

TOBACCO SETTLEMENT AGREEMENT FUND OVERSIGHT COMMITTEE

Minutes of the 8th Meeting of the 2021 Interim

October 14, 2021

Call to Order and Roll Call

The 8th meeting of the Tobacco Settlement Agreement Fund Oversight Committee was held on Thursday, October 14, 2021, at 10:30 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; Senators Julie Raque Adams, Dennis Parrett, and Robin L. Webb; Representatives George Brown Jr., Kim King, Phillip Pratt, Brandon Reed, and Rachel Roberts.

Guests: Brian Lacefield, Executive Director, Kentucky Office of Agricultural Policy (KOAP); Bill McCloskey, Deputy Executive Director, KOAP; Dr. Ryan Quarles, Commissioner, Kentucky Department of Agriculture; and Wayne Hunt, President, H&R Agri-Power.

LRC Staff: Stefan Kasacavage, Nathan Smith, Kelly Ludwig, and Rachel Hartley.

The minutes from the meeting of September 16, 2021, were approved by voice vote.

Kentucky Office of Agricultural Policy Report

Brian Lacefield provided a personnel update and a brief overview of the 2021 Kentucky Office of Agricultural Policy Annual Report.

In response to Representative King, Mr. Lacefield stated underutilized programs are going to be reviewed by the joint meeting of the Kentucky Agricultural Development Board (KADB) and Kentucky Agricultural Finance Corporation (KAFC) to determine if any outreach is needed. Mr. Lacefield stated there is a significant need for large animal veterinarians, and more recruitment is important.

Senator Webb stated more incentives are needed to recruit large animal veterinarians.

Mr. Lacefield provided a brief update of the investments made by the KADB in the meat processing industry over the last 20 years. In the spring of 2020, the KADB

established the Meat Processing Investment Program to expand Kentucky's beef, dairy, pork, lamb, sheep, goat, and poultry processing capabilities.

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

The requested program amendments discussed included:

- Oldham County Farm Bureau requested an additional \$1,000 in Oldham County funds for YAIP. The board recommended approval, which would bring the program total to \$6,000.
- Oldham County Farm Bureau requested an additional \$11,000 in Oldham County funds for CAIP. The board recommended approval, which would bring the program total to \$36,000.
- Nicholas County Conservation District requested an additional \$12,600 in Nicholas County funds for CAIP. The board recommended approval, which would bring the program total to \$264,600.

Jarrod Brent Cornett was approved for a small scale grant of \$10,000 in state funds through the On-Farm Water Management Program.

The projects discussed included:

- Creation Gardens, Inc. was approved for up to \$373,259 in state funds for renovating and repurposing a facility in Bardstown for e-commerce of its products.
- Stepping Stone Farm, LLC was approved for up to \$300,000 in state funds and matching county funds to build an on-farm market and storage facility for local products.
- Grow Appalachia at Berea College was approved for up to \$260,575 in state funds contingent on securing at least \$15,000 from 15 counties to expand the Eastern Kentucky Direct Integrated Grower Support program in eastern Kentucky.
- Bluegrass Roots Farm Foundation, Inc. was approved for up to \$38,365 in state funds to aid in constructing a storm water retention basin.
- Ryan Bratcher was denied \$7,500 in state funds to install a municipal water meter, pipe, and hydrant to run water to a sheep herd and for poultry use due to the lack of gross farm income.

In response to Senator Embry, Mr. McCloskey stated the corporate office for Creation Gardens is located in Jefferson County and the approved project is in Bardstown.

In response to Senator Webb, Mr. McCloskey stated the funds approved for Grow Appalachia at Berea College are for staff technical assistance. The Bluegrass Roots Farm Foundation, Inc. must continue working with at least six to eight producers to meet the criteria to have its loan forgiven.

In response to Representative King, Mr. McCloskey stated Creation Gardens is a fulfillment center that distributes locally produced agricultural products from the farm to the consumer.

Dr. Ryan Quarles stated the joint meeting of the KADB and KAFC will be the second joint meeting in the last 20 years. The United States Department of Agriculture has a college loan forgiveness program for large animal veterinarians and should be promoted to students.

Wayne Hunt provided a brief overview of his experience in the last 20 years since the passage of HB 611 during the 2000 Regular Session, which established the KADB.

There being no further business, the meeting was adjourned.