

# **TOBACCO SETTLEMENT AGREEMENT FUND OVERSIGHT COMMITTEE**

## **Minutes of the 6th Meeting of the 2019 Interim**

**September 4, 2019**

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

The 6th meeting of the Tobacco Settlement Agreement Fund Oversight Committee was held on Wednesday, September 4, 2019, at 10:00 AM, in Room 129 of the Capitol Annex. Senator C.B. Embry Jr., 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; Senator Robin L. Webb; Representatives Kim King, Rick Rand, Brandon Reed, and Dean Schamore.

Guests: Warren Beeler, Executive Director, Governor's Office of Agricultural Policy (GOAP); Bill McCloskey, Deputy Executive Director, GOAP; Linda Hampton, Executive Director, Governor's Office of Early Childhood; Sarah Vanover, Director, Division of Childcare, Department for Community Based Services, Cabinet for Health and Family Services (CHFS); Paula Goff, Branch Manager, Early Childhood Development, Department for Public Health, CHFS; Brenda Bruner, Executive Director, Southside Christian Daycare; and Brigitte Blom Ramsey, Executive Director, Prichard Committee for Academic Excellence.

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

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

Warren Beeler stated the United States Geological Survey is monitoring nitrate levels in the Ohio River to determine their origin. GOAP is taking a proactive approach with the project because agriculture is often blamed for water contamination. Mr. Beeler also provided an update on the success of the Shared-Use Equipment Program in Pulaski County.

Bill McCloskey described the Agricultural Development Board's projects for August under the program. Mr. McCloskey highlighted programs including the County Agricultural Investment Program (CAIP), Deceased Farm Animal Removal, and Youth Agriculture Incentives Program.

The requested program amendments discussed included:

- Harrison County Beef Cattle Association requested an additional \$17,834 in Harrison County funds for CAIP. The board recommended approval, which would bring the program total to \$350,313.
- Carroll County Conservation District requested an additional \$7,200 in Carroll County funds for CAIP. The board recommended approval, which would bring the program total to \$145,281.
- Ohio County Cattlemen's Association requested an additional \$81,751 in Ohio County funds for CAIP. The board recommended approval, which would bring the program total to \$98,651.
- Whitley County Cattlemen's Association requested an additional \$33,600 in Whitley County funds for CAIP. The board recommended approval, which would bring the program total to \$37,100.
- Bullitt County Conservation District requested an additional \$50,172 in Bullitt County funds for CAIP. The board recommended approval, which would bring the program total to \$135,172.

The projects discussed included:

- PHARM Roadside Market was approved for up to \$9,000 in state funds and \$9,000 in Trimble County funds for the repair of a walk-in cooler, a new ice cream maker, and renovations to the market structure.
- Hancock County Cattlemen's Association was approved for up to \$5,000 in Hancock County funds for the Youth Agriculture Production Cost-Share Program.
- Nicholas County Cooperative Extension was approved for up to \$3,000 to build the Nicholas County Livestock Pavilion to serve as a ham house.
- City of Marion Tourism Commission was approved for up to \$11,350 in state funds and \$3,000 in Crittenden County funds to pave the parking lot at the farmers market structure.
- Rockcastle County Industrial Development Authority was approved for up to \$170,000 in state funds and \$5,000 in Rockcastle County funds to construct a farmers market building and covered pavilion.
- Kipley J. McNally was denied \$5,500 in state funds to implement water management practices on his farm due to other grant funding options available.
- Lifeforce Organics was denied \$11,638 in state funds to conduct a feasibility study due to limited producer impact.
- National Energy Education Development Project was denied \$150,625 in state funds to implement workshops for energy and agriculture due to limited producer impact and lack of matching funds.
- Verti Grow Farms was denied \$2,000,000 in state funds to construct an agritourism and organic farm due to limited producer impact.

## **Early Childhood Development**

Linda Hampton stated the Governor's Office of Early Childhood (GOEC) received \$29,071,100 in tobacco settlement funds for Fiscal Year 2019. The majority of the funds are used for the Child Care Program and Health Access Nurturing Development Services (HANDS).

The Early Childhood Advisory Council now has a strategic plan. The mission is to provide leadership and direction for Kentucky by providing a comprehensive and sustainable prenatal-to-age-five early childhood system that will ensure a strong foundation for all children.

Community Early Childhood Councils mobilize local community members to build innovative, collaborative partnerships to help Kentucky improve kindergarten readiness. A total of \$1,069,345 was awarded to 72 councils during the 2019-2020 grant cycle.

The Early Childhood Institute was held in June of 2019 and the theme was "Believe in Me Kentucky." There were 167 professional development sessions with approximately 1,000 participants.

GOEC created the School Readiness Summit to engage superintendents and the community by providing an opportunity for collaboration and action planning. There are currently 30 teams, and each team will be awarded a grant of up to \$45,000.

Sarah Vanover stated the Division of Child Care (DCC) has a budget allotment of \$10,448,648 for Fiscal Year 2019, and the majority of the funds go directly to providers through quality incentives with Kentucky All Stars. The tobacco settlement funds are used as matching funds to receive the federal Child Care and Development Fund block grant.

In response to a question from Senator Embry, Ms. Vanover stated there are 2,067 child care centers in Kentucky that serve children who receive subsidy payments.

Brenda Bruner stated Southside Christian Daycare has 16 centers in Kentucky and all children should have access to high-quality childcare regardless of household income. All of the centers participate in Kentucky All Stars.

Paula Goff stated Early Childhood Mental Health (ECMH) receives \$1,000,000 annually from the tobacco settlement funds, and the funds are part of the match for the Maternal and Child Title V Block Grant. The services include consultations, trainings, evaluations, and therapeutic services for children from birth to five years old. ECMH served over 4,000 children and provided training to over 1,000 education staff in Head Start centers, childcare centers, and state-funded preschools. There were also over 200 foster parents that participated in social-emotional development training.

Child Care Health Consultation receives \$1,000,000 annually from the tobacco settlement funds. The funds support ten regional health consultants and two trainers to provide technical assistance and training on health, safety, and social-emotional development to licensed and certified childcare providers.

Health Access Nurturing Development Services (HANDS) is a statewide home visitation program. In Fiscal Year 2019 HANDS served over 5,000 families. The program is designed to assist overburdened parents during the prenatal period until the child's third birthday. Medicaid is now covering multigravida services and state funds are used as a match.

### **Importance of Early Childhood Investments – Birth to 3<sup>rd</sup> Grade**

Brigitte Blom Ramsey stated the Prichard Committee for Academic Excellence (PCAE) was established in 1983 as an independent and nonprofit organization. It produces solutions-oriented policy research and recommendations that are supported and informed by engagement with the citizens of Kentucky.

Investment in early childhood development is important because 85 percent of brain development occurs before age five and achievement gaps begin to appear at 18 months. The workforce is impacted as 12.6 percent of Kentucky families report job insecurity due to lack of child care. The lack of child care costs employers over \$3 billion annually.

PCAE conducted a poll in 2019 that found 76 percent of Kentuckians needed child care services or reported it to be somewhat or very difficult to find, and 74 percent of Kentucky voters strongly or somewhat support increasing state funding for quality child care and preschool.

In 2008, PCAE began tracking the progress Kentucky has made using 20 indicators of success in education. In 2008, Kentucky ranked 24<sup>th</sup> in the country for preschool enrollment and is currently ranked 41<sup>st</sup>.

The current Consensus Forecasting Group estimates a steep decline in the tobacco settlement funds as smoking decreases. The PCAE is encouraging legislative members to find ways to maintain the level of funding for early childhood development regardless of the source.

There being no further business, the meeting was adjourned.