

# **TOBACCO SETTLEMENT AGREEMENT FUND OVERSIGHT COMMITTEE**

## **Minutes of the 9th Meeting of the 2021 Interim**

**November 10, 2021**

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

The 9th meeting of the Tobacco Settlement Agreement Fund Oversight Committee was held on Wednesday, November 10, 2021, at 10:30 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 Dennis Parrett, Robin L. Webb, and Whitney Westerfield; 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; Amy Neal, Executive Director, Governor's Office of Early Childhood (GOEC); Dr. Sarah Vanover, Director, Division of Child Care, Department for Community Based Services, Cabinet for Health and Family Services (CHFS); Paula Goff, Early Childhood Development Branch, Department for Public Health (DPH), CHFS; and Elizabeth Goode, Director, Division of Prevention and Quality Improvement, DPH, CHFS.

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

The minutes from the meeting of October 14, 2021, were approved by voice vote.

### **Kentucky Office of Agricultural Policy Report**

Brian Lacefield stated \$500,000 in state funds were allocated to 21 counties in 2019. This ensured that all counties in Kentucky have at least \$30,000 in county funds.

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

The requested program amendments discussed included:

- Adair County Cattlemen’s Association requested an additional \$45,000 in Adair County funds for CAIP. The board recommended approval, which would bring the program total to \$217,675.
- Adair County Cattlemen’s Association requested an additional \$5,000 in Adair County funds for YAIP. The board recommended approval, which would bring the program total to \$35,500.
- Johnson County Agricultural Advancement Council requested an additional \$3,000 in Johnson County funds for CAIP. The board recommended approval, which would bring the program total to \$46,000.

The following were approved for funds through the On-Farm Energy Program:

- Wilson Workman Farm in Hickman County was approved for \$10,150.
- Lee’s Plant Farms, Inc. in LaRue County was approved for \$10,150.
- Pumpkin Vine Creek, LLC in Madison County was approved for \$2,520.
- Tom and DeeAnn Bauerle in Marion County were approved for \$10,150.
- William M. Keugel, Jr. in McLean County was approved for \$10,150.
- Eddie Humphrey in Ohio County was approved for \$10,150.
- Susana Lein in Rockcastle County was approved for \$2,650.
- Lancaster Poultry in Webster County was approved for \$10,150.

Goldy’s Meats Ltd. in Crittenden County was approved for \$30,426 in state funds for level two of the meat processing expansion program.

The projects discussed included:

- Burnett’s Enterprise, LLC was approved for \$238,599 in state funds, as a forgivable loan, to renovate its current processing facilities to become United States Department of Agriculture-certified and to purchase processing equipment.
- The city of LaGrange was approved for up to \$245,000 in state funds and \$5,000 in Oldham County funds, as a cost-reimbursement grant, to aid in building a farmers market pavilion for its existing producers.
- Hancock County Cattlemen’s Association was approved for \$5,000 in Hancock County funds, as a grant, for a Hancock County Youth Agriculture Production Cost-Share Program.
- The Kentucky Center for Agriculture and Rural Development, Inc. was approved for \$900,000 in state funds over two years, as a grant, to deliver technical assistance and provide educational opportunities to agricultural and rural businesses.
- Kentucky State University was approved for \$990,000 in state funds over two years, as a grant, to aid in continuing to provide assistance and mini-grants to small-scale and underserved farmers statewide in the areas of

aquaculture, value-added products, organics, food insecurity, farmer educational support, and agroforestry.

In response to Representative King, Mr. McCloskey stated the approved funds for Kentucky State University are restricted funds.

### **Early Childhood Development**

Amy Neal stated the Governor's Office of Early Childhood (GOEC) received \$25,604,700 in tobacco settlement funds for Fiscal Year 2022. The majority of the funds are used for the Child Care Program and Health Access Nurturing Development Services (HANDS).

There are significant improvements and opportunities to make in ensuring equitable access for children in their first five years. In 2020, Kentucky's infant mortality rate was 6.5 percent. It has decreased 0.2 percent since 2019; however, it is still higher than the national average of 5.8 percent. In 2020, 5.7 percent of pregnant woman received late or no prenatal care, which was below the national average of 6.2 percent. The overall findings in receiving late or no prenatal care hide the racial disparities in access with 5 percent of white women receiving late or no care, compared to 8.3 percent of African American women and 11 percent of Hispanic women. Kentucky is currently 46<sup>th</sup> for overall health of women and 41<sup>st</sup> for overall health of children in the United States.

Dr. Sarah Vanover stated the Division of Child Care (DCC) had budget expenditures of \$8,790,855 for Fiscal Year 2021, 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 Representative King, Dr. Vanover stated most of the federal funding goes directly to subsidies.

Elizabeth Goode provided a brief overview of the Dental Fluoride Varnish Program, which received \$1,013,200 for Fiscal Year 2022. There are 34 health departments in Kentucky that are supported with the funds.

Paula Goff provided a brief overview of the Early Childhood Mental Health and Healthy Start programs, which received \$1,930,000 for Fiscal Year 2022. Ms. Goff also stated HANDS received \$7,000,000 for Fiscal Year 2022.

There being no further business, the meeting was adjourned.