

# INTERIM JOINT COMMITTEE ON AGRICULTURE

## Minutes of the 6th Meeting of the 2023 Interim

November 3, 2023

### Call to Order and Roll Call

The 6th meeting of the Interim Joint Committee on Agriculture was held on November 3, 2023, 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 Richard Heath Co-Chair; Senators Gary Boswell, Matthew Deneen, Robin L. Webb, Stephen West, Whitney Westerfield, and Mike Wilson; Representatives Chad Aull, Mike Clines, Daniel Fister, Derrick Graham, David Hale, Kim King, Matthew Koch, Shawn McPherson, Amy Neighbors, Brandon Reed, Sarah Stalker, Cherlynn Stevenson, Walker Thomas, and James Tipton.

Guests: Mark Haney, President, Kentucky Farm Bureau; Drew Graham, Executive Vice President, Kentucky Farm Bureau; Dave Maples, Executive Vice President, Kentucky Cattlemen's Association; Nikki Whitaker, Director of Operations and Policy, Kentucky Cattlemen's Association; Representative Richard Heath; Representative Shawn McPherson; Allan Bryant, President, Kentucky Association of Conservation Districts; Mike Parke, Chairman, Madison County Conservation District Board; John Ard, Executive Director for Office of Fleet Management, Finance and Administration Cabinet; Krista Jackson, Staff Assistant, Office of Fleet Management, Finance and Administration Cabinet; Dr. Brian Parr, Dean of the Hutson School of Agriculture, Murray State University; Dr. Shea Porr, Associate Dean and Department Chair, Animal Equine Science Program, Murray State University; Jordan Smith, Executive Director of Government and Institutional Relations, Murray State University.

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

### Approval of October 19, 2023, Minutes

The October 19, 2023, minutes were approved by voice vote, without objection, upon motion made by Representative Fister and seconded by Representative McPherson.

### Potential Legislative Issues for the 2024 Regular Session

Mark Haney, President, Kentucky Farm Bureau (KFB), expressed his appreciation for the General Assembly's efforts to expand broadband and its contributions to the Tobacco Master Settlement Agreement Fund and the Agricultural Development Board. KFB and the Kentucky Cattlemen's Association would like to see continued appropriations for the Kentucky Soil Erosion and Water Quality Cost Share Program and Department of Agriculture (KDA). Continued support for priority programs include Farms to Food Banks, Local Agricultural Fair State Aid Program, Kentucky Rural Mental Health and Suicide Prevention Pilot Program, Veterinary Contract Spaces Program, animal diagnostic laboratories, Kentucky Mesonet, and agriculture education. Priorities also include a livestock innovation center.

Mr. Haney stated that there is concern surrounding the large and food animal veterinarian

shortage, as it is an increasing problem for KFB members. It is important to maintain prime farmland and the Agricultural District and Conservation Act accomplishes that goal. KFB would like to lower the 250 contiguous acres requirement to create an agricultural district. Riverport infrastructure is vital to agricultural product transport and KFB will continue to support investments made in this area.

Senator Boswell stated the importance of protecting farm owners' rights to utilize their property.

In response to Representative Tipton, Mr. Haney stated that KFB's strategic plan, Vision 100, created a group called Generation Bridge. This program fosters young farmers and farm families. KFB is seeing increased interest in agriculture advocacy among this group.

Nikki Whitaker, Director of Operations and Policy, Kentucky Cattlemen's Association (KCA), stated that KCA recently celebrated its 50th anniversary, as it was established in 1973. KCA's main purpose and goal is to protect and enhance the beef industry. There are 32,000 beef farm families in Kentucky and many are independent. Even though farm and cattle numbers may have decreased by one percent from 2012 to 2017, the beef industry's cash value and market value has increased by 13 percent. Seventy five percent of young farmers have a primary occupation off the farm.

KCA has over 11,000 members and provides services to two breed associations and one private industry. KCA oversees Kentucky's Beef Council, which assists in increasing demand through promotion and marketing of beef. One of KCA's limited liability companies, Beef Solutions, has provided for \$6 million in farm gate sales by creating a pathway for Kentucky's cattle farmers to enter the market for locally produced and marketed ground beef. KCA also utilizes Kentucky Agricultural Development Funds through the Kentucky Beef Network. These dollars are utilized to help Kentucky farmers increase revenue on their farms through new management practices and concepts.

Ms. Whitaker stated that KCA has a long-range strategic plan which aims to create value back to producers. Dave Maples, Executive Vice President, Kentucky Cattlemen's Association, stated that production efficiency is affecting the beef industry. In 1975, the U.S. cattle herd peaked at 132 million and produced 24 billion pounds of beef. Today, the U.S. cattle herd is one-third smaller, and will produce 27 billion pounds, or 15 percent more than 48 years ago. Mr. Maples stated that KCA's legislative priorities include a livestock innovation center, supporting large animal veterinarians, food safety, and research.

Senator Webb stated that a livestock innovation center is a once in a lifetime project that the General Assembly's potential allocations would support different industries.

In response to Representative Tipton, Mr. Maples stated that legislative proposals that may negatively impact the beef industry are proactively addressed.

### **Potential Legislation Relating to Watershed Dams**

Representative McPherson stated that 200 watershed dams were built in the late 1960s and early 1970s. Thirty-eight watershed conservancy districts were developed with taxing authority to maintain the new dams. To his knowledge, there are about 12 watershed dams that have not been properly maintained. Proposed legislation would repeal KRS 262.791 and create a framework for inactive watershed conservancy districts. In the case of an inactive district, there

would be a process to place it under the authority of a soil and water conservation district or fiscal court.

Allan Bryant, President, Kentucky Association of Conservation Districts, stated that a conservation district is a subdivision of state government and its primary purpose is to help land owners conserve natural resources. Watershed conservancy districts are subdivisions of conservation districts and its primary goal is flood prevention and flood control.

Mr. Bryant stated that the legislative proposal for the discontinuance of inactive watershed conservancy district boards would allow for any soil and water conservation district board or fiscal court where the watershed conservancy district lies to initiate the discontinuance and take authority of the inactive watershed conservancy district. The initiation of discontinuance would require either one year or more of board inactivity or the failure of a board to adopt and fund a budget. The legislation would also permit soil and water conservation districts and watershed conservancy districts to use funds appropriated from the Department for Local Government's Local Match Participation Program and Natural Resources Conservation Service (NRCS). Board members of a soil and water conservation and watershed conservancy board would be provided immunity from personal liability for official acts taken reasonably and in good faith.

Representative McPherson stated that the cost to maintain existing dams totals approximately \$100 million. There is an opportunity for a 65 percent federal match, which would require a 35 percent local match. The proposed legislation would help lower the total amount of maintenance required and subsequently lower the total local match needed.

In response to Senator West, Mr. Bryant stated that soil and water conservation district boards and fiscal courts are not required to initiate a discontinuance process.

Chair Heath stated that watershed conservancy district boards are volunteer-based. That is why there is a provision within the bill to provide immunity from personal liability.

In response to Representative Clines, Mr. Bryant stated that the entity which takes over a watershed conservancy district will have the authority to tax for purposes of maintaining the watershed dam.

In response to Chair Howell, Mike Parke, Chairman, Madison County Conservation District Board, stated that independent taxing authority for the watershed conservancy districts already exist. Authority to tax would be transferred to the entity which initiates discontinuance of an inactive watershed conservancy district.

In response to Representative Hale, Mr. Parke stated that if there is a watershed conservancy district that spans two counties, one of the fiscal courts or soil and water conservation districts within the watershed conservancy district would be able to take responsibility of the watershed conservancy district. In the case of both counties being taxed for the watershed conservancy district, all funds raised would be placed into one account, which would then be administered by the newly responsible fiscal court or soil and water conservation district.

In response to Representative Tipton, Mr. Bryant stated that soil and water conservation districts, water conservancy districts, and county judges have been consulted about the potential legislation. It has not yet been discussed with the Kentucky Association of Counties

(KACo).

Representative Heath stated that the issue of inactive watershed dams arose during the 2023 Regular Session. There are active watershed conservancy districts across the state that are performing well.

#### **Update on the Implementation of 2023 Regular Session Senate Bill 281**

John Ard, Executive Director for the Office of Fleet Management, Finance and Administration Cabinet, stated that the Office of Fleet Management (OFM) manages most of the passenger motor vehicles for the state. During the 2022 fiscal year, fleet vehicles traveled over 41 million miles and burned almost 2.5 million gallons of fuel, including gasoline, diesel, and E85. The motor pool staff manages rentals for almost 5,000 vehicles, and its help desk staff generated more than 13,000 help tickets from customers and vendors. Orders for 237 new vehicles were placed and 198 vehicles were retired.

Senate Bill 281 requires the OFM to implement a strategy to replace at least half of its passenger vehicles with alternative fuel vehicles. Based on current inventory, the fleet is compliant with the requirement. The legislation also requires that the OFM increase the use of alternative fuels to levels that are commensurate with the increase in alternative fuel compatible vehicles managed by the OFM. The office is now required to report annually on December 1st starting in 2024.

As of October 2023, the OFM manages 3,380 passenger motor vehicles and 1,970 (51 percent) of those are alternative fuel vehicles. The fleet relies heavily on E85 vehicles to meet the state's alternative fuel vehicle requirements. Most employees fuel these vehicles with gasoline, but the OFM encourages them to utilize E85 fuel when possible. The office is pursuing diversification of the state's alternative fuel vehicle profile by increasing the number of hybrid electric vehicles.

In response to Chair Howell, Mr. Ard stated that there has not been enough education about E85 fuels for state drivers. It would be difficult to require drivers to use E85 fuel because the option is sometimes not accessible. There are gasoline and E85 pumps in the Frankfort motor pool. Mr. Ard is not aware of E85 pumps at the Kentucky Transportation Cabinet locations across the state. The OFM has not submitted any requests for proposal (RFP) to provide E85 pumps at state-owned motor pools.

In response to Representative Aull, Mr. Ard stated that the OFM has an app for state vehicle drivers to locate diesel, gasoline, or E85 fuel. There are only 65 locations across Kentucky which provide E85 fuel, many of which are located in Lexington and Louisville.

In response to Chair Howell, Mr. Ard stated that the state could allocate funds to put E85 pumps at state motor pool locations.

Representative Graham stated that he hopes the General Assembly can work with the OFM to support the requirements of Senate Bill 281.

In response to Representative Aull, Mr. Ard stated that there is currently no cost estimate of implementation of E85 pumps at motor pools across the state.

#### **Overview of the Murray State University Hutson School of Agriculture**

Committee meeting materials may be accessed online at <https://apps.legislature.ky.gov/CommitteeDocuments/261>

Dr. Brian Parr, Dean of the Hutson School of Agriculture, Murray State University (MSU), stated that the MSU Hutson School of Agriculture is in its 98th year of educating students. Dr. Shea Porr, Associate Dean and Department Chair of the Animal Equine Science Program, MSU, highlighted the school's recruitment efforts with youth, including Future Farmers of America (FFA) conventions, high school visits, hosting about 2,000 high school students per year on campus, and coordinating with the Institute for Future Agricultural Leaders (IFAL) program hosted by Kentucky Farm Bureau. More students are coming into the school's agriculture programs with less experience with hands-on farming. The Hutson School of Agriculture is the only department at MSU that has grown in enrollment. The school recently expanded its masters program to support online students.

The agriculture science program partners within the agriculture industry for research and education with entities such as Bayer, BASF group, and Stine. The Hutson School of Agriculture has over 1,200 acres for agricultural research. The school provides an opportunity for education in unmanned aerial systems which includes flight practice, drone maintenance, safety, and federal policies. This program was recently selected for the Federal Aviation Administration's (FAA) Unmanned Aircraft Systems-Collegiate Training initiative. The animal and equine science programs have created a new focus on poultry and meat science and equine chiropractic. MSU will be hosting the 2024 American Collegiate Horseman's Association National Convention. There are over 400 students in the pre-vet and vet tech programs.

The Hutson School of Agriculture is in the process of achieving a college status, working on renovations, optimizing its Eagle Rest property, and proposing a veterinary (vet) school. Dr. Parr stated that the Southern Regional Education Board (SREB) contract with Auburn University is not contingent on the absence of a vet school in Kentucky. The proposed MSU vet school could be a piece of the large animal vet shortage solution.

In response to Chair Howell, Dr. Parr stated that the SREB contract allows for the absence or presence of a vet school in Kentucky. The state's payment to Auburn University exceeds the difference between in-state and out-of-state rates for Kentucky students.

Chair Heath stated that the goal is to run parallel programs with Auburn University and Murray State.

In response to Chair Howell, Dr. Porr stated that MSU is working with the Kentucky Poultry Federation, Tosh Farms, Purdue, and Tyson to bolster the school's swine and poultry offerings to meet industry demands.

#### **Report Received - No Action Required**

Chair Howell acknowledged the report from the Kentucky Department of Fish and Wildlife Resources Status of Chronic Wasting Diseases and Wildlife Diseases. No action was required.

#### **Adjournment**

There being no further business, the meeting was adjourned.