

INTERIM JOINT COMMITTEE ON AGRICULTURE

Minutes of the 2nd Meeting of the 2018 Interim

August 23, 2018

Call to Order and Roll Call

The 2nd meeting of the Interim Joint Committee on Agriculture was held on Thursday, August 23, 2018, at 10:00 AM, at the Kentucky State Fair, Louisville, Kentucky. Senator Paul Hornback, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Paul Hornback, Co-Chair; Representative Richard Heath, Co-Chair; Senators C.B. Embry Jr., David P. Givens, Dennis Parrett, Damon Thayer, Robin L. Webb, Stephen West, and Whitney Westerfield; Representatives Myron Dossett, Derrick Graham, David Hale, Mark Hart, James Kay, Kim King, Suzanne Miles, Sannie Overly, Phillip Pratt, Brandon Reed, Rob Rothenburger, Steven Rudy, Wilson Stone, Walker Thomas, James Tipton, and Susan Westrom.

Guests: Dr. Mark Lynn, Chairman, Kentucky State Fair Board, David Beck, President and CEO of Kentucky Venues, Mayor Greg Fisher, Louisville Metro/Jefferson County, Dr. Peter Seeberger, Founder, Artemiflow, Dr. Kerry Gilmore, Scientific Advisor, Artemiflow, Representative Jonathan Shell, Kentucky House Majority Floor Leader, Senator Robert Stivers, Kentucky Senate President, and Representative Rocky Adkins, Kentucky House Minority Floor Leader.

LRC Staff: Stefan Kasacavage, Kelly Ludwig, Nathan Smith, and Susan Spoonamore, Committee Assistant.

The July 20, 2018 minutes were approved, by voice vote, without objection upon motion of Senator Thayer and second by Representative Rudy.

Welcome and Update on Louisville Metro/Jefferson County Programs

Mayor Greg Fischer stated that, due to the renovation of the Kentucky International Convention Center (KICC), Kentucky will be able to compete nationally for contracts which will provide tax revenues.

Mayor Fischer said that Louisville has five economic development areas that can be the best in the world. Food and beverage, especially bourbon, is helping to promote tourism. There are 20 new hotels under construction that will meet the needs of the KICC and bourbon tourism. The Louisville Farm to Table Program is expanding. There is \$800

million of unmet demand for local food. The Louisville Farm to Table Program is working with farmers in order to meet the demand. The program started with grant funding but is now funded by Louisville Metro Government. He hopes that some farmers can expand their growing season to provide more fruits and vegetables, whether they be organic or exotic. According to a recent supply study, 70 percent of farmers agreed that there is a high demand for local food and 55 percent want to have a contract for pricing.

Mayor Fischer said that Louisville would like to expand its relationship with the universities for research and development relating to future markets of bourbon, foods, and innovations.

Mayor Fischer stated that the equine industry is another important issue to Louisville and Kentucky. Hosting the Breeders' Cup is a global spotlight. It is important to provide good purses at the tracks and promote the industry.

David Beck, President and CEO, Kentucky Venues, said that the goals of Kentucky Venues are transparency and the willingness to listen to feedback. Other goals include increasing the use of Kentucky products for foods and other things on the properties and enhanced staff training.

Mr. Beck stated that it is important to the board and Kentucky Venues to make improvements to the facilities in order to attract new trade shows and events. The newly renovated Kentucky International Convention Center has the ability to compete for almost 95 percent of the trade shows and conventions in North America. Because of funding through the state budget and the Agricultural Development Board, the fairground property can be enhanced through improvements and maintenance. There are plans to tear down Cardinal Stadium and the old transportation building.

In response to Senator Parrett, Mr. Beck explained that Kentucky had to raise over \$1 million each year to help sponsor the National FFA Convention. Availability of hotel rooms in Louisville and surrounding areas also became an issue. Now that there are more hotels, Louisville would like for the FFA Convention to return.

In response to Representative Tipton, Mr. Beck said that the changes made to public-private partnership (P3) legislation has helped. To fully utilize the fairground property projects, there will need to be P3 capability.

Malaria Research Project

Representative Jonathan Shell, Kentucky House Majority Floor Leader, introduced Dr. Peter Seeberger, who is the founder of Artemiflow and Dr. Kerry Gilmore, Scientific Advisor, Artemiflow. Mr. Gilmore said that Artemiflow is a new company coming to Kentucky that will process a new plant called artemisinin. Artemiflow is an agricultural company that is producing malaria medication from artemisinin. Because the process of

growing artemisinin is similar to that of growing tobacco, the company has been working with the Tobacco Research and Development Center at the University of Kentucky. Growing artemisinin in Kentucky has resulted in harvesting more medicine per acre than any other place in the world. Artemiflow is looking for 3,000 acres of contracted land for the year 2020 and more land would be needed every couple of years. Artemisinin derivatives have been shown to be active against breast, colorectal, prostate, cervical, and other cancers. Artemiflow will be conducting Phase I human trials with the University of Kentucky Markey Cancer Center.

Dr. Seeberger said that 30,000 acres will be required to meet the demand of malaria medication needed on the market. About 300,000 acres will be needed for cancer research.

In response to Representative Rothenberg, Dr. Gilmore said that the company wants Kentucky to know what type of companies would be coming in the future. His company has been working with the Economic Development Cabinet to address potential sites for manufacturing facilities and other issues.

Dr. Orlando Chambers, Director, Kentucky Tobacco Research Development Center, stated that research is being conducted to see how much artemisinin derivatives can be produced. He will bring some artemisinin to the September meeting.

There being no further business, the meeting was adjourned.