EXHIBIT B.3

MINUTES

HOUSE & SENATE INTERIM COMMITTEES ON AGRICULTURE, FORESTRY & ECONOMIC DEVELOPMENT

Thursday, May 16, 2013

The House and Senate Interim Committees on Agriculture, Forestry and Economic Development meet on Thursday, May 16, 2013, at the Hot Springs Convention Center, 400 Convention Blvd, Hot Springs, Arkansas. The following committee members attended:

Senators Stephanie Flowers, Vice Chair, Ronald Caldwell, and Alan Clark. Representatives Matthew Shepherd, Chair, Charlotte Vining-Douglas, Dan Douglas, Homer Lenderman, Stephen Meeks, Betty Overbey, James Ratliff, Nate Steel, Vice Chair, Tommy Thompson and John Vines.

Also attending: Representatives Mike Holcomb, Douglas House, Bruce Cozart, Harold Copenhaver, Jody Dickinson, Jim Dotson, Charlene Fite, Fonda Hawthorne, Monte Hodges, John Hutchison, Mark McElroy, Chris Richey, Wes Wagner and Jeff Wardlaw.

Representative Matthew Shepherd called the meeting to order and welcomed members and guests to Hot Springs.

OVERVIEW OF THE ARKANSAS AGRICULTURE DEPARTMENT

Butch Calhoun, Secretary of Agriculture, gave an overview of the Arkansas Agriculture Department . Founded in 2005 by Act 1978 of the Arkansas General Assembly, the Arkansas Agriculture Department is dedicated to the development and implementation of policies and programs for Arkansas agriculture and forestry to keep its Farmers and Ranchers competitive in national and international markets while ensuring safe food, fiber and forest products for the citizens of the state and nation.

The agencies of AAD are the Arkansas Forestry Commission, Arkansas Livestock and Poultry Commission, Arkansas State Plant Board, State Land Surveyor and Arkansas Aquaculture Division.

The Arkansas Forestry Commission was established with the passage of ACT 234 by the 1931 session of the Arkansas Legislature. AFC works with agencies, organizations and residents to prevent and suppress wildfires, control forest insects and disease, grow and distribute trees, and gather and disseminate information concerning the growth, use and renewal of forests.

Arkansas Agriculture accounts for \$16 Billion in value added to the Arkansas economy. There are 48,300 farms in the state of Arkansas with 13.5 million acres in production. The average farm size is 280 acres and employs 256,244 or one out of every six jobs in the state.

GROWERS ASSISTANCE

Livestock Grant Assistance - 10,000 producers received over \$4.0 million

Poultry Growers Assistance – 208 growers receive over \$16 million

Aquaculture Assistance Program – 103 Arkansas producers awarded over \$3 million

Catfish Feed Grant – More than \$3.7 million disbursed from 2005 – 2007

Specialty Crop Block Grant Program - \$1.4 million for specialty crops

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INCENTIVE PROGRAMS

Alternate Fuels – Provided over \$8.3 million in grants to alternative fuels producers, feedstock processors and alternative fuels distributors over four years

Dairy Stabilization Grant – More than \$9.1 million in funds provided over three years to stabilize the state's dairy industry and improve milk quality

Young Cattlemen's Leadership Committee

The Young Cattlemen's Leadership Committee is partnered with Arkansas Cattlemen's Association and Foundation for an inaugural class of nine. Students take classes on Government Industry, Beef Quality Assurance, NCBA. They attended the Beef Quality Summit at OSU.

Arkansas GROWN is the label for Producers and Retailers. The logo is in use at Farmers' Markets, Wal-Mart, "Local Foods" Stores. There are 380 registered users in the state. The website for Arkansas produces and consumers is <u>www.Arkansasgrown.org</u>

The Arkansas Century Farm program is a new program that recognizes Arkansas' s rich agricultural heritage and honors families who have owned and farmed the same land for at least 100 years. The program is voluntary, places no restrictions on the land, and does not require a fee; signs were awarded to Eighty three farms in 2012.

The Arkansas Agriculture Department is in its first years of printing Arkansas Grown magazine. They have printed 15,000 copies and it is widely distributed.

The AAD has worked with AEDC to bring the Peanut Industry to NEA that resulted in over 18,000 acres of peanuts planted in NEA, along with construction of buying/drying points and approximately 100 jobs.

With no further business, the committees adjourned at 12:30 p.m