

# INTERIM JOINT COMMITTEE ON AGRICULTURE

## Minutes of the 2nd Meeting of the 2022 Interim

July 7, 2022

### Call to Order and Roll Call

The 2nd meeting of the Interim Joint Committee on Agriculture was held on Thursday, July 7, 2022, at 9:00 AM, in Room 154 of the Capitol Annex. 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 David P. Givens, Jason Howell, Dennis Parrett, Damon Thayer, Robin L. Webb, Stephen West, Whitney Westerfield, and Max Wise; Representatives Josh Calloway, Daniel Fister, Derrick Graham, Mark Hart, Keturah Herron, Mary Beth Imes, Kim King, Nima Kulkarni, Shawn McPherson, Michael Sarge Pollock, Phillip Pratt, Felicia Rabourn, Josie Raymond, Brandon Reed, Cherlynn Stevenson, Walker Thomas, and James Tipton.

Guests: Dr. Ryan Quarles, Commissioner, Kentucky Department of Agriculture; Keith Rogers, Chief of Staff, Kentucky Department of Agriculture; Dr. Katie Flynn, State Veterinarian, Kentucky Department of Agriculture; Nikki Whitaker, Membership Coordinator, Kentucky Cattlemen's Association; Cary King, President, Kentucky Cattlemen's Association; Caleb Ragland, President, Kentucky Livestock Coalition; and Dr. James Matthews, Associate Dean for Research, UK College of Agriculture, Food and Environment.

LRC Staff: Stefan Kasacavage, CSA, Kelly Ludwig, Hillary Abbott, and Susan Spoonamore, Committee Assistant.

The June 9, 2022, minutes were approved, without objection, upon motion of Senator Parrett and seconded by Representative Reed.

### Discussion on Shortage of Large Animal Veterinarians

Commissioner Quarles explained that there is a nationwide shortage of large animal veterinarians. Kentucky is a large livestock state and not having access to large animal veterinarians has become a real problem. There are programs to assist veterinarians who work in underserved and non-served areas in Kentucky: the United States Department of Agriculture (USDA) Loan Repayment Program, and the Kentucky Agricultural Finance Corporation's Large Animal Veterinarian Loan Program. The average debt for graduating

veterinarians is \$218,000. Commissioner Quarles stated that since Kentucky does not have a vet school, reciprocity agreements are in place at Auburn University and the Tuskegee Institute which reserve 41 slots for Kentucky students.

Keith Rogers, Chief of Staff, Kentucky Department of Agriculture (KDA), stated that KDA recently conducted a “Stakeholder’s Dialogue on the Status of Large Animal Veterinarians” involving members of the veterinarian industry and agriculture leaders. He said there is a shortage in all areas of veterinary medicine such as regulatory medicine, large and small animals, and food safety veterinarians.

Dr. Katie Flynn, Kentucky State Veterinarian, KDA, stated that veterinarians play a critical role in protecting the food supply. Food Safety Veterinarians work in the field writing health certificates, TB testing, Coggins testing, and conducting surveillance for other infectious diseases. Dr. Flynn stated that the State Veterinarian’s Office is mainly tasked with critical preparedness and response to emergencies that may arise from diseases. The State Veterinarian’s office has 37 employees and is working to hire a fourth veterinarian and an emergency coordinator. Dr. Flynn added that the Office has also been working with the USDA Veterinary Medicine Loan Repayment Program by nominating positions for eligible applicants.

Mr. Rogers said the Kentucky Board of Veterinary Examiners (KBVE) moved to the Department of Agriculture for administrative purposes. The KBVE issues 270 new licenses each year. In 2021, a total of 54 graduates were licensed in Kentucky (33 with Kentucky mailing addresses). Only one of the 54 was licensed as a food animal veterinarian. Every two years Kentucky loses approximately half of its veterinarians due to age and gender. Mr. Rogers stated that a few of the issues impacting the shortages in Kentucky are the lack of contract slots, the criteria used by Colleges of Veterinary Medicine, large debt load, and demanding hours of selection work. Mr. Rogers stated that KBVE is working to promote, protect, and improve the profession.

In response to Representative King, Mr. Rogers said that there are parameters for Kentucky Agricultural Finance Corporation’s Large Animal Veterinarian Loan program. The funds are targeted to food animal veterinarians.

In response to Senator Howell, Mr. Rogers said that it is not uncommon for Kentucky veterinarians to hold a license in multiple states, but not actually practice in Kentucky.

Representative Tipton stated that the costs of the veterinarian program slots is included in the budget every year and is in statute. However, if more slots became available then it would become a budget issue.

In response to Senator Webb, Mr. Rogers stated that some corporate veterinarian practices can offer an \$80,000 sign-on bonus which is hard to resist and it is a growing issue.

In response to Representative Graham, Mr. Rogers explained that there are 38 slots available each year at Auburn that Kentucky supports financially. Putting a condition on those slots requiring a graduating student to practice in Kentucky for a set number of years could be a way to repay the financial support.

In response to Representative Herron, Commissioner Quarles said that Future Farmers of America (FFA) programs are in schools. Fayette County has a dedicated school geared toward agriculture curriculum.

In response to Senator West, Dr. Flynn stated that there are a couple of other states that have a loan repayment requirement as a temporary pilot project. Commissioner Quarles said that could be one way to help those people considering the program.

In response to Representative McPherson, Dr. Flynn said she does not think the American Veterinarian Medical Association (AVMA) has conducted an economic impact study for veterinarians.

Senator Givens said that one of the challenges in rural veterinarian medicine is balancing the hours between work and home. Maybe Kentucky should be interested in providing relief veterinarians; or helping them buy into a veterinarian practice.

Senator Howell stated there is a lot of debt and commitment in order to get a veterinarian degree, which does not seem to produce a lot of income. He recommended doing a financial analysis of other professional degrees to see what the financial difference is.

#### **Update from Kentucky Cattlemen's Association**

Cary King, President, Kentucky Cattlemen's Association, stated that beef products produced in Kentucky have dramatically improved thanks to funds from the Kentucky Office of Agricultural Policy programs aimed at improving the quality of livestock. Producers would like to see Kentucky cattle stay in Kentucky instead of being shipped out west for processing and packing. Kentucky is a prime location for large and regional packers.

Commissioner Quarles said that it is time for Kentucky to have a state-of-the-art Agriculture Education Center and a Meats and Food Development Center located at the University of Kentucky's Woodford County Research Farm.

Nikki Whitaker, Membership Coordinator, Kentucky Cattlemen's Association, presented a list of industry supporters for the construction of the two facilities. She said the

priority for the Agriculture Education Center would be to serve as a key resource for continuing education and training. The primary focus would be on workforce development, value-added marketing, producer profitability, and student enrichment and development. The Meats and Food Development Center would provide innovative and modern approaches to the processing industry.

Ms. Whitaker explained the University of Kentucky (UK) has had the use and benefit of the Woodford County Farm since 1991. Since that time, a beef, sheep, swine, and poultry unit has been built, with the possibility of a dairy unit being constructed. Because of those facilities already on the property, it was decided that the property was perfect for building both centers. Ms. Whitaker said that as part of a Public Private Partnership, the University of Kentucky signed a Memorandum of Understanding (MOU) in October 2021. The Kentucky Livestock Coalition hired an architect to draw up a rough draft rendering of both projects that would total approximately \$60,000,000.

Senator Hornback stated that both facilities would help to produce the best quality products from Kentucky.

Senator West said that Kentucky cannot wait around on the anti-trust laws regarding the big packers and all interested parties should keep pressure on Washington to enforce the anti-trust laws.

Senator Givens noted that once the facilities are built, it would take a dedicated revenue stream to pay for the operating costs. He inquired if the MOU with UK provides operating revenue for the facilities. Dr. James Matthews, Associate Dean for Research, UK College of Agriculture, Food and Environment, stated that UK has committed to run the building. UK's commitment also includes research funds. There are federal grants available for training assistance in food safety processing and the processing of animals.

Senator Givens asked for a financial breakdown of the costs relating to the Meats and Food Development Center. Ms. Whitaker said that there is not a financial breakdown of that center, but once it is completed, it will be made available. Senator Givens also asked who would be coordinating the grant administration. She said that an application had been submitted to the Agricultural Development Board for a grant to fill that position. She stated that the Cattlemen's Foundation is taking the lead role of pursuing the projects.

In response to questions from Representative Stephenson, Ms. Whitaker said that extension agents will have access to the facilities. Dr. Matthews said that UK will have access to some of the \$66 million federal grant money that is mainly for two USDA facilities. Ms. Whitaker said that it is the goal that all the livestock producers' offices will move to the facility.

Representative Heath stated that he is committed to working with all the groups to see the project succeed.

Meeting adjourned.