

Report for the
Tobacco Settlement Agreement Fund Oversight Committee



September 11, 2026

Meeting of the
Kentucky Agricultural
Finance Corporation Board

September 18, 2026

Meeting of the
Kentucky Agricultural Development
Board

Kentucky Agricultural Finance Corporation
2026/2027 12-Month Board Meeting Schedule

Note: Locations are subject to change

Month	KAFC Board Meeting	Location	Application Deadline
September	Friday, September 11, 2026	Franklin County Extension Office- Frankfort, KY	Friday, August 21, 2026
October	Friday, October 9, 2026	Franklin County Extension Office- Frankfort, KY	Friday, September 18, 2026
November	Friday, November 13, 2026	Franklin County Extension Office- Frankfort, KY	Friday, October 16, 2026
December	Friday, December 11, 2026	Franklin County Extension Office- Frankfort, KY	Friday, November 20, 2026
January	Friday, January 8, 2027	Franklin County Extension Office- Frankfort, KY	Friday, December 11, 2026
February	Friday, February 12, 2027	Franklin County Extension Office- Frankfort, KY	Friday, January 22, 2027
March	Friday, March 12, 2027	Franklin County Extension Office- Frankfort, KY	Friday, February 19, 2027
April	Friday, April 9, 2027	Franklin County Extension Office-Frankfort, KY	Friday, March 19, 2027
May	Friday, May 7, 2027	Franklin County Extension Office- Frankfort, KY	Friday, April 16, 2027
June	Friday, June 11, 2027	Franklin County Extension Office- Frankfort, KY	Friday, May 21, 2027
July	Friday, July 9, 2027	Franklin County Extension Office- Frankfort, KY	Friday, June 18, 2027
August	Friday, August 13, 2027	Franklin County Extension Office- Frankfort, KY	Friday, July 16, 2027
September	Friday, September 10, 2027	Franklin County Extension Office- Frankfort, KY	Friday, August 20, 2027

KAFC

KENTUCKY AGRICULTURAL FINANCE CORPORATION

September Approved Loans

Program	County	Enterprise	Amount Approved	Total Project Cost	Lender Name
BFLP	Adair	Beef	$242,000	$584,400	Bank of Columbia
BFLP	Adair	Beef	$90,000	$180,000	First National Bank of Russell Springs
AILP	Breckinridge	Grain	$75,000	$152,000	Farm Credit Mid America
BFLP	Franklin	Lamb/Goat	$250,000	$699,000	Central Kentucky Ag Credit
BFLP	Madison	Beef	$200,000	$400,000	Central Kentucky Ag Credit
BFLP	Marion	Beef	$146,000	$365,000	Central Kentucky Ag Credit
AILP	Marion	Beef	$60,000	$120,000	Central Kentucky Ag Credit
AILP	Monroe	Horticulture	$150,000	$1,057,200	South Central Bank Inc.
BFLP	Monroe	Poultry	$250,000	$1,545,000	Farm Credit Mid America
BFLP	Russell	Beef	$250,000	$1,715,000	Farm Credit Mid America
BFLP	Union	Beef	$213,125	$852,500	Farm Credit Mid America
Total			**$1,926,125**	**$7,670,100**	

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KENTUCKY DEPARTMENT OF AGRICULTURE
Jonathan Shell, Commissioner

Kentucky Agricultural Finance Corp. approves more than $1.9 million in loans

Financing bolsters beef, horticulture, poultry, and grain farmers across the state

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FRANKFORT (Sept. 11, 2026) – The Kentucky Agricultural Finance Corp. (KAFC) approved 12 agricultural loans totaling $1,926,125 for projects across the Commonwealth at its monthly board meeting.

Agricultural Infrastructure Loan Program (AILP)
Three Agricultural Infrastructure loans totaling up to $285,000 were approved. Loan recipients were in Breckinridge ($75,000), Marion ($60,000) and Monroe ($150,000) counties.

KAFC participates with lenders to provide financing to producers making capital expenditures for agricultural projects through the AILP. Eligible projects include permanent farm structures with attached equipment that improves the profitability of farming operations. Producers may be eligible for up to $250,000 not to exceed 50 percent of the project.

Beginning Farmer Loan Program (BFLP)
Nine Beginning Farmer loans totaling up to $1,641,125 were approved. Loan recipients were in Adair ($90,000, $107,000, and $135,000), Franklin ($250,000), Madison ($200,000), Marion ($146,000), Monroe ($250,000), Russell ($250,000), and Union ($213,125) counties.

The BFLP is designed to assist individuals with some farming experience who desire to develop, expand, or buy into a farming operation. Beginning farmers may qualify for financing to purchase livestock, equipment, or agriculture facilities; to secure permanent working capital; for the purchase of farm real estate; or to invest in a partnership or LLC.

For more information on KAFC participation loans, contact your lender or Bill McCloskey at Kentucky Office of Agricultural Policy at (502) 382-6093 or email kafc@ky.gov.

The Kentucky Office of Agricultural Policy (KOAP), a division within the Kentucky Department of Agriculture, provides staff support to the Kentucky Agricultural Finance Corporation (KAFC) and the Kentucky Agricultural Development Fund (KADF). The KADF is administered by the Kentucky Agricultural Development Board. KOAP ensures Kentucky is being good stewards of dollars from the 1998 Tobacco Settlement Agreement by overseeing the boards' investments into diversifying and supporting Kentucky agriculture.

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Kentucky Agricultural Development Board
2026/2027 12-Month Board Meeting Schedule

Note: Locations are subject to change

Month	KADB Meeting	Location	Application Deadline
September	Friday, September 18, 2026	Franklin County Extension Office-Frankfort, KY	Friday, August 28, 2026
October	Friday, October 16, 2026	Franklin County Extension Office-Frankfort, KY	Friday, September 25, 2026
November	Friday, November 20, 2026	Franklin County Extension Office-Frankfort, KY	Friday, October 23, 2026
December	Friday, December 18, 2026	Franklin County Extension Office-Frankfort, KY	Monday, November 30, 2026
January	Friday, January 15, 2027	Franklin County Extension Office-Frankfort, KY	Friday, December 28, 2026
February	Friday, February 19, 2027	Franklin County Extension Office-Frankfort, KY	Friday, January 29, 2027
March	Friday, March 19, 2027	Franklin County Extension Office-Frankfort, KY	Friday, February 26, 2027
April	Friday, April 16, 2027	Franklin County Extension Office-Frankfort, KY	Friday, March 26, 2027
May	Friday, May 14, 2027	Franklin County Extension Office-Frankfort, KY	Friday, April 23, 2027
June	Friday, June 18, 2027	Franklin County Extension Office-Frankfort, KY	Friday, May 28, 2027
July	Friday, July 16, 2027	Franklin County Extension Office-Frankfort, KY	Friday, June 25, 2027
August	**Friday, August 20, 2027**	**Kentucky State Fair-Louisville, KY**	**Friday, July 23, 2027**
September	Friday, September 17, 2027	Franklin County Extension Office-Frankfort, KY	Friday, August 27, 2027

Programs Recommended for Approval

CAIP

Application	Program Administrator	County	State	Funds Requested
A2026-0199	Harlan County Soil Conservation District	Harlan	State	$50,000.00
A2026-0204	Laurel County Cattlemen's Association, Inc.	Laurel		$124,000.00
A2026-0206	Scott County Soil Conservation District	Scott		$245,000.00
A2026-0209	Shelby County Farm Bureau, Inc.	Shelby		$257,000.00
A2026-0211	Hardin County Conservation District	Hardin		$80,000.00
A2026-0219	Pike County Conservation District	Pike	State	$42,400.00
	Total Recommended for Funding: 6			**$798,400.00**

Deceased Farm Animal Removal (DAR)

Application	Program Administrator	County	State	Funds Requested
A2026-0212	Scott County Soil Conservation District	Scott		$15,000.00
	Total Recommended for Funding: 1			**$15,000.00**

Next Generation Farmer (NextGen)

Application	Program Administrator	County	State	Funds Requested
A2026-0208	Scott County Soil Conservation District	Scott		$16,000.00
	Total Recommended for Funding: 1			**$16,000.00**

Youth Ag Incentives Program (YAIP)

Application	Program Administrator	County	State	Funds Requested
A2026-0200	Harlan County Soil Conservation District	Harlan	State	$15,000.00
A2026-0205	Laurel County Cattlemen's Association, Inc.	Laurel		$20,000.00
A2026-0207	Scott County Soil Conservation District	Scott		$16,000.00
A2026-0216	Shelby County 4-H Council, Inc	Shelby		$12,250.00
	Total Recommended for Funding: 4			**$63,250.00**

Total County Funds Recommended for Approval: **$892,650.00**

App #	**A2026-0119**
Applicant Name	**Clark County Conservation District**
Original Amount Approved	$125,000
Execution Date	05/29/2026
Requested Change	The applicant requests an additional $20,000 in Clark County funds for the *CAIP Program*. The request received a high priority from the County Council. This is the first request for an amendment to this application number. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to $145,000. **Recommend Approval**

Approved Project

Seedleaf, Inc. **A2026-0197**

Application County: Fayette *Date Submitted: 7/24/2026*

Total Funds Awarded: $23,054

FUNDING REQUEST
Seedleaf Inc is requesting $13,054.10 in state funds and $10,000 in Fayette County funds to relaunch their Compost Carpool program.

APPLICATION SUMMARY
Seedleaf's Compost Carpool works to transform landfill destined food-waste into soil amendments for agricultural and household uses. Seedleaf is relaunching their program to focus solely on high waste producers - horse farms, restaurants, and kitchens. Waste collected in central Kentucky will be processed into compost via windrows at Seedleaf's Headwater Farm. Compost will then be used at Seedleaf's farm and garden sites and in year three, sold publicly for use at regional farm and to homeowners.

The total cost of the project is estimated at $104,927 with the following funding sources:
$10,000 Fayette County Funds (not secured)
$13,054.10 State Funds
$21,933 Grant - The Kings Songs and Daughters of Kentucky
$30,000 Grant - The Hinman Foundation
$29,800 Private Donations - Pending

PROJECTED PRODUCER IMPACT
The applicant indicates that within the first year 27 growers will directly benefit from the business.

Board Decision:

09/18/2026: Seedleaf, Inc. was approved up to $22,524 in county funds to relaunch its Compost Carpool program.

Approved Project

Kanbol, Inc **A2026-0198**

Application County: Logan *Date Submitted: 7/31/2026*

Total Funds Awarded: $577,250

FUNDING REQUEST
Kanbol, Inc is requesting $1,154,500 in state funds to expand a value-added processing facility.

APPLICATION SUMMARY
Kanbol Inc manufacturers sustainable, molded fiber food packaging made from 100% U.S. grown corn stover- the leaves, stalks, and shucks remaining after the corn harvest. Through its proprietary FlowForm technology, Kanbol transforms an agricultural byproduct into premium food containers that provide an alternative to plastic, Styrofoam, and conventional paper packaging. Funding will be used to purchase 50% of one Motus thermoforming line. The applicant expects this project to create 26 new, full-time jobs. Kanbol is currently working with one farm to purchase corn stover but plans to increase this number in the future.

The total cost of the project is estimated at $2,309,000 with funding from the following sources:

$1,154,500 state funds
$1,154,500 company equity (to be secured)

PROJECTED PRODUCER IMPACT
The applicant expects 6 farm families to directly benefit from this project in the first year.

Board Decision:

09/18/2026: Kanbol, Inc was approved up to $577,250 in state funds as a participation loan and referred the applicant to the KAEDB to expand a value-added processing facility.

Approved Project

Carter County Fair Inc. **A2026-0202**

Application County: Carter *Date Submitted: 7/20/2026*

Total Funds Awarded: $130,000

FUNDING REQUEST
The Carter County Fair is requesting $30,000 in Carter County funds and $100,000 in state funds to construct an open area pole barn structure for their fairgrounds.

APPLICATION SUMMARY
Funding will be used to construct the pole barn to host livestock shows, educational programs, livestock sales, 4-H and FFA livestock training, public access to animals during the local fair and events, and special livestock events.

The total cost of the project is estimated at $182,000 with funding from the following sources:
$30,000 Carter County Funds (secured)
$80,000 Commercial Bank of Grayson (secured)

PROJECTED PRODUCER IMPACT
The applicant states that roughly over 50 families from the 5 surrounding counties will benefit from this project.

Board Decision:

09/18/2026: Carter County Fair Inc. was approved up to $30,000 in Carter County funds to construct an open area pole barn structure for its fairgrounds.

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KENTUCKY DEPARTMENT OF AGRICULTURE
Jonathan Shell, Commissioner

Kentucky Agricultural Development Board approves more than $1.5 million for projects across the Commonwealth

Funded projects focus on agricultural diversification, rural development

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FRANKFORT (Sept. 18, 2026) – The Kentucky Agricultural Development Board approved $1,542,424 for agricultural diversification and rural development projects across the Commonwealth Friday at its monthly board meeting.

“The projects approved today are investments in the future of Kentucky agriculture,” Agriculture Commissioner and Board Chair Jonathan Shell said. “These projects will help producers diversify, strengthen their operations, and create new opportunities that keep our farm communities strong for generations to come.”

County and State Funded Projects

- Carter County Fair Inc. was approved up to $30,000 in Carter County funds to construct an open area pole barn structure for its fairgrounds. For more information, contact Charles J. Hall at charleshall0840@icloud.com.
- Kanbol, Inc was approved up to $577,250 in state funds as a participation loan and referred the applicant to the KAEDB to expand a value-added processing facility. For more information, contact Jonathan Tunner at jonathantunner@kanbolinc.com.
- Seedleaf, Inc. was approved up to $22,524 in county funds to relaunch its Compost Carpool program. For more information, contact Christine Smith at Christine@seedleaf.org.

County Programs

County Agricultural Incentives Program (CAIP)

CAIP provides Kentucky agricultural producers with cost-share assistance on practices to allow them to improve and diversify their current farm operations. CAIP covers a wide variety of agricultural enterprises in its 11 incentive areas, including, but not limited to, beef and dairy cattle; farm infrastructure, fencing, and water enhancement; equine; forage; goats and sheep; horticulture; poultry; swine; bees and honey; timber and technology, as well as energy efficiency and production; marketing; and value-added production.

Seven CAIPs, totaling $818,400 were approved in the following counties:

- Clark ($20,000)*
- Hardin ($80,000)
- Harlan ($50,000)
- Laurel ($124,000)
- Pike ($42,400)
- Scott ($245,000)
- Shelby ($257,000)

Deceased Farm Animal Removal (DAR)

The Deceased Farm Animal Removal Program serves as a measure to facilitate the coordination of environmentally sound and cost-effective disposal of deceased livestock for Kentucky producers.

One DAR, totaling $15,000, was approved in Scott County.

Next Generation Farmer Program (NextGen)

NextGen addresses the growing need for a specialized program that would benefit producers ages 18 to 40 that have been engaged in an agricultural operation for a minimum of three years.

One NextGen, totaling $16,000, was approved in Scott County.

Youth Agricultural Incentives Program (YAIP)

YAIP encourages youth to engage in and explore agricultural opportunities.

Four YAIPs, totaling $63,250, were approved in the following counties:

- Harlan ($15,000)
- Laurel ($20,000)
- Scott ($16,000)
- Shelby ($12,250)

All application periods and deadlines for CAIP, NextGen, and YAIP will be advertised locally.

For more information on KADB projects, contact Bill McCloskey at Kentucky Office of Agricultural Policy at (502) 382-6093 or email **koap@ky.gov**.

** Existing programs receiving additional funding*

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