

INTERIM JOINT COMMITTEE ON AGRICULTURE

Minutes of the 2nd Meeting of the 2025 Interim

July 10, 2025

Call to Order and Roll Call

The second meeting of the Interim Joint Committee on Agriculture was held on July 10, 2025, at 9:00 AM in Room 154 of the Capitol Annex. Senator Jason Howell, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Jason Howell, Co-Chair; Representative Myron Dossett, Co-Chair; Senators Gary Boswell, Matthew Deneen, Shelley Funke Frommeyer, Aaron Reed, Craig Richardson, and Robin L. Webb; and Representatives Ryan Bivens, Daniel Fister, Chris Freeland, David Hale, Mark Hart, Kim King, Matthew Koch, Candy Massaroni, Shawn McPherson, Michael Sarge Pollock, Sarah Stalker, Nancy Tate, Walker Thomas, and James Tipton.

Guests: Don Pemberton, Sales and Marketing, AGRI-CHEM, LLC; David Buchanan, General Manager, AGRI-CHEM, LLC; John Edwards, Co-Owner and Co-Manager, Trakside Butcher Shoppe; and Jennifer Hardin, Executive Director, Kentucky Association of Meat Processors.

LRC Staff: Stefan Kasacavage, Kayla Carroway, and Susan Spoonamore.

Approval of June 5, 2025 minutes

Motion made by Representative Pollock and seconded by Representative Bivens to approve the June 5, 2025, minutes. Upon voice vote, motion passed.

Discussion on the Impact of the Eddyville Agri-Port Terminal

Don Pemberton, Sales and Marketing, AGRI-CHEM, LLC, and David Buchanan, General Manager, AGRI-CHEM, LLC, discussed the importance of needed repairs to the Agri-Port Terminal, which supplies 100,000 tons of dry and liquid fertilizer per year to Kentucky farmers. Without the necessary repairs, the Agri-Port Terminal will no longer be able to provide fertilizer to the agricultural industry. Mr. Pemberton stated the estimated cost of a renovated modern terminal, using salvageable parts, is \$1,765,289. The Eddyville RiverPort Authority owns but the lessee is responsible for the structure. Upon expiration of the lease, the property and any structures revert back to the RiverPort Authority. Agri-Port Terminal has 12 years left on the lease. Mr. Pemberton requested the General Assembly or the Department of Agriculture provide a source of funding for the necessary repairs.

In response to Senator Funke Frommeyer, Mr. Buchanan said AGRI-CHEM, LLC buys fertilizer from American companies, if available. Mr. Pemberton stated poultry litter in western Kentucky is utilized as an alternative, but there is not enough to support the crops in Kentucky. Mr. Buchanan said most fertilizer sheds around the country are empty and that the United States would not be able to fully supply fertilizer. Mr. Pemberton said AGRI-CHEM, LLC is looking at alternatives.

In response to Representative McPherson, Mr. Pemberton said the demand for fertilizer is increasing. Renovations to the present building would not result in an increase in capacity.

In response to Senator Boswell, Mr. Buchanan said AGRI-CHEM, LLC owns the building for the duration of the lease. Mr. Pemberton said the lease cannot be extended and is only good for 10 years.

In response to Co-Chair Dossett, Mr. Pemberton stated AGRI-CHEM, LLC is supplying 19 wholesale customers across western Kentucky. Co-Chair Dossett noted the renovations to the terminal would be important to the environment.

Representative Bivens said fertilizer is corrosive, and it is a given that structures must be maintained and repaired when necessary. Even though he appreciates all AGRI-CHEM, LLC does for farmers and the economy, he is not in favor of giving funds to private businesses. AGRI-CHEM, LLC should negotiate the number of years on the next lease.

Senator Richardson stated Kentucky has made investments in industries that are unreliable and rely on foreign sources. The agriculture industry is proven. Jobs and opportunities already exist. The renovation of the Agri-Port Terminal is important to the state's economy.

In response to Senator Reed, Mr. Pemberton said a solution would be expansion. Mr. Buchanan said the improvements should last 40 years.

In response to Representative Tipton, Mr. Pemberton said AGRI-CHEM has six million gallons of liquid fertilizer in storage. Mr. Buchanan said that lime is supplied from a nearby quarry.

In response to Representative Stalker, Mr. Buchanan stated they were aware metal roofing would not have a lifespan of 50 years. The roof had to be replaced in a hurry because of heavy snowfall. Mr. Buchanan said they consult with people in the industry and work with regulatory, environmental, and other requirements. Representative Stalker requested information on the regulatory requirements, including federal regulatory agencies they work with, including the Environmental Protection Agency and the Occupational Safety and Health Administration.

In response to Chair Howell, Mr. Pemberton said everything comes up river to them. Mr. Buchanan said they do not have problems off-loading liquid fertilizer because AGRI-CHEM, LLC provides the equipment and must be on-sight. There is an agreement with the Riverport Authority that they deliver the dry fertilizer to the building.

Investing in Agricultural Processing

John Edwards, Co-Owner and Co-Manager, Trakside Butcher Shoppe, and Jennifer Hardin, Executive Director, Kentucky Association of Meat Processors, explained that a feasibility study was conducted in 2013 by the Kentucky Center for Agricultural and Rural Development, which revealed the need for a meat processing facility in Henry County. The Kentucky Agricultural Development Board matched the agricultural development funds raised by surrounding counties. In 2015, the Trakside Butcher Shoppe opened for business and is now processing cattle, hogs, lamb, and goats.

In response to Senator Reed, Mr. Edwards stated The Farmer's Kitchen brings in beef every two weeks for processing. They serve the meat in the restaurant and sell retail.

Representative Koch stated people have become more concerned about where their food comes from.

Representative Bivens stated because of Agricultural Development Funds, the Trakside Butcher Shoppe is able to fulfill a need for a meat processing facility.

In response to Chair Howell, Mr. Edwards said he was not aware of any producers having to send their products somewhere else. He said there are obstacles when dealing with the federal government, but that was expected.

Adjournment

There being no further business, the meeting was adjourned.