

TOBACCO SETTLEMENT AGREEMENT FUND OVERSIGHT COMMITTEE

Minutes of the 5th Meeting of the 2019 Interim

August 14, 2019

Call to Order and Roll Call

The 5th meeting of the Tobacco Settlement Agreement Fund Oversight Committee was held on Wednesday, August 14, 2019, at 10:00 AM, in Room 131 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 and Dennis Parrett; Representatives Kim King, Phillip Pratt, Rick Rand, and Brandon Reed.

Guests: Warren Beeler, Executive Director, Governor's Office of Agricultural Policy (GOAP); Bill McCloskey, Deputy Executive Director, GOAP; and Michael Hayes, Kentucky Highlands Investment Corporation (KHIC).

LRC Staff: Stefan Kasacavage, Nathan Smith, Silas Montgomery, and Rachel Hartley.

Governor's Office of Agricultural Policy Report

Warren Beeler provided a brief overview of the Kentucky Center for Agriculture and Rural Development, Kentucky State University Land Grant Program, Kentucky Highlands Investment Corporation, and Youth Agricultural Incentives Program.

In response to a question from Representative Rand, Michael Hayes stated KHIC's primary focus is business loans.

In response to a question from Senator Parrett, Mr. Beeler stated mentors are involved with the Kentucky Beginning Farmer Loan Program to assist individuals with developing, expanding, or buying into a farming operation. There are also mentors involved with the Youth Agricultural Incentives Program.

In response to a question from Representative Dossett, Mr. Hayes stated KHIC will submit loan applications for approval once the next round of funding is received.

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

The requested program amendments discussed included:

- Taylor County Cattlemen's Association requested an additional \$143,456 in Taylor County funds for CAIP. The board recommended approval, which would bring the program total to \$269,312.

The projects discussed included:

- Three Stone Farms was approved for \$5,000 in Henry County funds to develop a cattle receiving station.
- The Ewing Fire Department was approved for \$12,500 in Fleming County funds to purchase grain bin rescue equipment.
- The LaRue County Saddle Club was approved for \$4,000 in LaRue County funds to expand and update the grounds to allow access to city water and to accommodate agricultural events.
- Washington County Fiscal Court was approved for \$14,296 in Washington County funds to purchase a new truck for its deceased animal removal program.
- Rowan County Fiscal Court was approved for \$18,000 in state funds to add a concrete pad and blacktop around the farmers market structure.
- Maggie's Garden and More was approved for \$7,000 in state funds and \$7,000 in Trimble County funds to renovate and purchase equipment.
- J.R. Chaney Bottling Company was approved for \$28,091 in Warren County funds to purchase equipment to produce ice cream, yogurt, and heavy cream from fluid milk.
- Bluegrass Community and Technical College was approved for \$15,000 in state funds to purchase materials and supplies to establish the Kentucky Honey Testing Laboratory.
- Owsley Brown Frazier Historical Arms Museum was approved for \$50,000 in state funds to provide ongoing maintenance and enhancements to the Spirit of Kentucky exhibit.
- Marion County Fiscal Court was approved for \$20,000 in Marion County funds to purchase a new truck for its deceased animal removal program.
- The city of Somerset was approved for \$240,000 in state funds and \$10,000 in Pulaski County funds for the construction of a farmers market structure and commercial kitchen.

In response to a question from Senator Hornback, Mr. Beeler stated the difference between Kentucky Proud and Certified Kentucky Honey is that Kentucky Proud products

must be at least one of the following: grown, raised, produced, processed, or manufactured in Kentucky. Certified Kentucky Honey must be both produced and processed in Kentucky.

In response to a question from Representative King, Mr. Beeler stated Certified Kentucky Honey should be available in retail stores by December 2019.

There being no further business, the meeting was adjourned.