

# **TOBACCO SETTLEMENT AGREEMENT FUND OVERSIGHT COMMITTEE**

## **Minutes of the 3rd Meeting of the 2019 Interim**

**June 12, 2019**

### **Call to Order and Roll Call**

The 3rd meeting of the Tobacco Settlement Agreement Fund Oversight Committee was held on Wednesday, June 12, 2019, 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: Senator C.B. Embry Jr., Co-Chair; Representative Myron Dossett, Co-Chair; Senators Paul Hornback, Dennis Parrett, Robin L. Webb, and Whitney Westerfield; Representatives Kim King, Phillip Pratt, Brandon Reed, and Dean Schamore.

Guests: Warren Beeler, Executive Director, Governor's Office of Agricultural Policy (GOAP); Bill McCloskey, Deputy Executive Director, GOAP; Tamara Sandberg, Executive Director, Feeding Kentucky; Sarah Vaughn, Programs Coordinator, Feeding Kentucky; Kate McDonald, Kentucky Kids Eat Coordinator, Feeding Kentucky; Babette Overman, Overman's Bluegrass Fruits and Vegetables; Martin Richards, Executive Director Community Farm Alliance; James Cochran, Manager, Farmers Market Support Program; and Brittany Steffey, Coordinator, Kentucky Double Dollars.

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

### **Governor's Office of Agricultural Policy Report**

Warren Beeler discussed Kentucky Proud and the Dairy Development Council. Mr. Beeler also introduced summer interns for the Governor's Office of Agricultural Policy.

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

Requested program amendments discussed included:

- Rockcastle County Conservation District requested an additional \$98,700 in Rockcastle County funds for CAIP. The board recommended approval, which would bring the program total to \$204,250.
- Campbell County Conservation District requested an additional \$30,962 in Campbell County funds for CAIP. The board recommended approval, which would bring the program total to \$61,290.

Projects discussed included:

- Jessamine County Future Farmers of America (FFA) Alumni Association was approved for \$8,000 in Jessamine County funds for a Jessamine County 4-H and FFA cost-share program.
- Meade County Fair, Inc. was approved for \$7,500 in Meade County funds to build pens for small livestock for use during the Meade County Fair and other agriculture education events.
- Jericho Farmhouse was approved for \$129,890 in state and multiple county funds to construct a farmers market and retail store in Henry County.
- Green River Area Beef Improvement Group, Inc. was approved for \$20,000 in Daviess County funds to continue the Daviess County Youth Agriculture Production Cost-Share Program.
- Farm Center 519 was approved for a \$225,000 loan in state funds to purchase a building, commodity shed, scale, and equipment in Morgan County.
- Grain Day, Inc. was approved for \$4,500 in Daviess, Hancock, Henderson, McLean, Ohio, and Webster County funds to support the Midwest Beef Summit.
- Local Food Connection, Inc. was approved for \$52,255 in state and multiple county funds to purchase cold storage equipment and 12 month rental of a forklift in Campbell County.
- Sweet and Savory Blessings Catering by Kathy Pennington, LLC was denied \$10,000 in Carroll County funds for equipment, a building, and advertising expenses due to lack of producer impact.

In response to a question from Senator Westerfield, Mr. Beeler stated GOAP will submit a report to the committee on the allocation of funds since the inception of the Kentucky Agricultural Development Fund.

### **Farms to Food Banks, Kentucky-Grown Vegetable Incentive Program**

Tamara Sandberg stated there are 186,660 children that are food insecure in Kentucky. The counties with the highest child food insecurity rates are Magoffin, Clay, Elliott, Robertson, and Breathitt. One out of five seniors are affected with food insecurity, which is the highest rate in the nation.

Feeding Kentucky has a strong partnership with the agriculture community. The Beef Council had a beef month initiative to benefit food banks and the Dairy Development Council has assisted food banks with more capacity to distribute milk.

Feeding Kentucky has seven regional food banks that serve all 120 counties in Kentucky in partnership with 800 local food pantries. There are 50,000 Kentuckians served each week.

Sarah Vaughn stated Farms to Food Banks receives fresh produce from farmers in need of a market and delivers produce to food banks. Over three million pounds of Kentucky-grown produce were distributed throughout Kentucky in 2018. In 2018, there were 349 farmers that participated with an average payment per farmer of \$1,691.

The Appalachian Expansion Project (AEP) is a new pilot project that is being tested this year. There are 27 counties in eastern Kentucky that have been identified to have no farmers or only one farmer participating in Farms to Food Banks. The AEP is providing incentives to farmers to participate. There is also a processing pilot program to extend the season of produce availability. Both pilot programs are funded with a grant through the Educational Foundation of America.

Kate McDonald stated Kentucky Kids Eat focuses on after school programs, school breakfast, and summer meals. Only one out of 12 children that receive a free lunch during the school year will have access to a summer meal. Kentucky ranks 46<sup>th</sup> for summer food service program participation.

The Kentucky-Grown Vegetables Incentive Program (K-VIP), which is funded by the Agricultural Development Board, creates a financial incentive for sponsors to include Kentucky-grown fruits and vegetables in summer meals. For every \$2 a participating sponsor spends at a Kentucky farm, K-VIP will reimburse them for \$1. In 2019, \$321,220 was paid directly to Kentucky farmers.

In response to a question from Representative Dossett, Ms. McDonald stated reaching out to the local school boards would be beneficial to make sure these programs are available for students.

Babette Overman discussed how she has benefitted from Farms to Food Banks and K-VIP. Ms. Overman owns a 25 acre farm in Lancaster.

### **Kentucky Double Dollars**

Martin Richards stated the Farmers Market Support Program (FMSP) and Kentucky Double Dollars (KDD) work together to increase sales and income to Kentucky farmers, leverage federal food and nutrition program funds, and increase access to fresh and healthy local food. There has been a \$6.07 return on every \$1 invested by KADF.

FMSP provides Kentucky farmers markets with the tools, resources, and networks to create profitable and sustainable markets. KDD incentivizes the purchase of Kentucky produced fruits, vegetables, meat, eggs, and dairy by food assistance programs.

In 2018, 1,105 farmers from 89 counties participated in Kentucky Double Dollars. There has been a 353 percent increase in farmers participating since 2017.

There being no further business, the meeting was adjourned.