

TOBACCO SETTLEMENT AGREEMENT FUND OVERSIGHT COMMITTEE

Minutes of the 4th Meeting of the 2020 Interim

September 10, 2020

Call to Order and Roll Call

The 4th meeting of the Tobacco Settlement Agreement Fund Oversight Committee was held on Thursday, September 10, 2020, at 10:30 AM, in Room 171 of the Capitol Annex. Representative Myron Dossett, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator C.B. Embry Jr., Co-Chair; Representative Myron Dossett, Co-Chair; Senators Paul Hornback, Dennis Parrett, Robin L. Webb, and Whitney Westerfield; Representatives Kim King, Phillip Pratt, Rick Rand, Brandon Reed, and Dean Schamore.

Guests: Dorsey Ridley, Executive Director, Governor's Office of Agricultural Policy (GOAP); Bill McCloskey, Deputy Executive Director, GOAP; Kerri Verden, Program Administrator, Tobacco Prevention and Cessation, Kentucky Department for Public Health.

LRC Staff: Nathan Smith, Kelly Ludwig, and Rachel Hartley.

Report on the projects considered for funding at the August meeting of the Agricultural Development Board

Dorsey Ridley stated the Governor's Office of Agricultural Policy (GOAP) has invested \$630 million into Kentucky agriculture since 1998 through the Tobacco Master Settlement Agreement.

Bill McCloskey described the Agricultural Development Board's (ADB) projects for August. Mr. McCloskey highlighted programs including the County Agriculture Investment Program (CAIP), Deceased Farm Animal Removal, and the Youth Agriculture Incentive Program (YAIP).

The requested program amendments discussed included:

- Anderson County Farm Bureau Federation requested an additional \$20,500 in Anderson County funds for CAIP. The board recommended approval, which would bring the program total to \$135,000.

- Clinton County Farm Bureau requested an additional \$110,000 in Clinton County funds for CAIP. The board recommended approval, which would bring the program total to \$245,000.
- Perry County Conservation District requested an additional \$3,000 in Perry County funds for CAIP. The board recommended approval, which would bring the program total to \$33,739.
- Rockcastle County Conservation District requested an additional \$133,955 in Rockcastle County funds for CAIP. The board recommended approval, which would bring the program total to \$220,830.

The Meat Processing Investment Program provides funding, which is available in four levels, to incentivize economic expansion of Kentucky meat processors for Kentucky livestock and poultry.

The projects discussed included:

- Central Kentucky Custom Meats was approved for up to \$225,000 in state funds to purchase processing and packaging equipment, as part of the Level 3 Meat Processing Investment Program.
- Fulton County Board of Education was approved for up to \$31,420 in state and Fulton County funds to build a new high school greenhouse.
- Daviess County Conservation District was approved for up to \$20,000 in Daviess County funds for a Daviess County Youth Agriculture Production Cost-Share Program.
- The Daviess County Lions Club Fair was approved for up to \$2,500 in Daviess County funds to help pay for premiums and awards for the 4-H and Future Farmers of America portion of the fair. Due to COVID-19, the typical fair sponsor funds are unavailable to assist.

In response to Representative King, Mr. Ridley stated the position on the recently formed Agritech Council is for the Office of the Executive Director of GOAP and not an individual.

In response to Senator Parrett, Mr. McCloskey stated ADB tends to support projects that request county funds. The Daviess County Lions Club Fair request for funds to help pay premiums and awards at the fair is not a typical request.

Kentucky Tobacco Prevention and Cessation Program

Kerri Verden stated the Kentucky Tobacco Prevention and Cessation Program (KTPC) received \$4,472,738 in master settlement agreement funds in fiscal year 2020. More than half of the funds were used to support efforts in the local community. An additional 25 percent was used on media to promote cessation and prevention. There will

be a 40 percent reduction in funds for fiscal year 2021, and KTPC is currently reviewing where funds should be allocated.

Every year, smoking is the cause of death for nearly 8,900 Kentuckians. Smoking is estimated to cost Kentucky \$1.92 billion in direct health care costs. For every \$1 invested in comprehensive tobacco control programs, Kentucky will save \$2 to \$10. An estimated 25 percent of Kentucky adults smoke.

The current youth rate of smoking conventional cigarettes is 8.9 percent, however, more than 1 in 3 of youths report using electronic cigarettes. In response to the increased electronic cigarette use, the KTPC has invested in new youth cessation tools, is working within schools, and has conducted media campaigns.

E-Cigarette or Vaping product use Associated Lung Injury (EVALI) is a newly identified lung disease linked to vaping. There have been 10 confirmed cases in Kentucky.

There being no further business, the meeting was adjourned.