprehensive programs in the natural resources and agriculture areas.

4. **Continuing Education:** Programs should be established at the proposed Technical Institute at Cook College, as well as at the county or community colleges, to provide commercial farmers, agribusinessmen, and their employes—including seasonal workers—the continuing education they need. For example, commercial farmers and those working in the broad fields of agribusiness and environmental protection could be offered short course programs in the basic principles, the social and economic factors, the technology and management practices required for effective organization and implementation. For seasonal or migrant workers, the possible thrust would involve upgrading their skills to prepare them for full-time employment in agricultural and related or even other fields. Classes in machinery maintenance and repair, greenhouse work, and overhead pruning and spraying techniques are potential offerings.
5. **Professional Education:** (B. S., M. S., and Ph.D. programs.) The present curricula offered by Rutgers University at the B. S., M. S., and Ph.D. levels in agricultural, animal, environmental, plant, and food sciences, agricultural research, teacher education, agricultural engineering, agricultural economics and business should be properly funded and continued, periodically re-evaluated, and strengthened if necessary in order to meet the needs of the state.

III. FARM LABOR

THE ISSUE

For many years, farm labor has been a most important and serious dilemma confronting agriculture in New Jersey. The seasonality of need for a substantial portion of the labor, the long hours and physical demands of farm work, and the relatively low farm income have contributed to the difficulty encountered in maintaining an adequate labor force. This, in turn, has become one major factor mitigating against a long-term, viable agriculture in New Jersey.

New Jersey, however, faces other unique problems. Its agriculture is extensively involved with the raising of fruits and vegetables and is thus heavily dependent on seasonal labor. Garden State produce has been marketed in direct competition with produce from states where seasonal labor regulations and general wage rates are on a lower scale. Because of this, New Jersey farmers in the past could not singlehandedly or within one state change the economic and social situation of seasonal laborers.

As a part of a developing concern for the improvement of the lot of the less advantaged, a major effort has been made over the past fifteen years to improve conditions for the seasonal farmworker on a state as well as a national basis. Much has been accomplished.

New Jersey farmers welcome these improvements. They can demonstrate that, on most of our farms and in most ways, New Jersey leads the nation in this effort. Its standards for seasonal housing are among the most stringent. Its farmer-operated Puerto Rican contract program merits the highest commendation. Granted, there are some marginal operations that cause concern, but these are now few in number.

The farm community has, and will continue to demonstrate, a willingness to steadily improve the conditions of the farmworker. However, it must be recognized that improved standards that place the New Jersey farmer at a significant competitive disadvantage with farmers in other states with less stringent standards will inevitably drive him out of business and reduce job opportunities. The solution of the problem of seasonal labor in New Jersey must not destroy the farmer.

There can be little question that a sound, permanent agriculture would enable New Jersey farmers to continue to lead in solving the problems of seasonal labor. The sale of easement rights, as proposed by the Commission, would provide the farmer with needed capital that could accomplish a number of things. The efficient farmer would be able to expand his operations. He could justify and afford making long-term capital improvements such as roadside markets, more efficient barns, improved employe housing, soil conservation projects. Such improvements could increase operating efficiency and total production to provide more year-round employment and to improve farmer and employe incomes.

RECOMMENDATIONS

1. State and federal legislation should be enacted to bring agriculture under a labor-management relations act designed for agriculture. Such an act must contain the following provisions: (a) full rights for farm employes to organize by secret ballot, (b) outlaw of secondary boycotts, and (c) recognition of the perishability and high seasonality of agricultural products.
2. All proposed state legislation directly affecting farm employment must parallel or strongly relate to the level and standards of federal farm labor legislation.
3. A committee representing all interested groups in agriculture should be established to act in an informal advisory capacity to the state agency enforcing the Federal Occupational Safety and Health Act and to initiate and coordinate a variety of farm and rural safety and health programs. This committee would concern itself with issues

and programs relating to the agricultural industry and surrounding rural community so that application of the programs would be effective and productive.

4. Both state and federal agencies should place new emphasis on retraining for all types of seasonal and year-round farmworkers, in order to upgrade their skills and to prepare them for better jobs, both on the farm and in industry.
5. The development of a pilot program in agriculture whereby a corporation could employ full-time, skilled farmworkers on a year-round basis and enter into contracts with farmers for the services of these workers for stipulated periods. This program would have to be developed on a multi-state basis and would need an investment of public funds to test its feasibility and to prove to both farmers and farmworkers that it can work.
6. The establishment of a Council on Farm Labor within the Department of Labor and Industry to provide ongoing communication among farm employers, the regulatory agencies involved, and the many private groups and agencies that seek to improve conditions for the farmworker. The responsibilities of the council should include, as a part of immediate needs, the development and support of legislation:
   a. To clarify the definitions of the terms "migrant," "seasonal," and "temporary" farmworker.
   b. To clarify the matter of visitation rights.
   c. To define responsibilities for workers as well as owners in maintaining proper house and housekeeping standards in any housing provided by the employer.

   Further, the council should make a study of the seasonal labor force that comes on a "day-haul" basis from nearby urban areas. Too little is known about the needs, problems, and desires of these workers. It must be borne in mind that seasonal employment can provide desirable work and supplemental income, for society benefits when all can be employed.
7. In addition, we strongly support the efforts of the Child Labor Law Study Commission which, in a preliminary report, proposes legislation that would increase opportunities for the employment of youth in agriculture and other occupations.

IV. FARMLAND ASSESSMENT

THE ISSUE

Inequities in the property tax, particularly as they relate to the New Jersey farmer, were dramatically evident in the massive loss of farmland in the late 1950s and early 1960s. As taxes spiraled upward in many agricultural areas, farmers, who could not absorb this uncontrollable item of expense, found it necessary to sell all or part of their farms. Developers converted much of the land from tax-paying open space to cost-generating housing.

Increased demand for housing produced scattered development throughout the state. Property assessments rose on nearby farmlands without regard for the land's ability to generate income. The higher tax bills resulting from the increased market value assessments on farmland, as well as the higher tax rates needed to pay for additional municipal services, compounded the problem for the farmer who was unable to pass on these costs of production or to benefit from the municipal services.

Skyrocketing tax bills accelerated the sale of agricultural land. Between 1955 and 1965, 430,000 acres of farmland were diverted to other uses. Public recognition and concern about this dramatic loss of agricultural open space resources led to the 1963 Constitutional Amendment which provided, through the Farmland Assessment Act of 1964, for the assessment of qualified land on the basis of its agricultural productivity. If the land, which receives benefits under the Act, is changed to non-agricultural use, the municipality receives a rollback tax. The rollback is equal to the difference between taxes paid under the program and what would have been paid under regular assessment for the three years prior to change of use. Thus, a quid pro quo is established.

Recent questions have been raised concerning the farmland assessment program in terms of the amount of the tax shift, the alleged misuse of the Act by "speculators," and its failure to permanently preserve agricultural land. We are convinced that the Act has served agriculture well and in the way it was intended. Unquestionably, it makes it possible for production farming to continue in our urbanizing state. This, in turn, helps to maintain a vital segment of our state's economy, provides tax-paying open space for the benefit of all of our citizens, and slows the headlong rush to a road-to-road concrete and asphalt development.

The Commission strongly supports the Farmland Assessment Act of 1964 in principle and action. The proposal for a permanent land base should tend to stabilize the property tax situation as it affects our production agriculture. Yet there will be a crucial, continuing need for the benefits of the Farmland Assessment Act for those farms outside the preserve and for those in the preserve for as long as we depend heavily on property taxation.

RECOMMENDATIONS

1. The Division of Taxation, in conjunction with agricultural advisory groups, should develop additional regulations to further clarify the meaning of the term "actively devoted" in the

Act to insure proper application.

2. The provisions of Senate Bill 620, to further increase eligibility requirements, should be implemented.

V. FEDERAL ESTATE AND STATE INHERITANCE TAXES

THE ISSUE

The dramatic increase in the market value of agricultural lands has generated a major problem in transferring farm estates. The transfer of valuable farm property from a decedent to his heirs inevitably causes a liquidity and family crisis. The market value of the property may have little relationship to the agricultural income which must provide for the Federal estate and State inheritance taxes.

Federal estate and State inheritance taxes are based upon the market value of the property. The resultant tax load often leaves no alternative but to sell the land for development even though the family desires to continue farming.

The implementation of our proposal for a permanent agricultural land retention program will greatly alleviate this problem. Farmland within the designated areas should be assessed at the agricultural value of the land and the development easements can be sold to satisfy tax levies while the land remains in farming. Nevertheless, there will be varying amounts of farmland outside the designated areas which will still be subject to estate and inheritance tax pressures.

RECOMMENDATIONS

1. Federal legislation should be enacted to increase the taxable estate exemption to $200,000, and to provide that qualified farmland be taxed on its agricultural value.
2. State legislation should be enacted to increase the taxable estate exemption to $20,000, and to stipulate that qualified farmland shall be taxed on its agricultural value.

   As a condition of this special assessment, the land must remain in agriculture for a period of ten years. If the use changes within this period, a penalty of 10 percent per year for each year less than ten shall be applied against the tax savings.

VI. MANAGEMENT

THE ISSUE

The business of farming grows ever more risky, costly, complicated, and regulated. Farmers in most instances, compared to industry, operate relatively small-scale family-owned businesses. A greater permanence in agriculture through the agricultural open space program should promote larger and more efficently managed farms. Nevertheless, the independent, family-operated enterprise will continue to predominate.

The farmer serves in a number of capacities in his business: as an overall manager, purchasing agent, producer and marketer, bookkeeper and personnel officer, filing clerk, mechanic, and field employe. He must keep abreast of a dynamic art and technology, make numerous crucial choices and often instantaneous decisions, and adhere to ever-increasing business related regulations.

With the recognized need for more and better farm business decision making, a number of management tools have become more readily available to farmers in recent years. Farm record and accounting services, planning, use of computer technology in management analysis, and other general business technologies have been adapted to agriculture. However, their widespread acceptance and use remain to be developed and exploited by many of our farm operators.

Under the proposed agricultural open space plan, there will be a permanence and a future in agriculture free from the threat of the loss of land to development. This permanence will make it all the more vital that the farmer have these new management tools and abilities to operate profitably.

RECOMMENDATIONS

1. Individually, farmers must be committed to upgrading their management capabilities and learn to effectively use the tools, skills and equipment of farm business management.
2. A Farm Management Advisory Committee, comprised of representatives of the major farm organizations and suppliers of management tools, should be established by the Cooperative Extension Service. Its purpose should be to evaluate and develop additional programs and activities to fortify and extend the use and application of all available record-keeping and business management tools and systems for the benefit of farmers. Also, part of the evaluation should consider the need for additional resources that should be devoted to research and extension programs in farm management at the College of Agriculture and Environmental Science (Cook College), Rutgers University.

VII. MARKETING

THE ISSUE

New Jersey agriculture is an important and viable segment of the state's total economy. Distinctive with its many small and medium sized family farms, it produces a great variety of farm products in contrast with the single-crop, giant-sized farms in other areas of the nation. And yet the most unique

feature of our agriculture is that we are producing food in the very midst of the world's largest market.

Over the years, technology has led to great advances in the yield, quality, and productivity of agricultural enterprises. But we know, too, that the effective marketing of these products, in competition with the farm products readily imported from distant areas, requires diligent effort and emphasis for the producer to obtain a profitable return.

Of the many facets of the agricultural marketing process as it functions in this most urban state, the following areas demand the most urgent consideration in order to maintain and improve our competitive position:

1. The direct marketing of our agricultural production on a farmer-to-consumer basis.
2. Improvement in wholesale marketing procedures and facilities, as well as regulations affecting the quality and grade of the produce offered.
3. Development of an expanding export market.
4. Development of a systemized production and marketing program.
5. Better coordination of the marketing programs now in operation. The potential of a regional market to serve metropolitan New Jersey outlets.

RECOMMENDATIONS

1. Further development of direct farmer-to-consumer sales through:
   a. Farm stores, owned and operated by local farmers for consumers who seek the highest quality food and farm products.
   b. Farmers' cooperative retail markets located on major New Jersey arterial highways and toll roads, as well as on other densely-traveled highways near population centers.
   c. Pick-your-own crop farms and orchards at which consumers, under adequate supervision and safety regulation, perform the harvesting to obtain personally selected, high quality farm produce at minimum cost.
2. The State Board of Agriculture should initiate, in cooperation with the Farm Bureau, State Grange, Rutgers College of Agriculture and Environmental Science (Cook College), and other interested groups, the development of a farmer (producer) retailer program, including the legislation necessary to fund and implement it. The objective here is to provide a first-class, precise total marketing program for the producers and retailers of specific New Jersey farm commodities to serve the modern needs and demands of the nearby consuming public.
3. Further development of more adequate state branding or labeling laws is required to prevent poorly graded, low-quality commodities from being sold in competition with properly graded commodities and to assist in consumer promotional activities for top quality New Jersey products.
4. The State Board of Agriculture should request a study by the Transportation and Facilities Division of the U.S. Department of Agriculture to determine prime locations, potential costs and the feasibility of a central distributing and processing center for agricultural commodities to serve the urban regions of New Jersey.
5. The establishment of a New Jersey agricultural export committee to stimulate overseas trade by:
   a. Promoting the advantages of export marketing to expand sales outlets and enhance farm income.
   b. Acting as a communications center—a link between grower, processor, and overseas importer-exporter to develop joint marketing ventures.
6. The appointment by the Secretary of Agriculture of an advisory committee for the creation of an ultimate organization to coordinate the many producing and selling programs available to farmers and to develop a systematic approach to such production and marketing. This group should include a wide representation of the agricultural community, including farmers, farm organizations, agribusiness, and technicians from education, industry, and government.

   The advisory committee should consider the details of the scope, structures, and financing of the proposed coordinating organization, which would be charged with effectively providing well-researched systems to produce and sell to New Jersey consumers those farm products that are in demand and that can be economically produced here by the small family farm as well as by the larger commercial operation. This organization should be charged with the responsibilities of the presently established ad hoc Food Processing Development Committee and its active Subcommittee on Labor.

VIII. NATURAL RESOURCES

THE ISSUE

The statewide natural resources conservation program conducted by the State Soil Conservation Committee, New Jersey Department of Agriculture, and its subordinate soil conservation districts, is the focal point for natural resource conservation services provided to agricultural and other land users. Federal, state, and local technical conservation expertise and assistance are provided, channeled, and coordinated through them.

With the expected intensification of agricultural land use under the agricultural land preservation program, and the enlarging concern for the effects

of all types of activity—including agriculture—on the environment, the State Committee and soil conservation district programs must be enlarged to accommodate the demands of agriculture and to ensure that environmental quality related to agriculture is assured.

The implementation of the agricultural land preservation program requires basic natural resource data from the Cooperative Soil Survey. This survey, which contains a classification showing the primary agricultural lands, is conducted by the Soil Conservation Service, U.S. Department of Agriculture, in cooperation with the Agricultural Experiment Station at Rutgers University. The Cooperative Soil Survey is not completed for all geographic areas of the state. At its present schedule, it will not be finished for eight to ten years. Its completion, therefore, must be accelerated.

In order to support the establishment of conservation practices of long-term benefit on agricultural lands, a special, cost-sharing program has been in operation for some years. This program of the U.S. Department of Agriculture provides for cost-sharing of selected conservation improvements or practices on farms. A major justification for this program is that an agricultural landowner is not the sole beneficiary of the conservation practices undertaken. In fact, public benefits usually by far outweigh those received by the agricultural landowner.

In New Jersey there are certain essential conservation practices which are not part of any Federal cost-sharing program. In an urbanizing area such as New Jersey, use pressures on soil and related water resources are exceptional, and the conservation management of these resources is imperative. This point becomes more critical as the agricultural land preservation program is implemented.

The use of water resources for intensive types of specialized agricultural production has expanded in certain areas. Farmers have had to take positive action to insure that sufficient and timely water for irrigation was available. To a degree, natural rainfall has become the supplemental water supply for much of our high risk, high cost agriculture. In the past, irrigation was considered as a purely supplemental production practice. Thus, present and future water resource planning, development and allocation, by public water resource agencies, must fully consider agricultural needs and requirements as a high priority use of the state's water resources.

With ever-increasing population pressure, both private and public open lands are being called upon to perform more and more functions. Private agricultural lands have historically provided such nonfood benefits as the natural resource base for much of our wildlife, some species of which are harvested by sportsmen, and space for a multitude of outdoor recreational activities. It must provide even more of these goods and services to the public in the future. This type of farm product will not only be in greater demand, but it will also be an essential factor in providing an economic return to the landowner, since the user of these goods and services will be required to pay a reasonable price for them.

RECOMMENDATIONS

1. The State of New Jersey, through the State Soil Conservation Committee, should financially support the acceleration and prompt completion of the Cooperative Soil Survey. The lack of basic data must not delay or inhibit the agricultural land preservation program.
2. The State Soil Conservation Committee and its soil conservation district units must be further supported, with State funding, in order that they can provide the additional technical and resource conservation services that are vital to agriculture and other land users in an urban environment.
3. The State should initiate a three-year pilot program, for cost-sharing with private landowners, for priority conservation practices which provide public benefit. Such a program would stress innovative semi-permanent and permanent conservation improvements. Following the trial period, the program would be thoroughly evaluated for possible adjustment and continuation.
4. The Department of Environmental Protection, the Department of Agriculture, and the College of Agriculture and Environmental Science (Cook College) should undertake water resource studies, demonstrations and pilot projects to accomplish the following:
   a. To determine the positive role of agricultural land as watersheds conserving and replenishing water resources.
   b. To develop program proposals to increase this role on private lands with appropriate assistance and incentives.
   c. To evaluate the use of "waste" waters for agricultural production purposes and prove how agricultural lands might be used as a medium to replenish ground water resources from such "waste" waters.
5. Multiple use of agricultural lands must be further developed and supported. Some of the ways this can be accomplished are:
   a. Farmers should be encouraged by their organizations, the Cooperative Extension Service and other public and private groups to develop more of the nonfood functions on farmland. Examples of such activities are: increased use of "semi-wild" hunting preserves, development of extensive type recreational or camping facilities, fee fishing, or the creation of natural trails.

b. The public, through public and private channels, must be continually informed and apprised of the benefits flowing from private open lands; respect the ownership of such lands; and be prepared to make further private expenditures for many prior free natural resource products and services.

c. Experimental or demonstration programs should be evaluated and undertaken by all levels of government, whereby private lands would be leased especially for specialized recreational or other activities. This might range from a short-term lease of hilly land for controlled winter sports; a large contiguous block of land for controlled hunting; or a farm pond for controlled fishing.

IX. ORGANIZATIONS

THE ISSUE

The stability and long-range optimism for a continued productive agriculture in New Jersey are inherent in this report. As we advance toward the major goal to provide a permanent land base for future farming, it is clear that the roles and functions that must be performed by organizations serving agriculture can only intensify and become more crucial. This is an era of complex and dynamic economic and social forces, where group action plays a dominant role in influencing and determining the positions that are assumed or obtained by those with common interests or those who represent a particular segment of a growing urbanizing society.

New Jersey agriculture, in all its branches and endeavors, is represented by a number of specific and general private and public organizations, all of which were initiated and developed for particular and very important reasons. Now, the business of agriculture and the environment in which it operates are dramatically changing and will continue to do so in the years ahead.

There are existing problems which can, over time, magnify in their importance in the economic, technological, and social fields. Some of these vexations which adversely affect agriculture stem from dated attitudes and knowledge, from poor communications and information, and from management omissions or errors. Failure to keep abreast of or ahead of change, lethargy, lack of up-to-date leadership and a decline in the importance of the original objectives or purpose are frequent reasons for the obsolescence of an organization.

Thus, the effectiveness and future role of all existing organizations need to be prudently examined and evaluated and appropriate action taken to insure that agriculture has its needed and viable organizational tools for continued advancement.

RECOMMENDATIONS

1. Each agricultural organization, if it has not done so in the past five years, should establish a special evaluation committee to review its goals, functions, and effectiveness. If it is successful, solvent, and meeting the needs of its members—excellent. If not, one alternative to be encouraged is the possibility of associating or consolidating with a more resourceful group with goals and functions which can embrace both former organizations. This process would provide more concentrated leadership and resource capabilities for all concerned.
2. It is incumbent upon all agricultural interests, individually and organizationally, to reaffirm to the executive and legislative branches of state government the importance of maintaining the State Board of Agriculture, Department of Agriculture, and the Board of Managers, College of Agriculture and Environmental Science (Cook College), Rutgers University, as a means of providing guidance and direction to state government relative to the agricultural problems of the state.
3. It is especially desirable that a unified policy and voice for the farm community of the state be developed through the cooperation and/or consolidation of the numerous farm organizations in New Jersey. To this end, we recommend the formation of an implementation committee whose primary purpose shall be to assist the present farm organizations in leadership development and building organizational effectiveness. This committee should consist of the presidents of the State Board of Agriculture, Board of Managers, College of Agriculture and Environmental Science (Cook College), and the New Jersey Farm Bureau, the master of the New Jersey State Grange, and one other organizational president selected by them. The dean of the College of Agriculture and Environmental Science and the Secretary of Agriculture should serve ex officio as committee members. The initial meeting of the group should be at the call of the Secretary of Agriculture. This committee, utilizing the private and public resources available to it, should proceed with its charge of developing a coordinated and effective organizational framework and policy for the farm community of this state.

X. RECYCLING WASTE

THE ISSUE

It is imperative that the vast quantities of biodegradable agricultural and municipal wastes generated throughout our state be utilized and recycled whenever possible. The New Jersey Agricultural Experiment Station estimates that approximately 7,300 tons of animal wastes alone are produced daily in the state.

The disposal of biodegradable municipal wastes is one of the most challenging problems confronting urban areas. Using current knowledge and technology, there is reason to believe that a nearby productive agriculture can utilize a significant volume of such waste. The New Jersey Agricultural Waste Task Force, established in 1967, has considered these issues and has confidence that the recycling of certain biodegradable solid waste into livestock and poultry feeds can create a new "profit center" for New Jersey agriculture.

Unless an economical supply of feed can be obtained from reliable sources for New Jersey's livestock and poultry producers, it will be increasingly difficult to remain competitive with producers in other areas with cheaper feed. New Jersey's ever-increasing supply of biodegradable waste can become a significant source of feed (energy) for a livestock and poultry industry that has a tremendous potential for expansion in the midst of a market of approximately twenty million people within seventy-five miles of present production centers.

RECOMMENDATIONS

1. That an Agricultural Waste Council be formally established by law in the Department of Agriculture and that it be adequately funded to implement and coordinate a program to include:
   a. The development of legislation to provide uniform guidelines, rules, and regulations to control the disposition of livestock and poultry wastes;
   b. The promotion of research, testing, and extension programs in the recycling of biodegradable wastes into livestock and poultry feeds or other usable products;
   c. The development of methods and feasibility studies on lagooning, spray irrigation, soil incorporation, and other means of disposing of both agricultural and municipal wastes;
   d. The structuring of cooperative efforts of farmers, governmental agencies, private business and municipal governments in the development of acceptable ways by which various forms of biodegradable wastes can be collected and recycled into animal feeds or soil additives.

XI. RESEARCH

THE ISSUE

Research is a basic service to New Jersey agriculture. Research improves on production and marketing technologies and it develops new ones. Research is necessary to develop the basic principles and methods by which the physical environment associated with agriculture can be improved and maintained for the benefit of agriculture and society in general. (This role recognizes and would support the recommendations of the *Open Space Policy* Commission.) Research is necessary to expand the demand for New Jersey farm products by developing new and improved products and processes and by enhancing quality, to protect the health and improve the nutritional well-being of consumers. Research can assist in the expansion of the socio-economic and cultural opportunities of the rural population.

New Jersey agriculture is supported in research by the Agricultural Experiment Station, College of Agriculture and Environmental Science, and by a variety of industrial corporations and by some cooperatives. Funding is provided by State and Federal appropriations and by grants and contracts from Federal and State agencies and from private foundations, companies, cooperatives, and corporations.

From our analysis of data on New Jersey agriculture over the past decade, three trends are apparent: first, a trend from production of commodities using extensive land area to those which use lands more intensively; second, a relative increase in the production of commodities which can be produced at lower cost through mechanization of the various production activities in contrast to high labor using commodities; and third, a trend to the production of commodities which meet the demands in the marketplace (greenhouse tomatoes, bedding plants, nursery crops, and new vegetable crops are some examples).

Recognizing the changes, in 1971, the administration and faculty of the Experiment Station conducted an analysis of research programs and reassessed their research priorities for the next five to ten years. The report, entitled "Redirections for the 70's," indicates that research in the Experiment Station is carried out under four broad goals or research areas:

Goal 1. The Physical Environment:

To improve the physical quality of the environment, including consideration of air, fresh and marine water, soil, noise, and thermal pollution, solid waste disposal, land use planning and management, open space, agricultural lands, outdoor recreation, and visual quality; and to assist in the orderly shift and use of resources in rural and urban areas and at the rural-urban interface.

Goal 2. The Socio-economic and Cultural Environment:

To expand the socio-economic and cultural opportunities of people to improve their environment, including community planning and development, provisions of public services, and human resource development.

Goal 3. Agricultural and Forest Production:

To improve agricultural and forest production and

marketing efficiency, including plant and animal breeding, nutrition, physiology, and the protection of plants and animals from diseases, insects, weeds, and other pests and hazards.

Goal 4. Foods, Nutrition and Marketing:

To generate and disseminate knowledge needed to develop new and improved food products and processes, protect consumer health, improve the nutrition and physical well-being of the people, and to assure a secure supply of wholesome foods to consumers in the state.

In the report "Redirection for the 70's," the faculty took note of the fact that in a highly populated and industrialized state like New Jersey, the need for "open space" to provide recreation, aesthetics, wildlife shelter, and for recharging ground water supplies and other natural resources has never been more acute. Agricultural land contributes greatly to each of these needs and, in addition, supplies high quality food, ornamentals and nursery products and turf to the people in metropolitan areas. Agriculture cannot solve the entire problem of maintaining a suitable environment for future generations. But it can provide open land which can reduce pollution rather than contribute to it, land which can conserve resources rather than deplete them, and land which can provide beauty instead of blight. At the same time, agriculture contributes significantly to the economic vigor of New Jersey.

New Jersey agriculture has maintained itself on a sound economic basis due to the uniqueness of its geographical location, its climate, its natural resources and the success of its farmers in continually upgrading efficiencies. To the latter, the Agricultural Experiment Station has made significant contributions. In order to maintain a viable and healthy agriculture, the Experiment Station will have to continue to conduct imaginative research. Future research in support of agriculture must focus on those agricultural products which promise a worthwhile economic return to the farmer. Developing and adapting new commodities, cropping systems, or other production factors suitable to New Jersey conditions should be given highest priority.

RECOMMENDATIONS

1. The New Jersey Agricultural Experiment Station should continue its present dynamic and essential research programs in support of New Jersey agriculture.
2. The research efforts of the New Jersey Agricultural Experiment Station should continue to be publicly funded at a level sufficient and adequate to conduct effective long-term research programs. Special attention must be given from time to time to capital facilities and operating expenses for various installations such as the Blueberry and Cranberry Station, and South Jersey Research and Development Center.
3. The research faculty, in consultation with the Extension faculty, farmers and farmers' organizations, New Jersey Department of Agriculture, Experiment Station Board of Managers, consumers, and others as necessary, should periodically update its research priorities.
4. The faculty and administration of the New Jersey Agricultural Experiment Station should implement to the extent possible the recommendations of the faculty study.
   Areas of increased research effort include: (a) development of an Environmental Toxicology and Physiology Laboratory; (b) studies on rate of pesticide degradation in soils, plants, and animals; (c) safety of food products and development of new food products; (d) development of models for public recreation; and (e) land use planning and management. The new George H. Cook College will bring the expertise of political science, social sciences, and the humanities to bear upon the problems of research and extension of the Experiment Station.
5. The dean of the College of Agriculture and Environmental Science should take the leadership to establish an advisory committee of representatives of the various industrial concerns engaged in laboratory and/or field research in the state in support of agriculture, with the objective of coordinating research to insure full coverage of problem areas and avoiding, when possible, unnecessary duplication.

XII. RURAL ADVISORY COUNCIL

THE ISSUE

With a rapidly changing and developing agriculture and related agribusiness complex, a population expanding into rural agricultural areas, and an emerging comprehensive rural development program at the Federal level, there is a need for an updated and broadened public program, related to these conditions. At the present time, there is a Rural Advisory Council in the Department of Agriculture whose purpose is to study and make recommendations on agricultural and rural economic and social problems.

RECOMMENDATIONS

The Rural Advisory Council should be broadened and recharged to serve in an advisory capacity to an expanded agricultural and rural development program in the Department of Agriculture. Such a program should include the development of an agricultural plan for the state; the development of policies and programs to improve the economic and social condition of agriculture and rural areas;

coordination and participation in programs to minimize the impact of urbanization on agriculture; studies and recommendations on agricultural and rural issues; and consultation with other state governmental agencies on issues peculiar to agricultural and rural areas. The Council should have the ability to receive funds from the U.S. Department of Agriculture for purposes related to the Council's area of interest.

XIII. TAXATION

THE ISSUE

New Jersey agriculture, whose production and income are largely based on the extensive use of lands and buildings, has been historically plagued by the burden and inequity of an overreliance on the local property tax.

Studies conducted over the past 25 years, culminating in the 1972 Report of the New Jersey Tax Policy Committee, have continually emphasized that, as a whole, the property tax is both excessive and regressive. Further, it is particularly overwhelming and destructive to agriculture which must use relatively large amounts of real property, per dollar return, in its productive processes and activities. Several comparative pieces of data for 1970 illustrate this point: (1) per capita disposable income of the farm population is only about 75 percent of that of the nonfarm population; (2) the New Jersey property tax per acre of farmland is $21.67, the highest in the nation; and (3) the effective tax rate of the property tax by income groupings shows a range of 7 to 10 percent for nonfarm incomes from $3,000 to $15,000, whereas the property tax represents nearly 34 percent of the farmer's net farm income.

The Farmland Assessment Act of 1964, which is considered independently in another section of this report, has become a major State policy bulwark on which the continuance and vitality of a substantial portion of New Jersey agriculture rest. Yet, the property tax issue as a whole has not been, by any means, fully resolved. While assessments of qualified land have been stabilized, home and building assessments continue to rise along with the invariable annual increase in local property tax rates. These continue to have a grinding and corrosive effect on agriculture.

There is a further burdensome tax-related cost of some concern to farmers. Municipalities are currently able to make charges or assessments against farmland for the costs of construction or installation of certain public facilities such as sanitary sewer lines. As contrasted to special purpose utility authorities, local governments can make a capital cost allocation against the land. Often great emphasis is placed on the amount of acreage owned or on the front footage of the property. In most instances, such facilities are of little direct, immediate benefit to farmland owners, yet with a wide frontage or substantial acreage, charges or assessments can overwhelm an agricultural operation.

RECOMMENDATIONS

1. Legislation should be enacted to require local municipalities or special purpose utility authorities to make all charges for the construction or installation of public facilities on the basis of current property assessments rather than the amount of property frontage. Land qualifying under the Farmland Assessment Act or within the proposed Agricultural Open Space Preserves, should be assessed at farmland values.
2. In order for New Jersey agriculture to remain competitive, the sales tax exemptions applying to qualified production items must be retained. Exemption of input production necessities is vital to the economic well-being of our efficient agriculture.

CONCLUSION

In a society dedicated to the precepts of individual freedom, free enterprise, and a policy of private freehold of land dating back several hundred years, it is difficult indeed to propose innovative ideas to regulate land use. Obviously the best and highest use of our priceless farm lands in New Jersey is in farming.

The Commission has dedicated its time and talents to a total look at this issue, which is exactly what it was created to do.

While the basic land retention proposal herein is unique to our state and nation, it should be noted it is not entirely new to several enlightened nations of the earth, where laws and customs on land ownership and control are not analogous to ours.

So while new to the United States, the concept is well known in several small nations with high population densities, namely, Belgium, Holland, and Switzerland. These nations have been able to preserve their character by control of land use and also control of the nature and locale of homes, shopping centers, and factory sites.

In conclusion, the Commission urges all New Jerseyans to view this report in the perspective of its entirety:

a. A plan to preserve basic land for agriculture, and

b. Recommendations to enable agriculture to continue and to thrive in a new climate of assured permanence.

The recommendations are framed with this total view in mind. Any fragmentation of the report is neither the advice nor the intent of this Commission.

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The cover photograph was supplied by the
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APPENDIX TABLES

Appendix
Table 1

NEW JERSEY
ESTIMATED PER FARM NET FARM INCOME, OFF-FARM INCOME AND TOTAL INCOME BY ECONOMIC CLASS OF FARM 1969

Economic Class (Farm Products Sold)	1969 No. Farms	Gross Farm Income[1]	%Gross to Net[2]	Net Farm Income[3]	Per Farm Off-Farm Income[4]	Total Income
			— Million $ —			
I $40,000 up	1,403	$180.3	11.8	$15,166	$6,746	$21,912
II 20,000-39,999	1,281	44.6	14.9	5,191	4,072	9,263
III 10,000-19,999	963	16.7	14.1	2,441	4,013	6,454
IV 5,000- 9,999	912	8.0	4.2	366	5,794	6,160
V 2,500- 4,999	1,082	3.8	—	—	6,353	6,353
VI 50- 2,499	2,852	2.8	—	—	9,247	9,247
TOTAL	8,493	$256.5				

[1] 1969 data identical to years 1967-1970; includes cash receipts, government payments and value of home consumption. U.S. Census of Agriculture, 1969.
[2] Based on relationship shown in 1969 Census and 1969 U.S.D.A. farm income reports.
[3] Economic Class V and VI farm expenses allowed only to extent of farm income.
[4] 1970 U.S. average adjusted by ratio of per capita income U.S. to N.J.

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Appendix
Table 2

NEW JERSEY: FARM INCOME
THREE-YEAR AVERAGE 1949-1970 and 1971

	1949-51	1954-56	1959-61	1964-66	1968-70	1971
			— Million Dollars —			
Cash Receipts	309.0	317.5	289.3	262.5	246.6	240.1
Government Payments	.8	.9	2.3	4.4	4.6	2.7
Value of Home Consumption	8.8	6.4	4.0	2.5	3.1	2.0
Gross Rental Value of Farm Dwellings	24.2	27.6	32.2	27.6	26.0	20.7
Total Income	361.7	357.3	327.8	297.3	279.2	265.5
Production Expenses	234.8	253.4	237.2	219.1	217.2	223.5
Realized Net Farm Income	106.9	98.8	90.6	78.2	61.7	42.1
Net Change in Inventory	5.3	.7	−3.0	−5.3	−3.7	−1.1
Total Net Farm Income	112.2	99.5	87.6	72.9	57.8	40.9
			— Dollars —			
Per Farm:						
Average Total Gross Income	12,866	16,371	20,539	27,199	31,493	31,239
Average Total Net Farm Income[1]	4,226	4,640	5,506	6,720	6,507	4,814

[1] Includes return on capital invested, management functions, and farm operator's labor.
Source: Farm Income Situation, U.S.D.A.
Supplement — August, 1972

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Appendix
Table 3
NEW JERSEY: INVESTMENT IN AGRICULTURE

	1950	1954	1959	1964	1969
			— Million Dollars —		
Land and Buildings[1]	527.9	672.3	717.3	782.0	1,131.3
Machinery[2]	123.0	140.0	123.0	105.0	97.4
Livestock[3]	64.4	69.0	70.5	48.1	49.3
Total	715.3	881.3	910.8	935.1	1,278.0
Average Value of Land and Buildings			— Dollars —		
Per Acre	292.84	403.73	520.12	662.42	1,092.31
Per Farm	20,343.00	29,634.00	46,397.00	73,487.00	133,202.00

[1] 1969 Census of Agriculture.
[2] Estimated — using U.S.D.A. and Census Data.
[3] 1964 and 1969 Census of Agriculture.

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Appendix
Table 4

NEW JERSEY CASH RECEIPTS, BY COMMODITY GROUPS AS A PROPORTION OF TOTAL RECEIPTS, 1950 and 1960 TO DATE

Year	Total Cash Receipts	Livestock and Products[1]	All Crops[2]	Vegetables for Fresh Market[3]		Vegetables for Processing	Field Crops	Fruits and Berries	Greenhouse and Nursery		Other[4]
	Mil. $	— Percent of Total —					— Percent of All Crops —				
1950	292.4	64.3	35.7		20.3[3]		1.9	4.8		8.8	
1960	295.4	56.6	43.4	15.2		6.3	4.0	8.3		9.6	
1961	286.2	54.6	45.4	16.7		7.0	4.0	7.5		10.2	
1962	278.0	52.5	47.5	16.8		7.8	3.8	8.2		10.9	
1963	271.1	51.2	48.8	18.8		6.3	3.6	8.3		11.8	
1964	252.6	49.3	50.7	20.6		6.3	3.6	9.4		10.8	
1965	269.5	43.7	56.3	20.8		8.6	3.5	9.7		13.7	
1966	265.4	43.8	56.2	20.7		8.6	4.3	8.7		13.9	
1967	249.4	40.9	59.1	20.3		10.6	4.6	8.5	12.9		2.0
1968	250.1	39.4	60.6	20.0		10.1	4.9	10.2	13.0		2.2
1969	247.0	41.5	58.5	19.3		8.0	4.8	10.5	12.8		2.9
1970	242.6	39.8	60.2	19.5		9.1	5.8	9.8	13.0		2.8
1971	240.1	36.9	63.1	20.1		7.3	7.3	11.8	13.4		3.0
1972	234.5	39.3	60.7	NA		NA	NA	NA	NA		NA

[1] No further breakdown as to commodities is presented here.
[2] Sum of all crops shown in the six crop categories. Categories may not add to all crops sum because of rounding.
[3] Includes potatoes and sweet potatoes. 1950 includes both fresh market and processing vegetables.
[4] Forest products and other miscellaneous crops combined with greenhouse and nursery prior to 1967.

Compiled by New Jersey Crop Reporting Service from cash receipts from farm marketings as published by Economic Research Service, U.S.D.A. 3/73

Appendix
Table 5

NEW JERSEY PRODUCTION OR SALES AND CONSUMER NEEDS, SELECTED ITEMS, 1950 and 1971

Item	Production 1950 — Million Pounds —	Production 1971 — Million Pounds —	Consumer Needs[1] 1950 — Million Pounds —	Consumer Needs[1] 1971 — Million Pounds —	Equivalent Needs from New Jersey 1950 — Percent —	Equivalent Needs from New Jersey 1971 — Percent —
Vegetables						
Fresh	626.6	552.6	557.0	710.6	112	78
Processing	659.2	544.2	406.2	828.1	162	66
All Vegetables	1,285.8	1,096.8	963.2	1,538.7	133	71
Fruit (noncitrus)						
Fresh	210.2	223.6	324.5	373.2	65	60
Processing	38.6	67.3	233.5	352.0	17	19
Total	248.8	290.9	558.0	725.2	45	40
Melons	12.9	17.2	124.8	158.5	10	11
Potatoes & Sweet Potatoes, Fresh & Processing	903.3	295.7	574.9	920.9	157	32
Milk, Fluid & Manufacturing	1,140.0	684.0	3,578.1	4,075.1	32	17
Red Meats	43.5	41.4	699.2	1,400.7	6	3
Chickens & Turkeys	56.8	11.8	119.4	365.9	48	3
Eggs, Fresh & Processing	270.8	97.5	241.8	308.2	112	32
Total	1,511.1	834.7	4,638.5	6,149.9	33	14
			Sales[2]			
Wheat	57.1	84.2	928.4	1,102.7	6	8
Rye	9.1	10.6	8.7	10.2	105	104
Corn	109.8	180.6	244.2	452.8	45	40
Oats	5.7	2.2	32.4	51.1	18	4
Barley	9.5	29.6	9.7	13.9	98	213
Soybeans	18.2	82.7[3]	676.0	1,646.4[3]	3	5
Total	209.4	389.9	1,899.4	3,277.1	11	12

[1] Farm weight, except for red meats which are carcass weights and chickens and turkeys, ready-to-cook basis. Pounds consumed based on official population estimates and national per capita consumption rates for both years.

[2] Grain sold in terms of equivalent needs for human consumption.

[3] Equivalent quantity needed to provide total edible vegetable oils.

Prepared by: New Jersey Crop Reporting Service, December 13, 1972.

Sources: Production and Sales, N.J. Crop Reporting Service, Per Capita Consumption, Agricultural Economics Report No. 138 and its Supplement for 1971. Population Data, 1950, U.S. Census, 1971, New Jersey Department of Labor and Industry.

Appendix
Table 6

NEW JERSEY: NUMBER OF FARMS, LAND IN FARMS AND AVERAGE SIZE OF FARMS, 1952-1973

Year	Farms — Number —	Land in Farms — Acres —	Average Size of Farm — Acres —
1952	25,000	1,720,000	69
1953	24,000	1,710,000	71
1954	23,000	1,700,000	74
1955	21,600	1,650,000	76
1956	20,200	1,600,000	79
1957	19,000	1,560,000	82
1958	18,000	1,530,000	85
1959	17,000	1,500,000	88
1960	15,800	1,460,000	92
1961	15,200	1,440,000	95
1962	14,600	1,410,000	97
1963	13,300	1,370,000	103
1964	12,000	1,300,000	108
1965	11,000	1,220,000	111
1966	10,000	1,160,000	116
1967	9,500	1,120,000	118
1968	9,100	1,080,000	119
1969	8,900	1,080,000	121
1970	8,600	1,060,000	123
1971	8,500	1,050,000	124
1972	8,300	1,045,000	126
1973[1]	8,100	1,035,000	128

[1] Preliminary.
Source: 1971 New Jersey Agricultural Statistics.

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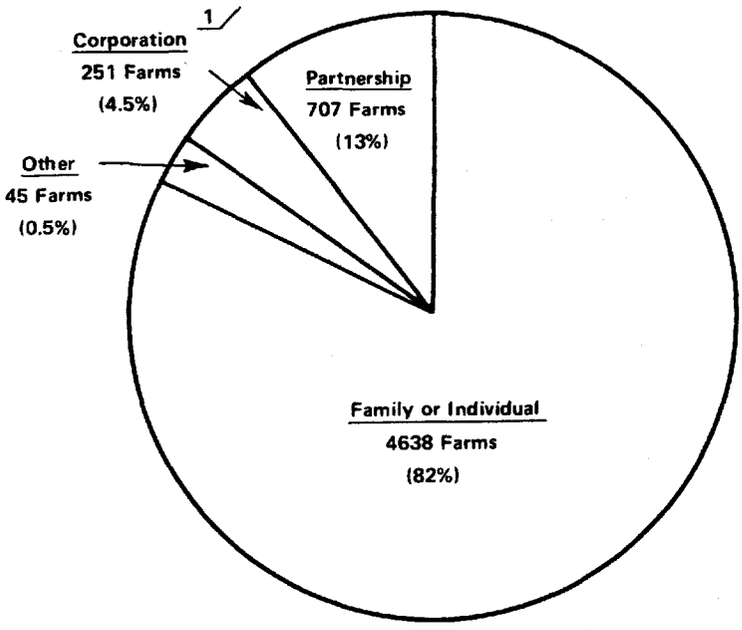
Appendix
Table 7

NEW JERSEY – COMMERCIAL FARMS – EXTENT OF CORPORATE ORGANIZATION

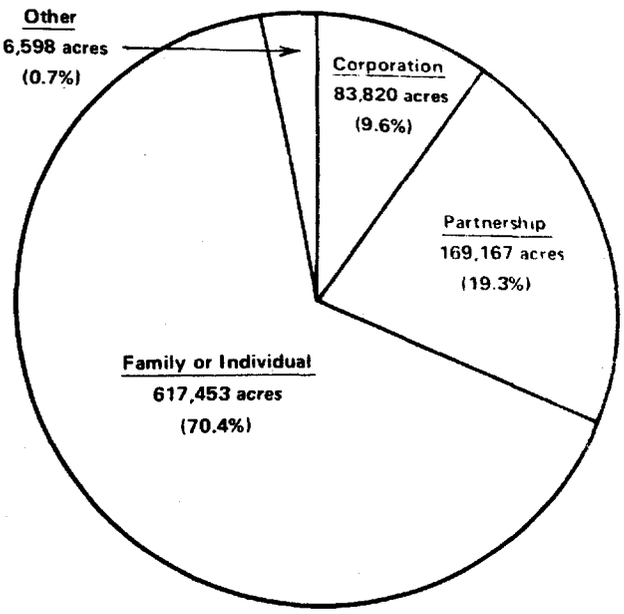
NUMBER OF
COMMERCIAL FARMS - BY ORGANIZATION
1969
CLASS 1-5 FARMS



1/ Of the 251 corporate farms, only 10 farms have more than 10 stockholders.

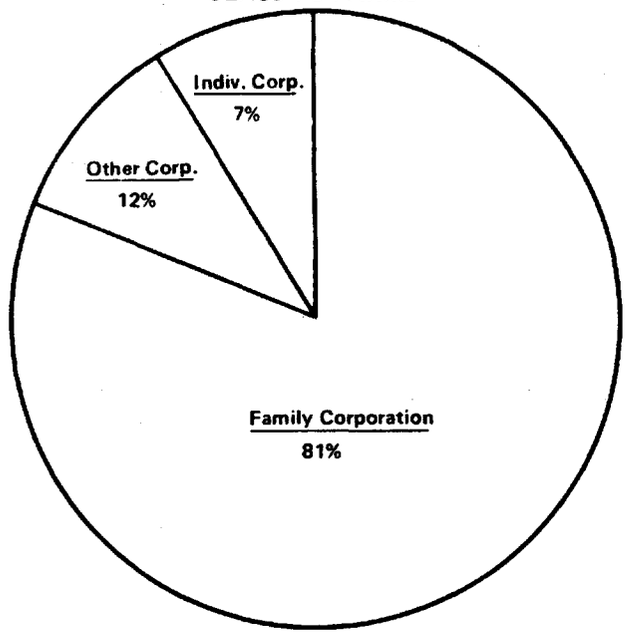
Source: U.S. Census of Agriculture 1969

TOTAL ACRES IN COMMERCIAL FARMS
BY ORGANIZATION
1969
CLASS 1-5 FARMS



Source: U.S. Census of Agriculture 1969

PERCENT OF ALL
CORPORATE FARMS
BY TYPE OF CONTROL
1968
CLASS 1-5 FARMS



Source: USDA ERS Agri. Eco. Report No. 209
Corporations with Farming Operations

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Appendix
Table 8

NEW JERSEY: FARM OPERATORS — BY AGE GROUPS AND AS A PERCENTAGE OF ALL FARM OPERATORS 1950 — 1969

	1950	1954	1959	1965	1969
Under 25 Yrs.	284	310	170	105	94
Percent of Total	1.1	1.4	1.1	1.0	1.1
25 - 34 Yrs.	2,338	2,112	1,144	755	628
Percent of Total	9.4	9.3	7.4	7.1	7.4
35 - 44 Yrs.	4,504	4,617	3,272	2,112	1,570
Percent of Total	18.2	20.3	21.2	19.9	18.5
45 - 54 Yrs.	5,962	5,713	3,890	2,962	2,461
Percent of Total	24.1	25.2	25.2	27.8	28.9
55 - 64 Yrs.	6,591	5,397	4,006	2,694	2,172
Percent of Total	26.6	23.8	25.9	25.3	25.6
65 and Over	4,012	4,273	2,722	2,013	1,568
Percent of Total	16.2	18.8	17.6	18.9	18.5
Age Not Reported	1,088	273	259	0	0
Percent of Total	4.4	1.2	1.6	—	—
Total — All Farm Operators	24,779	22,695	15,463	10,641	8,493
Average Age	51.8	51.7	52.2	52.6	52.5

Source: U.S. Census of Agriculture 1959, 1969.

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Appendix
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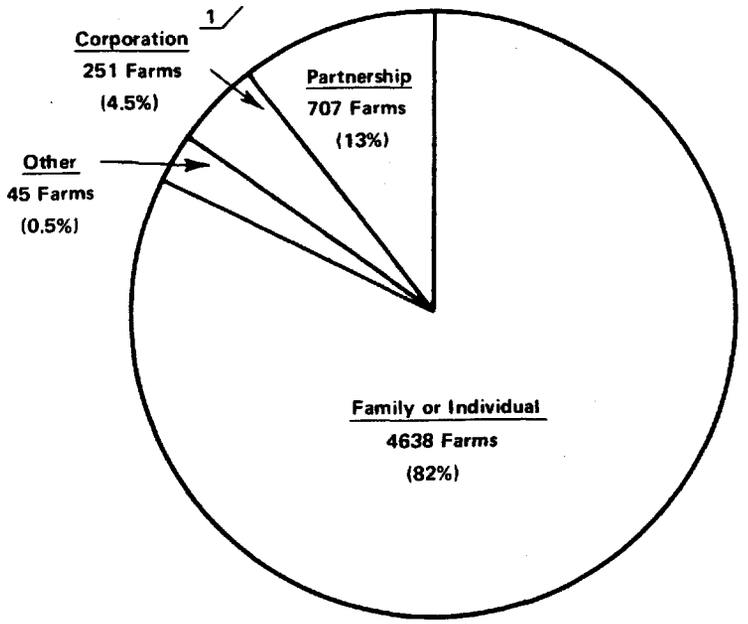
CLASS 1-5 FARMS



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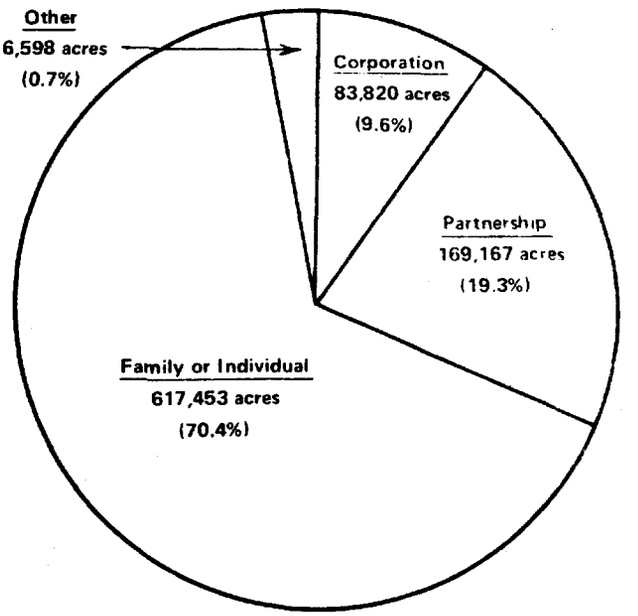
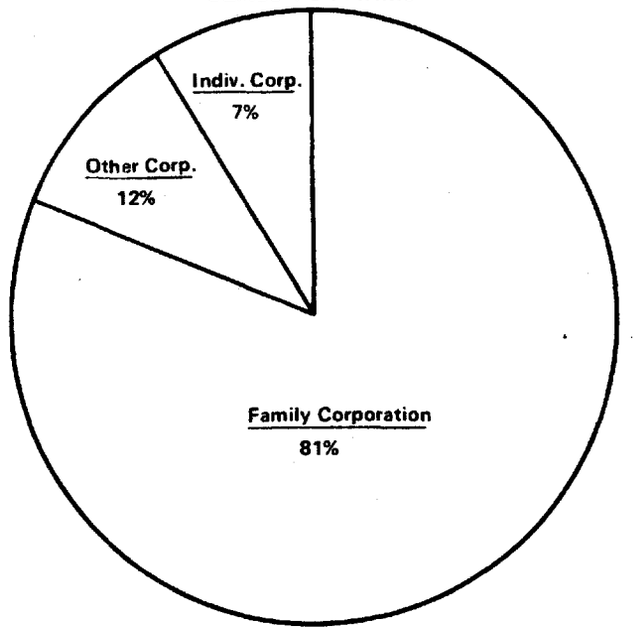
Source: U.S. Census of Agriculture 1969

TOTAL ACRES IN COMMERCIAL FARMS
BY ORGANIZATION
1969
CLASS 1-5 FARMS



Source: U.S. Census of Agriculture 1969

PERCENT OF ALL
CORPORATE FARMS
BY TYPE OF CONTROL
1968
CLASS 1-5 FARMS



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