



A New Strategic Plan for Kentucky Agriculture

*An initiative of the Kentucky Agricultural Council
and its Task Force on the Future of Agriculture*

Executive Summary



Kentucky Agricultural Council

www.kyagcouncil.org

Core Strategies and Recommended Actions to Drive Kentucky Agricultural Progress

Next Generation Farming

- » Make farming attractive and accessible to the Next Generation of both full-time and part-time aspirants, including those from diverse, non-traditional groups including retirees, women, minorities and urban dwellers.

New Markets Identification & Development

- » Increase on-farm incomes and strengthen economic vitality of rural areas through continuous identification and development of new market opportunities.

Regional Agricultural & Rural Community Development

- » Encourage region-specific agricultural development projects and initiatives through funding from the Agricultural Development Board.

Agricultural Education

- » Promote, advocate for, and expand the number of schools offering Agricultural Education programs by linking the contribution of Agricultural Education to “Unbridled Learning” College & Career Readiness For All, Kentucky’s new accountability model.

Consumer Education & Outreach

- » Engage with Kentucky consumers to increase their trust in the state’s Agricultural producers & products. Build consumer appreciation of the benefits of agriculture economically to the state as a whole and at the individual county level, and in terms of its role in ensuring the sustainability of Kentucky’s culture and a rural lifestyle.

Government Policies, Initiatives & Programs

- » Develop policies and funding streams designed to support the overall health (economic & environmental) of farms in Kentucky, as well as lead to increased net farm income. Ensure that all Kentucky Agricultural Development Fund (KADF) proceeds are invested with a purpose of improving the net farm income.

Policy-Maker Education & Outreach

- » Ensure all legislators and policy-makers at local, state and national levels understand the economic and community impact of Kentucky’s agricultural sector — “an implementation plan for the Strategic Plan.”

Strategic Plan Focus on Kentucky Agricultural Development Fund

The Task Force has reaffirmed its strategic intent for the State to assume its historic obligation to use General Fund dollars to support basic agriculture and rural development programs, recognizing that Kentucky Agricultural Development Fund (KADF) dollars were intended for strategic investments in new and expanding agricultural initiatives.

Priority Policy Actions to Advance Kentucky Agriculture (“Top 5 List”)

- » Restore the historical level of revenue to the Kentucky Agricultural Development Fund that will permit it to continue support for diversification of Kentucky farm production and strengthen the economic vitality of rural communities.
- » Fully fund and implement initiatives underway to upgrade the diagnostic facilities at the Murray State Breathitt Veterinary Center, including full construction funding in the Commonwealth’s 2014 Budget.
- » Improve the competitiveness of Kentucky agriculture with other states and help to increase net farm income through innovative legislation and tax law modifications and also create a regulatory environment that allows agricultural producers and businesses to make long-term operational decisions and investments in land, labor and equipment.
- » Continue to provide strong funding support for the Department of Agriculture’s Kentucky Proud program; also increase state funding through KDA for agriculture-focused companion marketing efforts at regional, national and international events.
- » Adequately fund the State’s Agricultural Experiment Stations and University Farms to cover the costs of deferred maintenance on facilities and provide adequate funds for new programs.

Kentucky's Agricultural Challenges and Opportunities

Kentucky agriculture has been fortunate to have access to 50% of the Master Tobacco Settlement funds over the past decade to invest in diversifying and expanding Kentucky's agricultural economy. However the future of these funds remains uncertain.

A more immediate and direct concern will be filling the void of tobacco buyout payments ending in 2014 and likely cuts in other government payments (e.g. direct payments), collectively accounting for around 20 percent of our net farm income in recent years. Consequently, Kentucky agriculture, like U.S. agriculture will probably have to depend more on the marketplace to replace these lost dollars. Economic and political challenges to our tobacco and equine industries remain a legitimate concern.

Top Kentucky Commodities by Dollar Value (2011)

Poultry	\$ 952,882,000
Horses	\$ 800,000,000
Corn	\$ 786,292,000
Cattle & Calves	\$ 629,000,000
Soybeans	\$ 601,212,000
Tobacco	\$ 325,236,000
Dairy Products	\$ 232,200,000
Wheat	\$ 199,216,000
Hay	\$ 135,694,000
Hogs	\$ 118,977,000

Geographically, farm leaders need to continue to evaluate economic opportunities in eastern Kentucky whose economies have not benefitted from the overall expansion of Kentucky agriculture in recent years. Labor availability, costs, and regulations remain a serious threat to labor intensive industries such as tobacco, vege-

tables, equine and dairy. The future direction of our nation's energy policy as it relates to both grain and cellulosic ethanol could create both concerns and opportunities for Kentucky agriculture and our rural economies.

Additional changes in environmental regulations, animal welfare standards, land use policies, and food safety requirements may impact future production costs, but could create opportunities for those who can adopt in a profitable manner to meet the demands of a discriminating consumer and a more active and engaged society over food production.



CONNECTING continues the Kentucky Agriculture Council's mission as the "steward of strategic planning for Kentucky Agriculture." It builds on foundations set by KAC's previous strategic plan for 2007 to 2012, called *A Pathway for Kentucky's Agriculture and its Rural*

Communities. To see the full **CONNECTING** Strategic Plan, visit www.kyagcouncil.org and download it.

The Kentucky Agricultural Council is a 501(c)3 entity representing all of Kentucky's agricultural organizations — including commodity and professional groups, higher educational institutions involved in agriculture, and state and federal agricultural agencies. The KAC holds an Ag Summit annually to keep a focus on critical issues facing Kentucky farmers and agricultural leaders. See www.kyagcouncil.net for information about KAC's initiatives, upcoming meetings, members and more!

An aging farm population raises issues of creating incentives and educational programs for young and beginning farmers to possess skills necessary to take advantage of both traditional as well as emerging markets. Educating a growing non-farm sector, including policymakers of the vital economic and social/cultural role that agriculture plays in our beloved rural communities will become increasingly important.

Finally, adding more off-farm jobs with decent wages/benefits, improving educational levels, accessible/affordable health care, enhancing entrepreneurship, and overall leadership will be critical for the future for the Commonwealth's farm families and rural communities.

Despite growth in other non-agricultural parts of our state's economy, a broadly defined agricultural industry will likely continue to account for more than 10 percent of jobs and economic activity for Kentucky in the years ahead.

Will Snell, Ph.D.
University of Kentucky, College of Agriculture

The Planning Process at a Glance

In late 2011, the Kentucky Agricultural Council's 80+ members were invited to nominate representatives to the Task Force on the Future of Agriculture.

Over the course of the 2012 year, the Task Force conducted five formal meetings as a group. Their first sessions identified issues facing Kentucky Agriculture ("Challenges," "Opportunities" etc.). From this step, and through various subcommittees, they developed a series of Goals and Actions that respond to key themes and issues that had been identified. These formed the Core Strategies around which the new plan was finalized.

Task Force Vision, Principles and Operating Procedures

In order for the strategic planning effort to achieve its aim and to be widely embraced, participants in the Task Force on the Future of Agriculture adopted at the outset the following Vision Statement:

"Together we will develop the conditions that will enable our agricultural sectors and our rural communities to prosper."

Principles to guide the planning process and to ensure its inclusive thrust also were developed:

- » Focus on planning for the prosperity of agricultural sectors in general; all segments will thus benefit.
- » The economic future of rural communities and our agricultural sectors are linked to each other.
- » To be enduring the Plan must reflect the interests of all participants; engage the commitment of all participants; and be based on sustainable agreements.
- » The Individual organizations participating in the planning process pledged to incorporate the Plan's overarching priorities, action plans and benchmarks into the strategic plans of their respective organizations.

Task Force Meetings

February 21, 2012

Elizabethtown [Kick-off Meeting; Brainstorming; Distribution of Issues Questionnaire]

May 30, 2012

Hopkinsville [Questionnaire results tallied, Theme Identification and Issues Voting]

June 14, 2012

Lexington FFA / 4H Youth Focus Group
In addition to formal Task Force meetings, the strategic planning process reached out to this youth audience to get fresh views on the future

of agriculture from the next generation of farmers and agricultural leaders.

July 11, 2012

Lexington [Committee Break-out groups, preliminary development of Goals & Actions]

August 16, 2012

Louisville [Final Committee sessions to refine Goals and Actions]

November 8, 2012

Louisville [Adoption of Final Strategic Plan at Kentucky Ag Summit]

Public Forums

Throughout August and September 2012, the KAC's strategic planning process included a series of public forums held at seven locations across the state, to which the public and all those interested in the future of Kentucky agriculture were invited. These forums provide important input to the new strategic plan for Kentucky agriculture and the state's rural communities for the 2013-2018 period.

Louisville – Aug 22

Hilton Garden Inn at the Kentucky Exposition Center

London | Sept 4

Laurel County Extension Office

Murray | Aug 27

Murray State University

Morehead | Sept 5

Morehead State University

Henderson | Aug 28

Henderson Community College

Frankfort | Sept 5

Kentucky State University

Bowling Green | Aug 28

Western Kentucky University



The KAC's strategic planning initiative and the work of the Task Force on the Future of Agriculture have been supported by the Kentucky Agricultural Development Fund.

Kentucky Agricultural Council Members

AgriBusiness Association of Kentucky
Agribusiness Industry Network, Inc.
Agriculture Workforce Management Association
Berea College Department of Agriculture
Burley Tobacco Growers Cooperative Association
Center for Rural Development
Central Kentucky Ornamental and Turf Association
Community Farm Alliance
Council for Burley Tobacco, Inc.
Eastern Kentucky University Department of Agriculture
Farm Credit Services
Governor's Office of Agricultural Policy
Hopkinsville Community College
Jackson Purchase Agricultural Credit Association
Kentucky 4H Foundation
Kentucky Aquaculture Association
Kentucky Agritourism Advisory Council
Kentucky Agricultural Development Board
Kentucky Agricultural Finance Corporation
Kentucky Alternative Livestock Association
Kentucky Arborists Association
Kentucky Association of Agricultural Educators
Kentucky Association of Conservation Districts
Kentucky Association of Conservation District Employees
Kentucky Association of Equine Practitioners
Kentucky Cattlemen's Association
Kentucky Center for Agricultural & Rural Development
Kentucky Chamber of Commerce
Kentucky Chapter of the American Society of Landscape Architects
Kentucky Community & Technical College System
Kentucky Corn Growers Association
Kentucky Council on Post Secondary Education
Kentucky Dairy Development Council
Kentucky Department for Energy Development & Independence
Kentucky Department of Agriculture
Kentucky Division of Conservation
Kentucky Equine Education Project
Kentucky Farm Bureau Federation
Kentucky Farm Service Agency
Kentucky Farmers Market Association
Kentucky Feed and Grain Association
Kentucky FFA Association
Kentucky FFA Foundation
Kentucky Florists Association
Kentucky Forest Industries Association
Kentucky Goat Producers Association
Kentucky Grape and Wine Council
Kentucky Greenhouse Association
Kentucky Grocers Association
Kentucky Horse Council
Kentucky Horse Park
Kentucky Horticulture Council
Kentucky Livestock Coalition
Kentucky Nursery and Landscape Association
Kentucky Nut Growers Association
Kentucky Pork Producers Association
Kentucky Poultry Federation
Kentucky Retail Federation
Kentucky Sheep and Goat Development Office
Kentucky Sheep and Wool Producers Association
Kentucky Small Grain Growers Association
Kentucky Soybean Association
Kentucky State Beekeepers Association
Kentucky State Fair Board
Kentucky State Horticultural Society
Kentucky State University
Kentucky Thoroughbred Association
Kentucky Turfgrass Council
Kentucky Vegetable Growers Association
Kentucky Veterinary Medical Association
Kentucky Vineyard Society
Kentucky Women in Agriculture
Kentucky Woodland Owners Association
Louisville Nursery Association
Morehead State University
Murray State University Breathitt Veterinary Center
Murray State University Hutson School of Agriculture
Organic Association of Kentucky
PACE Board
The Garden Club of Kentucky
University of Kentucky Agricultural Advisory Board
University of Kentucky College of Agriculture
USDA NASS Kentucky Field Office
USDA NRCS
USDA Rural Development
West Kentucky AgBioworks
Western Kentucky University Department of Agriculture

**Members as of November 2012*