

DRAFT

Meeting Highlights: Ag Production & Marketing Committee

David Maples, Chair

Kentucky Cattlemen's Office

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The Chair introduced the members and along with staff provided an overview of the issues to be addressed; additional interested individuals or subject experts may be added to the committee as its work progresses, and committee members were encouraged to think about others who could be a resource to this subject.

Regarding **Goal 1**, upgrading diagnostic facilities at U of K and Murray, this was partially accomplished during the last session of the legislature with funding of the UK facility; Murray is still working to obtain funding, and has is in the process of submitting and application for \$450,000 in seed funding for site planning and preliminary design to the Ag Development Board.

There is concern with the status of operating funds for these labs, given the current economic / budget situation for the State. In the past year, there have been cuts to operating budgets for the labs at the federal, State, KDA and CPE totaling in the range of 25 %. As a result, both labs have had to raise their fees. This is a most serious issue, given that Kentucky's agricultural economic output is based 80% on animal agriculture.

The Committee discussed the need for a mechanism to bring this issue to the attention of the full KAC, and to potentially add "operating funds" as part of the going-forward statement under this goal. The Chair and professional staff agreed to bring this issue to the KAC's board of directors for their guidance.

There also was discussion of the importance of bringing the KAC's strategic plan agenda to the attention of the Ky Chamber of Commerce. Ms. Riley pointed out that KAC's leadership has briefed the Chamber. The need to continue efforts to communicate the importance of this issue to the rest of the state was underscored by Committee members.

The issue of the federal Economic Stimulus Bill was discussed with respect to how its provisions may benefit agriculture, including in the area of supporting the Diagnostic Labs, given their critical role in food safety and potentially for homeland security safety.

Related to **Goal 2** (Improving access to large animal Veterinary care), 10 additional slots were added by the Legislature, however the CPE has only committed 1 year of funding for these new positions, so this situation needs further monitoring and attention. The CPE eventually found funding for the second year of the biennium, however there is concern that due to the current budget crises, all 10 of the new slots could be in danger of being put on hold.

Committee members suggested that an e-mail should be sent to all KAC members alerting them to this situation.

Committee members discussed whether any data or studies exist showing an economic impact resulting from a lack of access to veterinary care. For example, are the farmers who are not raising herds because of the

lack of vets? Dr. Cox of U of K indicated that some studies exist but that it is hard to measure. A bigger driver than pure economics would be the public health and safety concerns.

Other issues were discussed in relationship to the vet shortage:

- Efficiency / survival rates for getting animals to market
- Providing “minimum standard of care” for the horse industry, especially the 50% that is non-racing.
- Animal euthanasia programs and animal disposal challenges
- Concerns by small meat packers over regulations that are uneconomic or difficult for them to implement due to their scale.
- The fact that the role for vets is changing, as more farmers are better and college educated, can do more on their own.

Goal 3 – Support for Ag education and research farms. The university Ag research farms all are deficit operations, making it difficult to maintain and improve them. This issue also was discussed as something that could be raised with CPE or other state officials, in order to determine whether Ag research farms may qualify for funding under the economic stimulus bill. It was agreed this issue should be raised with the KAC leadership.

Goal 4 – Increase labor efficiency on Kentucky Farms. The discussion centered on the fact that farmers are “doing more with less” in nearly all segments – both family farms and corporate business farms. Examples were cited of part-time / migrant labor being shared among farmers, in order to fully use their time when some operations that have labor have seasons where the labor is not needed and therefore cannot be paid. It was suggested that some mechanism to promote an exchange of information among farmers about their labor needs or availability would be a helpful service – along the lines of a communications network.

Goal 5 – Encourage continued diversification of Kentucky’s agricultural product array.

It was recognized that this effort is well-along through the efforts of the Kentucky Department of Agriculture and the Ag Development Board, and that a more complete report on our progress or further efforts needed in this area should be addressed at the next meeting, when a representative of the KDA could be present.

Goal 6 – Expand Kentucky agriculture’s role in biotechnology. The professional staff provided some background on examples of the relationship between biotechnology research in the state and the production of pharmaceuticals in tobacco plants (in Owensboro). The professional staff will meet immediately after the Committee meeting with Dr. Maelor Davies, Director of the Kentucky Tobacco Research and Development Center at U of K, who is one of the state’s leading experts on this subject; they will coordinate with Dr. Cox and provide a report back at the next meeting on new opportunities in the emerging field of “Bio Materials” that exist.

Goal 7 – Strengthen infrastructure to aid farmers in employment of migrant workers; address federal regulations. The committee discussed further the concept of “labor exchange” databases; KDA has a Hay Network for this purpose. Mr. Rick Alexander is a subject expert on this who should be consulted further by the committee; his organization now is called the Agricultural Workforce Management Association. The Committee should seed to focus on addressing this through education and public awareness efforts [perhaps in conjunction with the Committee on that topic].

As a result of the significant funding that has been provided by the Ag Development Board to the Kentucky Department of Agriculture, considerable progress has been made with all the remaining **Goals 8 -13** that are clustered around “Actions to Support Production and Consumer Marketing”, and that include initiatives such as Kentucky Proud, export marketing, the Kentucky *Market Maker*, support for farmers’ markets, etc. All of these goals from the KAC plan are being addressed in one way or another through this funding. These goals will be revisited in more detail at the next Committee meeting when a KDA representative can be present.

The Committee meeting ended with a discussion that focused on the many positive things that are being accomplished, but a concern that “grass roots farmers” don’t know many of the actions being taken by government and leadership groups in Agriculture. This emphasized as part of the continuing KAC agenda the need to find mechanisms to help “get the word out” much more widely to the agricultural community about the type of subjects being discussed in this committee. Such an effort would do a great deal to drive the Strategic Plan priorities forward.