

## **Kentucky Agricultural Council: Task Force on the Future of Agriculture**

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### ***Minutes of the July 25, 2007 Meeting***

The Kentucky Agricultural Council: Task Force on the Future of Agriculture meeting was held on **July 25, 2007** at **1:00 PM CDT** at the Regional Special Events Center in Murray, KY. Dr. Tony Brannon, chair, called the meeting to order.

#### ***Members Present***

David Beck, Kentucky Farm Bureau Federation; Shawn Harper, Kentucky Goat Producers Association & Kentucky Sheep and Wool Producers Association; Dr. Tony Brannon, Murray State University; Leland Brown, USDA NASS Kentucky Field Office; Tony Herrington, Community Farm Alliance; Steve Coleman, Division of Conservation; Nancy Cox, University of Kentucky College of Agriculture; Marshall Coyle, Kentucky Farm Bureau Federation; Kip Ellington, Jackson Purchase ACA; Dan Flanagan, Kentucky Poultry Federation; Brent Frazier, PACE Board; Sharon Furches, Kentucky Women in Agriculture; Dr. Todd Willian, Western Kentucky University Department of Agriculture; Larry Gilbert, Kentucky Association of Conservation Districts; Eston Glover, Kentucky Feed and Grain Association; Ginny Grulke, Kentucky Horse Council; Jeff Hall, Farm Service Agency; Mark Haney, Kentucky Farm Bureau Federation; Bruce Harper, Kentucky Department of Agriculture; Maurice Heard, Kentucky Pork Producers Association; David Henderman, Kentucky Woodland Owners Association; Jimmy Dan Hicks, Kentucky Bankers Association; Tim Hughes, Kentucky Agricultural Finance Corporation; Dwayne Ingram, Kentucky Horticultural Council; Jakie Holt, Kentucky Alternative Livestock Association; Larry Jagggers, Kentucky Agricultural Finance Corporation; Libby Jones, PACE Board; Mike Judge, Kentucky Department of Agriculture; Keith Lowry, Jackson Purchase ACA; Curt Lucas, Kentucky Association FFA; Dave Maples, Kentucky Cattlemen's Association; Harvey Mitchell, The Center for Rural Development; Dr. Wade Northington, Murray State University Breathitt Diagnostic Lab; Lou Ortega, Kentucky Alternative Livestock Association; Mike Ovesen, Kentucky Pork Producers Association; Billy Glen Turpin, Kentucky Cattlemen's Association; Dr. Troy Wistuba, Morehead State University Department of Agriculture; Ottie Pantle, Kentucky Horticulture Council; Dr. Bruce Pratt, Eastern Kentucky University Department of Agriculture; Deborah Reed, Murray State University Breathitt Diagnostic Lab; Keith Rogers, Governor's Office of Agricultural Policy; Dr. Jack Rudolph, Western Kentucky University Department of Agriculture; Dr. Scott Smith, University of Kentucky College of Agriculture; Roger Thomas, Kentucky Dairy Development Association; Ray Tucker, Commodity Growers Association; Dennis Clark, Kentucky Soybean Association Dean Wallace, Council for Burley Tobacco; Roger Quarles, Burley Tobacco Growers Cooperative; Matthew Whitaker, Kentucky Association FFA; John Wright, Kentucky Agricultural Resource Development Authority

#### ***Others Present***

Dr. Will Snell, University of Kentucky College of Agriculture; Biff Baker, Legislative Research Commission; Zach Hobbs, Murray State University; Christi Marksburly, Governor's Office of Agricultural Policy; Rose Bradshaw, Governor's Office of Agricultural Policy; Angela Blank, Governor's Office of Agricultural Policy; Bill Clary,

Kentucky Department of Agriculture; Mike Hubbs, Natural Resource and Conservation Service; Liz Shelton, Kentucky Cattlemen's Association; Jon Berry, Murray Ledger; Representative Ken Winters; President Randy Dunn, Murray State University;

### **Welcome**

Dr. Tony Brannon welcomed the group to the third meeting of the Task Force on the Future of Agriculture at Murray State University. Dr. Brannon called on President Randy Dunn to bring greetings to the Task Force on behalf of Murray State University and remarks were given from Representative Ken Winters as well.

### **Approve Minutes of the July 12, 2007 Meeting**

Dr. Tony Brannon presented the minutes of the July 12, 2007 meeting to the Task Force.

Marshall Coyle (Kentucky Farm Bureau Federation) moved to accept the minutes of the July 12, 2007 meeting of the Task Force on the Future of Agriculture; Dean Wallace (Council for Burley Tobacco, Inc.) seconded the motion. The motion passed without dissent.

### **Overview of July 12<sup>th</sup> Meeting**

Dr. Brannon briefly reviewed the meeting starting with the Governor's Summit on Agriculture and the challenge issued to Kentucky's agricultural leaders by Governor Ernie Fletcher. He then touched on the first meeting of the Task Force in Elizabethtown and the presentations on strategic planning from Dr. Steve Isaacs, Dr. Lori Garkovich and Dr. Rick Maurer from the University of Kentucky College of Agriculture. The Task Force also discussed the critical challenges and emerging opportunities in the agriculture industry. Each organization was given a questionnaire to fill out for "homework". The Staff Working Group took these questionnaires and lumped the information into six groups.

The second meeting of the Task Force was in Somerset. The Task Force was broken up into six roundtable groups to take the information from the questionnaires and identify strategies, key actions and benchmarks for each topic. Today's meeting is to fill in gaps from the meeting in Somerset and refine what has been put on paper to date. The Staff Working group met and will make recommendations on the six topics at this meeting. There is still need for input from the whole group. The Staff Working group will take the notes from today's meeting and bring back recommendations at the August 16 meeting. Following the August 16<sup>th</sup> meeting, there will be three regional forums to receive input from the public on the plan.

### **Education** (Handout on file with Secretary)

Dr. Brannon called on Dr. Will Snell to present the Education topic to the group. The group identified this as the #1 topic. Dr. Snell asked the question "Where would issue have been 10-15 years ago?" Would it have been as important as it is now? Agriculture has changed so much over the last decade and more people were connected to agriculture in those days. More people were connected directly to the industry or their parents or grandparents had a connection. There were not as many groups to challenge the industry, such as animal rights and environmental groups. Times have changed and today, if we are not successful with the six components of the plan, it limits us with the other components. Look at the issues in media that we can capitalize on, such as renewable fuels, animal and food safety and immigration. Look at the big picture and

figure out what are we trying to do with education? We need to put out the message that education is important, both from an economic and a non-economic standpoint. We have to convince the general public that they are affected everyday by what happens in agriculture. We must convince Congress that they are affected and their constituents are affected by agriculture.

We also need to look at the careers in agriculture. Who are we trying to educate? We need to start with ourselves and be informed communicators. Start with our youth. Another generation down the road our grandparents will not be there to tell the story. We have to market our industry and tell the story. Generations before us have had an easier time with this because they were more connected to the industry. The strategies for education are as follows:

1. Improve agricultural education programs for youth. We are missing a big component of education by not focusing more on our adults. Adults take on jobs in production agriculture or agribusiness. There are also holes in urban communities and middle school programs for our youth. Agriculture is not a part of the core curriculum. The group feels there needs to be an enhancement in vocational agriculture programs. There needs to be more agriculture in the classroom programs and agriculture leaders need to hold more spots on the school board.

Comments from the Task Force:

- The plan seemed limited to grades K-12. What happened to KCTCS and the adult workforce? 4-H was left out and the plan needs to include higher education and migrant education. It also needs to include the next generation. (University of Kentucky College of Agriculture)

- A component should include the of the education of the farmers themselves. Possibly an in-depth continuing education program (Council on Burley Tobacco, Inc.)

- Education in agriculture is cradle to the grave. There are programs available that most people do not know about out there. (Kentucky FFA Association)

- Increased emphasis on nutrition classes will lead to agriculture and more interest in local foods (Burley Tobacco Growers Cooperative)

- Try to incorporate groups that already exist like Governor's Scholars and others – have an agriculture component in those programs (Kentucky Women in Agriculture)

- Differentiate between the two types of education - awareness and technical. Most of the issues identified in the plan are awareness issues. (Kentucky Horse Council)

2. Development of education programs for the public officials as well as general public and need to be more active with public officials.

- Encourage the general public to grow their own food (Council for Burley Tobacco, Inc.)
- Expand to include grow your own leaders and politicians (University of Kentucky College of Agriculture)
- Some successful leadership programs exist, but funding is a challenge. Many of the participants are from same counties and some do not take the skills and expand on them.
- Explore the potential of an Ambassador program in every county in Kentucky and look at other leadership programs in the state such as Leadership Kentucky.
- Educate the public and public officials about farmland preservation (PACE Board)
- There needs to be an assessment of what counties are already doing about educating the public. There needs to be leveraging to make these programs more efficient and effective (KARDA)
- Leaders in the leadership programs need to get together and share notes.
- Why not address private education as well as public education? (KARDA)

**Labor** (Handout on file with Secretary)

Dr. Brannon called on Michael Judge to present the Labor topic to the group.

Mr. Judge began the labor topic by recommending that strategy A (increase the Vet-Tech sector's freedom and flexibility in treating large animals) be passed to the Markets and Agriculture Production topic.

Mr. Judge skipped to strategy C of the Labor topic, which stated to increase the number of laborers in agriculture through education. Mr. Judge said that the Staff Working group thought that strategies E (Agricultural employers should utilize able and willing retirees to fill open spots in their businesses and work with their schedules), G (devise a legal and skilled labor checklist that farmers can use when hiring employees for their operation) and H (develop an infrastructure to aid farmers in employing migrant workers and workers through the H2A program) should be consolidated under strategy C. The group consensus was that strategy C should go under the Education topic.

- The suggestion was made to change the word labor to workforce (Eastern Kentucky University)
- Add entry level job workforce, such as H2A labor (Commodity Growers Cooperative)
- The Workforce Cabinet is already working on the H2A program and there needs to be some possible coordination with these groups (The Center for Rural Development)
- Reword strategy C to include technical and college training. The level of annual salary for training needs to come from the industry specified for the workforce (Burley Tobacco Growers Cooperative)
- Interlap the disciplines for agriculture and science (University of Kentucky)

- Leave strategy D as stand alone strategy, but need to identify more key actions.

Strategy F should be moved to the Markets and Agriculture Production topic

- USDA has things out there to help with topics that were talked about at the meeting (Legislative Research Commission)

- The decision was made for Strategy H to remain a stand alone strategy but will continue to make additional changes to the strategy.

- Change the H2A program to be more farmer friendly (Council on Burley Tobacco, Inc.)

- We need to explain our true need of H2A reform (Kentucky Farm Bureau Federation)

- Educate the general public on agriculture's needs especially on H2A reform, still felt it needed to be under the Education topic as well (Commodity Growers Cooperative)

- Strategy D could also be under health care (Kentucky Woodland Owners Association)

### **Agricultural Production and Marketing** (Handout on file with Secretary)

Dr. Brannon called on Roger Thomas and Dave Maples to present the Markets and Agriculture Production topic to the group.

Great discussion at the Somerset meeting, especially on the Kentucky Proud program but the discussion did not get specific. The real issue with this topic is improving net farm income. Mr. Thomas said he felt the four subtopics within this topic are production, marketing, the Agricultural Development Fund and government.

An issue from the Education topic was the additional need for more slots for veterinary students. There is currently a Kentucky Farm Bureau Task Force dedicated to this concern. There also needs to be an increase in animal health technology graduates and access to food animal veterinarians. All of these ideas can be created into one issue that is being looked into by Kentucky Farm Bureau Task Force.

The first subtopic is the need to increase net farm income to insure sustainability of Kentucky farmers. This would require improved leadership of the agriculture community for the whole topic of Markets and Agriculture Production. Some ideas for improving net farm income are as follows:

1. Create a continuing or enhanced education program for those receiving cost share dollars, grants or loans from the Agricultural Development Fund, such as the programs of the Kentucky Beef Network and the Kentucky Dairy Improvement Program. This can also pertain to anyone receiving funds from any source.
2. Develop industry specific labor saving technology.

3. Upgrade and maintain diagnostic lab facilities and fund agricultural experiment stations.
4. Address the shortage of large animal veterinarians in Kentucky.
5. Develop a beginning young farmer/older farmer mentoring program.
6. Develop incentives to encourage production which adds value to products and/or production.
7. Develop a needs assessment database for Kentucky products and focus production on meeting demands on the marketplace.

The second subtopic was to require better marketing. Utilize the marketing potential of the Kentucky Proud program and expand the branding of Kentucky products to include the majority of Kentucky grown and produced products. Encourage all commodity groups to educate their members concerning risk management tools. Challenge every commodity group to have educational presentations at their 2008 Annual Meeting. Develop target marketing strategies for producers. Increase access to regional marketing opportunities. Connect Kentucky producers with Kentucky processors. Encourage local grown products. Encourage all members of the Task Force to exhibit their products at national and international events, such as the World Equestrian Games. Eliminate barriers and capture marketing opportunities for products recognized as Kentucky products.

The third subtopic is to maintain the Agricultural Development Fund at its current 50% to agriculture. Continue to work to have the debt service for water and sewer lines removed and increase by 50% the total committed Agricultural Development Funds to the Kentucky Agricultural Finance Corporation. Increase the cap on Beginning Farmer Loans and Infrastructure Loan programs from \$100,000 to \$250,000 and allow livestock as an eligible item for funding. Continue to fund the environmental cost share programs. Enhance incentives for technology and encourage county councils to pool money for regional projects. Increase funding for the Kentucky Agricultural Council to allow it to function as a non-governmental organization for agriculture.

The last subtopic was government. Make Kentucky competitive with other states and improve net farm income. Remove the sales tax on pharmaceuticals. Encourage the Cabinet for Economic Development to consider revenue creation as criteria to provide economic incentives for producers and processors of agricultural products. Streamline permit processing for agricultural expanded products and new facilities. Provide the Kentucky Department of Agriculture adequate resources for a full time Washington liaison. The Kentucky Department of Agriculture should work with the Department of Parks and other entities on establishing more information to the public for agri-tourism destinations. Establish a rural caucus in the General Assembly to work with Kentucky Farm Bureau, the Kentucky Agricultural Council and others groups to promote agricultural legislation and serve as an additional watchdog for these groups in Washington for legislation that has adverse effects for agriculture. Continue to encourage the school systems, state parks and others to buy Kentucky products. Provide state funding for the Kentucky Department of Agriculture for a marketing effort in conjunction with the World Equestrian Games. Encourage funding from the General

Assembly for additional slots at veterinary schools and to encourage more participation in the large animal veterinary program.

- Cabinet for Economic Development is a statutory regulation and encouraged increased use of the Link Deposit Loan program in Kentucky Agricultural Finance Corporation (Legislative Research Commission)

- Did not mention stockyards and large scale research marketing and development. (University of Kentucky College of Agriculture)

- When talking about young farmers, we need to include farmland preservation and infrastructure. We need think about how land will change in next ten years and the opportunities to preserve land with tax credits or outright purchase through the PACE purchase. (PACE Board)

- Need to include adequate funding for research stations, regional universities and the Kentucky Department of Agriculture (Council for Burley Tobacco, Inc.)

- Develop an Internet marketing strategy for Kentucky agriculture products (KARDA)

- More emphasis on non-traditional agriculture (Kentucky Alternative Livestock Association)

- All of these points should be incorporated in the plan (Council on Burley Tobacco, Inc.)

#### **Health Care** (Handout on file with Secretary)

Dr. Brannon called on Jeff Hall to present the Health Care topic to the group.

Mr. Hall stated that the Staff Working group narrowed this topic down to one issue – affordability. Many farm families seek off farm jobs in order to have health insurance. Mr. Hall's question to the group was should this topic remain a separate issue?

- The goal is to help keep health care at an affordable level. People should contact the General Assembly to help with funding in rural areas (Legislative Research Commission)

- Affordability is a federal issue and availability is a state issue. Agriculture should keep this as an issue in front of the legislators – is not just a farm issue. (Kentucky Women in Agriculture)

- Include agriculture's role in health care includes the development of crops in pharmaceuticals (KARDA)

- Include the role of PMP's in the health care issue (Kentucky Agricultural Finance Corporation)

- Affordable and valuable side (Kentucky Women in Agriculture)

- Health issue of soybeans (trans fats) (Kentucky Soybean Association)

- Include eating local foods and nutrition (PACE Board)
- Commissioner's program "Playing with the Pros" on kid and adult nutrition. This program will also have an educational component about local foods. (Kentucky Department of Agriculture)
- Already programs in place like the nutrition program with the dairy industry. We need to work some joint efforts with these groups. (Kentucky Agricultural Finance Corporation)
- Lack of consumer education about nutrition and it could be incorporated in the education component of plan (University of Kentucky College of Agriculture)
- Develop tax incentives for small business employees and agribusinesses to provide health insurance (Council on Burley Tobacco, Inc.)
- There are incentives, but needs to be additional relief (Kentucky Women in Agriculture)
- Individuals are not included for HAS (health savings accounts) As a group, we may want to check into this for farmers (Council on Burley Tobacco, Inc.)

**Alternative Fuels/Energy** (Handout on file with Secretary)

Dr. Brannon called on Keith Rogers to present the Alternative Fuels/Energy topic to the group.

Going back to questionnaires, there were three areas from the summary of those that stood out. They were the needs for research/development, efficiency in production agriculture and farmer investment.

From the changes handed out, the group suggested combining strategy A (develop a cellulosic industry in Kentucky, utilizing Kentucky's resources) & strategy C (increase the level of quality of crops in biofuels and feed sources) into one strategy.

Also, strategy B (increase the access to affordable renewable energy throughout regions of the Commonwealth) & strategy E (create an alternative fuel/biofuels infrastructure across the state and encourage farmers to set a good example by using alternative fuels) can be combined as well.

When you look at renewable/alternative energy, the development of the renewable industry has been identified as a hot spot in Kentucky.

The second strategy is the efficiency for the use of byproducts. An example of a byproduct of grain based ethanol is dry distillers grain (DDG's) and what use this byproduct can increase our cattle and poultry industry in the state.

The third strategy is infrastructure development and policy development.

The four key actions to these strategies should be research at universities with Agricultural Development funds, state incentives, farmer investment and education

Research is a key component to this topic. There needs to be research and implementation on the farm. Where do we go from here? Mr. Rogers mentioned the

25x25 initiative, which is to have 25% of the total energy consumed in the United States to be produced by renewable resources by 2025. This is the roadmap for renewable fuels.

Two key things to move this area forward are to educate ourselves and the education of the consumer. We have to convey that it is a piece of the puzzle to solve the energy crisis in the United States.

- Under infrastructure – do you intend to include farmers for energy efficient for cost share? (Council for Burley Tobacco, Inc.)

- The comment was made by the Kentucky Soybean Association that they were surprised that corn and soybeans were not represented in plan but cellulose was included (Kentucky Soybean Association)

- There was mention of by-products in strategy D – should include glycerin as a by-product as well. (KARDA)

- Green energy options are everywhere. The General Assembly needs to put more money into this endeavor (The Center for Rural Development)

- The ethanol and biodiesel industries need tax credits and incentives (Kentucky Soybean Association)

- All state vehicles should use alternative fuels, when available, in the Governor's plan (Kentucky Soybean Association)

### **Rural Communities** (Handout on file with Secretary)

Dr. Brannon presented the Rural Communities topic to the group.

He stated that there are many topics in this area, but it was an area on the questionnaire. There is also a lot of overlap with economic development.

Strategy D is very important. Economic development is job creation and not always revenue creation. A factory is easily seen and the effects are devastating when it leaves a community. The same concept goes for agriculture, but no one notices that impact.

- The definition of economic development is statutory. It is hard to measure or put a figure on bushels and agricultural production and it is not easy to do by statute (Legislative Research Commission)

- This topic is similar to education. There are many things out there that we need to plug into. Put people on local boards and educate them. (Kentucky Women in Agriculture)

- You have to talk about the entire industry all the way from the bottom to the consumer (University of Kentucky College of Agriculture)

Strategy A has a direct overlap with leadership programs.

- Strategy B has community based planning in conservation. Could there be a use of the Landscape Architecture program at the University of Kentucky for rural communities?

There is a deficit of support for community planning. (University of Kentucky College of Agriculture)

- There is no mention of regional planning or pooling resources. There needs to be regional funding and infrastructure (Kentucky Department of Agriculture)

- Council on Post-secondary Education already has a program in place for regional funding. We need to tap into that resource and possibly add an agricultural regional planning committee (Murray State University)

Strategy C can be production oriented and have Kentucky Department of Agriculture initiatives. This strategy may be moved to production.

- Shortage of large animal vets was discussed in strategy D and tuition incentives (Council on Burley Tobacco, Inc.)

- Regional and statewide planning is critical and there needs to be a key action under strategy A that references identifying key farmland, possibly through the universities. (PACE Board)

**Summary**

Dr. Tony Brannon stated this is not the end of the process. If you have any additional comments, please email them to him, Keith, Christi or Rose.

**Closing Remarks**

The next meeting of the Task Force will be held in Louisville, KY at the Kentucky Exposition Center on August 16, 2007.

The meeting adjourned at 4:42 PM CDT.

**APPROVED:** \_\_\_\_\_

**PRESIDING OFFICER:** \_\_\_\_\_

**SECRETARY:** \_\_\_\_\_