

INTERIM JOINT COMMITTEE ON AGRICULTURE

Minutes of the 2nd Meeting of the 2024 Interim

July 18, 2024

Call to Order and Roll Call

The 2nd meeting of the Interim Joint Committee on Agriculture was held on July 18, 2024, 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, Damon Thayer, Stephen West, and Mike Wilson; Representatives Chad Aull, Josh Calloway, Mike Clines, Daniel Fister, Derrick Graham, David Hale, Mark Hart, Kim King, Matthew Koch, Shawn McPherson, Amy Neighbors, Phillip Pratt, Sarah Stalker, Walker Thomas, and James Tipton.

Guests: Jonathan Shell, Commissioner, Kentucky Department of Agriculture (KDA); Brandon Reed, Executive Director, Kentucky Office of Agricultural Policy; Lee McIntosh, Executive Director of Administrative Services, KDA ; Jay Hall, Executive Director of Marketing, KDA; Dana Feldman, Executive Director of Consumer and Environmental Protection, KDA; Steve Velasco, State Veterinarian, KDA; and Greg Shanks, Director of Emergency Management, KDA.

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

Approval of June 6, 2024 minutes

Senator Boswell made a motion to approve the June 6, 2024 minutes, seconded by Representative Fister. Motion passed.

Overview of Kentucky Department of Agriculture Programs

Jonathan Shell, Commissioner, Kentucky Department of Agriculture (KDA), presented an agricultural industry overview. The presentation provided information on the different programs and various available services.

Brandon Reed, Executive Director, Kentucky Office of Agricultural Policy (KOAP), explained that KOAP provides a detailed report each month to the Tobacco Settlement Agreement Fund Oversight Committee. He said the Kentucky Agricultural Development Fund and the Kentucky Agricultural Finance Corporation has approved approximately \$45 million in

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investments and loans across the state in 2024.

Lee McIntosh, Executive Director of Administrative Services, explained that the office provides human resources and information technology support for 222 full-time employees and 11 interns, in addition to fiscal management which includes funding for: Farms to Food Banks, Kentucky Rural Mental Health, Suicide Prevention,, and Farm Safety Program, County Fair Grants, Division of Emergency Preparedness and Response, and Division of Regulatory Field Service.

Jay Hall, Executive Director of Marketing, explained that the office is divided into six divisions: Shows and Fairs, Agriculture Education and Outreach, Direct Farm Marketing, Animal, Plant, and Kentucky Proud. The KDA, in partnership with colleges and universities, created the Rising Hope Program to promote the physical, and mental health and safety of Kentucky farmers and farm families. The Kentucky Proud Program continues to work with food distributors and retail grocery stores to incorporate more Kentucky Proud produce and proteins. Commissioner Shell said the goal of the program is to create greater value for producers and consumers. There are 178 Farmers' Markets located in 114 counties with approximately 2,400 vendors. Mr. Hall discussed the Resilient Food Systems Infrastructure Program (RFSI) which is funded by the United States Department of Agriculture (USDA). The program was launched in January to address the middle-of-the-supply-chain infrastructure and equipment needs, such as refrigeration. KDA received \$7 million in grant funds and is responsible for administering the program.

Dana Feldman, Executive Director of Consumer and Environmental Protection, noted that the Food Distribution Division is primarily funded by the USDA, which includes local food for schools and local food purchase assistance. The Environmental Services Division has online pesticide testing available for people who need a commercial agriculture application license and right-of-way license. The Regulation and Inspection Division is responsible for inspecting gas pumps, amusement rides, airports, and bounce houses.

Responding to a question from Representative Aull, Ms. Feldman said that the food distribution grant, through USDA, was a one-time funding source.

Responding to Chairman Howell, Commissioner Shell said before produce farmers choose to move from retail to a wholesale market, KDA provides education and other resources to assist in making that decision.

Dr. Steve Velasco, State Veterinarian, said the mission of the Office of State Veterinarian is to protect the health and welfare of Kentucky's livestock, poultry, and agricultural industries through regulatory disease monitoring, foreign animal diseases, education and outreach, and emergency management. Commissioner Shell noted that the State Veterinarian's office

is responsible for checking animal health papers at the Kentucky State Fair and the North American International Livestock Exposition prior to admittance to the fairgrounds.

In response to Chairman Howell, Dr. Velasco said that having the new Emergency Preparedness Division will help to manage outbreaks of avian influenza and other diseases. The milk supply is safe as long as it has been pasteurized.

In response to Representative Tipton, Dr. Velasco said there have only been four cases of conjunctivitis in humans.

In response to Senator Boswell, Dr. Velasco said that the blackbird and starlings populations is more of a management problem. If the population continues to grow, it may become a Fish and Wildlife issue.

Commissioner Shell introduced Greg Shanks, Director of Emergency Management. Commissioner Shell noted that the shutdown of a grain facility for about two days, affected approximately 10 million chickens without feed. The Department worked with local fire departments to haul water to those facilities. Mr. Shanks said that the Department is looking for any gaps in training, preparedness and response in emergency situations. The Department has three positions available.

Commissioner Shell said the Department is reviewing the Environmental Protection Agency (EPA) and other federal agencies' proposed regulations that would be harmful to meat processing facilities and agriculture.

In response to Chairman Howell, Commissioner Shell said that he did not know how the grains used for Sustainable Aviation Fuel (SAF) would be monitored.

Commissioner Shell said that agriculture is economic development. Kentucky is poised to be a large producer and consumer of SAF, but federal regulations and guidelines surrounding grain production are hindering Kentucky's ability to move forward. Kentucky is one of the largest aviation fuel consumers in the world. The Department is working on opening more large animal processing plants. The Department is working with health care providers in purchasing local food products. KDA is expanding on-farm tourism and direct-to-farm marketing opportunities.

In response to Representative Calloway, Commissioner Shell said that KDA has had conversations with the Department of Fish and Wildlife regarding alternative livestock.

In response to Representative Hale, Commissioner Shell agreed that although beef prices are good, the inflated prices has not been passed on to the farmer. The County Agriculture

Investment Program (CAIP) is managed by the Kentucky Office of Agricultural Policy.

Meeting adjourned.

Adjournment

There being no further business, the meeting adjourned at 10:10.