

TOBACCO SETTLEMENT AGREEMENT FUND OVERSIGHT COMMITTEE

Minutes

September 14, 2023

Call to Order and Roll Call

The 5th meeting of the Tobacco Settlement Agreement Fund Oversight Committee was held on September 14, 2023, at 10:30 AM in Room 131 of the Capitol Annex. Senator Mays Bledsoe, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Myron Dossett, Co-Chair; Senator Amanda Mays Bledsoe, Co-Chair; Senators Matthew Deneen, Denise Harper Angel, Robin L. Webb; Representatives George Brown Jr., Kim King, Phillip Pratt, and Rachel Roarx.

Guests: Brian Lacefield, Executive Director, Kentucky Office of Agricultural Policy (KOAP); Bill McCloskey, Deputy Executive Director, KOAP; Ellen H. Cartmell, Tobacco Prevention and Cessation Program Manager, Kentucky Department of Public Health, Cabinet for Health and Family Services; and Elizabeth Hoagland, Health Promotion Section Supervisor, Kentucky Department of Public Health, Cabinet for Health and Family Services.

LRC Staff: Stefan Kasacavage, Hillary Abbott, Kelly Ludwig, Rachel Hartley, and Emily Wiley.

Approval of minutes for the meeting of August 10, 2023

A motion to approve the minutes was made by Co-Chair Dossett and seconded by Representative Pratt. The minutes were approved by voice vote.

Report on the projects considered for funding by the Agricultural Development Board

Brian Lacefield gave a brief overview of events at the Kentucky State Fair and provided a loan update for the Kentucky Agricultural Finance Corporation.

Bill McCloskey described the Agricultural Development Board's projects proposed for August 2023. Mr. McCloskey highlighted programs including the County Agricultural Investment Program (CAIP), Deceased Farm Animal Removal, Next Generation Farmer, and the Youth Agriculture Incentives Program (YAIP).

The requested program amendments discussed included:

- Gallatin County Farm Bureau requested an additional \$80,000 in Gallatin County funds for CAIP. The board recommended approval, which would bring the program total to \$230,000.

- Kentucky Ketch, Inc. requested an additional \$65,000 in Clay County funds for CAIP. The board recommended approval, which would bring the program total to \$335,000.

The projects discussed included:

- Critter Care Vet Clinic was approved for \$27,072 in state and Trigg County funds to purchase

large animal equipment under the Large and Food Animal Incentives Program.

- Fayette County Farm Bureau Federation was approved for \$2,500 in Fayette County funds to purchase a grain rescue extraction kit.

- Hart County Fair Association was approved for \$20,695 in Hart County funds to build an addition to its Agriculture Center Building.

- Pennyroyal Farm Analysis Group was approved for \$41,000 in state funds to support the cost of a feasibility study to evaluate the future opportunities that the Kentucky Farm Business Management program can provide to producers.

- Marshall County Extension Office was approved for \$184,500 in state and Marshall County funds to construct a permanent farmers market structure.

Mr. Lacefield clarified his response to a question posed by Senator Boswell at the last committee meeting in August stating all awarded loan funds for projects are at a 2.75 percent interest rate.

In response to Co-Chair Dossett, Mr. Lacefield stated the weather has not been ideal for tobacco producers since tobacco grows better in a dry climate. Tobacco producers are seeing angular leaf spots, which are lesions on water-soaked foliage. Co-Chair Dossett stated crop insurance is based on historical yields and since production has been steadily decreasing over the last several years, the crop insurance will only cover the cost of production and the producer will have a loss in revenue.

In response to Representative King, Mr. Lacefield stated he is unsure if Murray State University is going to add a veterinarian program. Mr. McCloskey suggested the timeline for adding a veterinarian program to a state university is dependent on funding granted by the General Assembly.

Kentucky Tobacco Prevention and Cessation Program

Co-Chairs Mays Bledsoe and Dossett reminded presenters of the importance of providing meeting materials in a timely manner to LRC staff. Elizabeth Hoagland stated she would share their comments with the Secretary of the Cabinet for Health and Family Services.

Ellen Cartmell stated tobacco use is Kentucky's number one cause of preventable disability, disease, and death. While Kentucky receives about \$496 million in tobacco tax revenue annually, the state is spending \$634 million in Medicaid expenses related to direct healthcare costs of tobacco use. Kentucky faces a total of \$2.23 billion in direct health care costs of tobacco use per year, creating a tax burden of \$1,247 per Kentucky household to cover government expenditures caused by smoking. Kentucky employers face an annual cost of \$3 billion in added healthcare costs and productivity losses.

Ms. Cartmell stated that over 88 percent of Kentucky adults who smoke say they want to quit, equating to over 660,000 Kentuckians. Only 40 percent of those individuals know about the Department of Public Health's hotline, Quit Now Kentucky, at 1-800-QUIT-NOW. For every \$1 invested into Quit Now Kentucky, \$4.03 can be expected in future cost savings. Prevention is the only method more effective than the hotline, as nine out of ten smokers become addicted before

the age of 18. If current trends continue, 119,000 Kentucky kids will ultimately die prematurely from smoking.

According to the 2021 Kentucky Incentives for Prevention Survey, over one in five Kentucky 10th and 12th graders had used an e-cigarette in the last 30 days. E-cigarettes make it easier to consume greater quantities of nicotine, making the products more addictive. Nearly 40 percent of school behavior incidents in Kentucky's 2021-2022 school year were tobacco-related violations. The Kentucky Department of Public Health provides options to support youth with three methods: My Life My Quit hotline, INDEPTH alternative-to-suspension curricula, and Not-on-Tobacco cessation classes.

The Kentucky Department for Public Health, using the Master Settlement Agreement (MSA) funds, has been able to fund roughly one-third of Kentucky's county health departments, which is roughly 50 percent of the Tobacco Prevention and Cessation Program budget. Ms. Cartmell provided data regarding the utilization of the remaining funds. In addition to 2023 MSA funds, the Centers for Disease Control and Prevention (CDC) awarded Kentucky with a \$1.6 million grant, which is utilized for administrative and promotional costs. According to the CDC, for every \$1 spent on comprehensive tobacco control programs, Kentucky could expect to see a \$55 return on investment.

In response to Chair Mays Bledsoe, Ms. Cartmell stated that the most effective way to quit smoking is by participating in one-on-one counseling. The most effective way to reach many Kentuckians is 1-800-QUIT-NOW. To achieve the optimal success rate, the recommendation for a tobacco cessation hotline is to provide eight calls per tobacco user. However, the Tobacco Prevention and Cessation Program only has enough funds to provide five calls per tobacco user. In addition to counseling, nicotine replacement therapy is the most effective treatment. The University of Kentucky's peer-to-peer program could benefit from more funding and recruiting more students to volunteer. There is the possibility for other universities to join the program.

In response to Senator Webb, Ms. Cartmell stated that there was an anti-vaping task force for youth developed in 2022, which includes stakeholders and state agencies to address the issue in schools.

In response to Representative Roarx, Ms. Cartmell stated that she would provide a cost comparison of spending between e-cigarette and traditional cigarettes. The amount of nicotine in an e-cigarette (3 to 36 mg) is much higher than traditional cigarettes (1 to 2 mg). Ms. Cartmell is unsure of the full capacity of the My Life My Quit text program.

Ms. Hoagland stated that the Kentucky General Assembly passed legislation to establish a Lung Cancer Screening Program and Program Advisory Committee in the Kentucky Department for Public Health. Medicare Part B and Medicaid reimburse for preventive low-dose computerized tomography (CT) scans among eligible Kentuckians. Smoking causes 80 percent of all lung cancer cases. Radon and occupational exposures can also place individuals at risk.

Ms. Hoagland stated if cancer is identified at a localized stage, there is a 61 percent survival rate at five years post-detection. If a patient's cancer isn't found until the "distant" stage, the survival rate at five years drops to seven percent. Most Kentuckians are diagnosed at the "distant" stage. Kentucky is doing very well regarding cancer screenings as 14.6 percent of eligible individuals were screened, compared to the national average of 5.7 percent. Lung cancer mortality is

declining, which is attributed to more screenings.

Ms. Hoagland stated that the Lung Cancer Screening Program has appointed an advisory committee and thanked Representative Moser and Senator Douglas, who are the legislative representatives on the committee. The program is creating a strategic plan and evaluation metrics. It has also integrated itself into the 1-800-QUIT-NOW hotline to provide specified protocols for eligible cancer screening candidates at a rate of roughly 100 people per month. The program takes an active role in promoting cancer screenings by working with healthcare providers to share promotional material.

Ms. Hoagland stated that the Department for Public Health is actively looking for a candidate to manage the Lung Cancer Screening Program, as the program is Ms. Hoagland's second responsibility. November 11, 2023, is Lung Cancer Screening Day, which promotes accessibility and awareness to cancer screenings.

Adjournment