

TOBACCO SETTLEMENT AGREEMENT FUND OVERSIGHT COMMITTEE

Minutes of the 1st Meeting of the 2018 Interim

May 2, 2018

Call to Order and Roll Call

The 1st meeting of the Tobacco Settlement Agreement Fund Oversight Committee was held on Wednesday, May 2, 2018, at 10:00 AM, in Room 129 of the Capitol Annex. Representative Myron Dossett, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Myron Dossett, Co-Chair; Senators Dennis Parrett, Robin L. Webb, and Whitney Westerfield; Representatives Kim King, Phillip Pratt, Rick Rand, and Brandon Reed.

Guests: Warren Beeler, Executive Director, Governor's Office of Agricultural Policy (GOAP), and Bill McCloskey, Deputy Executive Director, GOAP.

LRC Staff: Nathan Smith, Tanya Monsanto, Kelly Ludwig, and Rachel Hartley.

The December 7, 2017, minutes were approved by unanimous voice vote.

Governor's Office of Agricultural Policy Report

Warren Beeler provided highlights from the January and the February reports and Bill McCloskey provided highlights from the March Report. Mr. Beeler also discussed the 2018-2019 state budget.

Bill McCloskey described the Agricultural Development Board's projects for April. Mr. McCloskey highlighted programs including the County Agricultural Investment Program (CAIP), Deceased Farm Animal Removal Program, Shared-use Equipment, and Youth Agriculture Incentives Program.

Requested program amendment discussed:

- Casey County Conservation District requested an additional \$200,000 in Casey County funds for the CAIP Program. The board recommended approval, which would bring the program total to \$420,000.

Projects discussed included:

- Pendleton County Extension District Foundation, Incorporated, was approved for \$2,000 in Pendleton County funds for improvements to the farmers' market, including restrooms, handwashing station, and on-site marketing storage.
- Magoffin County Extension District Board was approved for \$10,000 in Magoffin County funds and \$115,000 in state funds for a permanent farmers' market facility in Salyersville.
- Glades Christian Church, Incorporated, was denied \$2,500 in Madison County funds for improvements to their community garden. The committee recommended no funding due to county funds not being committed and the project was given a low priority.
- My Kentucky Honey was denied \$730 in state funds for beehive expansion. The committee recommended no funding as the project is eligible under the County Agriculture Investment Program.

In response to Senator Parrett, Mr. Beeler stated the farm at St. Catharine College is still in operation. The failed loans included a winery project, an equine project, and a grain project. Mr. Beeler stated that poultry loans never fail.

In response to Senator Webb, Mr. Beeler stated the equine project was for a riding arena for sport horses in Scott County.

In response to Representative Dossett, Mr. Beeler stated the growth in poultry is partly due to increased investment and lower retail poultry prices for consumers. Contract farming has also added to the growth, because it is low-risk to the farmer. The farmer only furnishes the building and labor.

Mr. McCloskey stated the last board meeting was April 20, 2018, and the next board meeting will be May 18, 2018.

The next meeting of the Tobacco Agreement Oversight Committee will be June 6, 2018. Documents distributed during the meeting are available in the LRC Library.

There being no further business, the meeting was adjourned.