



The Beshear/Coleman Kitchen Table Agenda: Creating Family-Supporting Jobs & Increasing Prosperity Across Kentucky

A note from Andy —

Too many Kentucky families are struggling just to get by. Kentuckians work hard, but our families still have trouble keeping up with the bills, much less being able to save for retirement or cover the costs of higher education for their kids. The median wage in Kentucky is not even enough to meet a family's budget¹ and personal income is actually dropping in several rural counties.²

We must do better for our people through a robust jobs agenda that prioritizes workers—not out-of-state corporations and CEOs.

Matt Bevin's approach to economic development is to give giant taxpayer-funded handouts to companies that often fail to produce the kinds of jobs that can support a family. We will build an economy that allows businesses to flourish and rewards the hard work of our people.

This governor attacks two of the most important pillars of our rural economies: public education and health care. He's trying to take money from our public schools and move it to private for-profit charter schools. He's fighting to undercut the Medicaid expansion that is vital to keep the doors open for rural hospitals and clinics across our commonwealth. These are good jobs that lift up communities and build our middle class.

Matt Bevin's failure to put workers first is wrong for our economy. He has failed to put our workers in the best position possible to compete in a global economy. Kentucky is currently ranked the 39th best state to do business by CNBC, with Kentucky's workforce ranked 40th and given a D-.³ In fact, one of the recent rankings said, "The skilled workforce is sparse in the Bluegrass State, trampling the benefits of low business costs."⁴

All of this means we're falling behind our neighboring states. Our main streets are empty, working families haven't seen raises in years, and our kids are being forced to leave Kentucky for new opportunities.

¹ ["Average Kentucky Worker's Paycheck Not Yet Benefitting from Growing Economy,"](#) Kentucky Center for Economic Policy, 7/1/2019.

² ["Income falls in several Appalachian Kentucky counties as coal fails to bounce back,"](#) Lexington Herald Leader, 6/25/2019.

³ ["America's Top States for Business in 2019,"](#) CNBC, 7/10/2019.

⁴ ["Top States 2017: Overall Ranking,"](#) CNBC, 7/11/2017.



Let's do things differently by actually putting working families first.

We're releasing a new comprehensive economic and jobs plan that will create more good-paying jobs and increase wages for every region of Kentucky. We will be unveiling our comprehensive "Kitchen Table Agenda" over the coming weeks. The first plank of this sweeping economic blueprint focuses on creating agritech and advanced manufacturing jobs.

Kentucky is uniquely positioned to lead in these sectors of the economy and we're going to pair our workers with the skills they need to build an economy that works for everyone.

Thanks,

Andy



Growing Kentucky's Future: Building an Agritech & Advanced Manufacturing Economy

The Beshear/Coleman “Kitchen Table Agenda” to create more good-paying jobs and increase wages starts by focusing on agritech and advanced manufacturing, which are both key strategic growth sectors in which Kentucky is uniquely positioned to lead.

Kentucky has a rich tradition of farming and ingenuity—and agritech combines the two in a way that will allow our commonwealth to get a head start on a booming industry instead of falling further behind. In fact, worldwide investments in agritech surged 40% in 2018 and “has increased more than six-fold since 2012.”⁵

Focusing on agritech can save farmers money,⁶ create jobs in a wide variety of areas,⁷ and open up countless new opportunities for Kentuckians. It covers improving and implementing new technology in every aspect of farming.

That includes the placement of seeds, self-driving tractors,⁸ improving yields based on soil types and weather patterns, and even finances and business operations.⁹ For example, some farmers now receive “better information on crop status due to advances in image recognition, sensors, robotics and, of course, machine learning.”¹⁰

Dr. Chad Lee, a University of Kentucky Extension agronomist specializing in corn, soybeans and wheat put it very simply, “As farms are getting more advanced, that allows them to hire additional employees.”¹¹

We can start building these jobs by creating a pipeline of talent by training students and current workers, beginning in middle school through high school and college. It must also include retraining adults already in the workforce and veterans returning from service. No matter where a student or worker is in his or her career, he or she should have opportunities to gain the skills needed for agritech jobs.

⁵ [“Agritech investment surges more than 40% in 2018,”](#) Financial Times, 3/7/2019.

⁶ [“Modern Farming in Kentucky,”](#) Farm Flavor, 12/11/2013.

⁷ [“Entry-level Salary Information for Recent Graduates in Agriculture and Related Disciplines,”](#) University of Purdue, 2018.

⁸ [“How self-driving tractors, AI, and precision agriculture will save us from the impending food crisis,”](#) Tech Republic, 12/12/2018.

⁹ [“Agritech: How tech is helping the agriculture industry grow,”](#) WRAL Tech Wire, 6/6/19.

¹⁰ [“Agrifood — the \\$8 trillion industry that’s worth your salt,”](#) Tech Crunch, 2018.

¹¹ [“Modern Farming in Kentucky,”](#) Farm Flavor, 12/11/2013.



Similarly, Kentucky should also be a leader in advanced manufacturing, making the products of the future to sell and ship around the world. That means building the new tools and technology needed in agritech and other growth industries.

While other sectors are falling behind, advanced manufacturing is growing, and America will need to fill an estimated 3.5 million jobs in advanced manufacturing over the next decade.¹²

Kentucky has the talent, the people, and the resources to take advantage of this rapidly changing economy. We just need the right vision, policies and workforce to get the job done.

Key Policy Priorities To Build an Agritech & Advanced Manufacturing Economy in Kentucky:

Create, Grow & Recruit Agritech Businesses & Advanced Manufacturing: Kentucky needs a new vision to foster an environment for new companies and businesses in agritech and advanced manufacturing, while helping existing companies grow.

- **Launch Agritech Business Accelerators:** Kentucky should launch a partnership with universities and agritech leaders to develop agritech accelerators that encourage startups and new small businesses. Iowa has successfully launched agritech accelerators¹³ and Kentucky should do the same. We can start by working with our public universities, community colleges and technical schools, especially in rural Kentucky, to ensure we're leading the way in the science and analytics of farming. For example, we can expand projects like the small business accelerator at Western Kentucky University to focus on agritech and advanced manufacturing across the entire state.¹⁴ Right now, the current administration highlights their work with less than ten accelerators. A Beshear/Coleman administration will work to grow that number and focus sharply on areas where we can create good-paying jobs and lift up working families.¹⁵
- **Focus Tax Incentives on Agritech Businesses & Advanced Manufacturing:** We need to move away from expensive incentives for companies that don't create family-supporting jobs, and instead incentivize bringing good-paying jobs in growth industries like agritech and advanced manufacturing to our commonwealth. Right now, Kentucky spends millions of dollars on tax incentive programs that help out-of-state CEOs, while "subsidizing the creation of jobs that provide wages and benefits that are significantly below the typical

¹² ["America Is Still Making Things,"](#) The Atlantic, 1/6/2017.

¹³ [Iowa Agritech Accelerator.](#)

¹⁴ ["Small Business Accelerator,"](#) Western Kentucky University.

¹⁵ ["Accelerators & Incubators,"](#) Think Kentucky.



jobs in many counties.”¹⁶ We can do so much better and should be using taxpayer dollars to foster the type of economic growth that lifts up working families and builds a stronger economy in Kentucky. Additionally, corporations that cut Kentucky jobs should not be eligible for additional taxpayer-funded incentives.

- **Micro-Loans and Increasing Access to Credit for Small Businesses:** If someone has a good idea in Kentucky, we want to make sure they can start their business right here. Kentucky should run and expand micro-loan programs statewide,¹⁷ like the ones that exist in southeastern Kentucky,¹⁸ Louisville,¹⁹ and northern Kentucky,²⁰ aimed at helping small businesses invest in strategic sectors of our economy like agritech and advanced manufacturing. While many big banks and tax incentives focus on investing in larger corporations, micro-loans are described as “a glimmer of hope for small businesses in need.”²¹ They offer vital funding for small businesses that have specific goals that are just out of reach.²² We will work to expand access to credit for small businesses and focus efforts on key industries like agritech, especially in traditionally disadvantaged economies overlooked by corporate banks.
- **Putting Kentucky Businesses First:** Government contracts should prioritize local Kentucky manufacturers. While there are already some preferences for Kentucky residents in place,²³ we should review these efforts²⁴ and strengthen them wherever possible. To level the playing field for small businesses and ensure there is no cronyism, a Beshear/Coleman administration will also prohibit taxpayer contracts from going to executive branch employees.²⁵
- **Audit Existing Tax Incentives:** There needs to be a comprehensive audit on how tax incentives are being used and if they are leading to jobs where workers can earn enough to support their families.

Workforce Development & Skills Training: Businesses in growth sectors like agritech and advanced manufacturing will follow the workers. It’s also important that we’re creating

¹⁶ [“Kentucky’s Economic Performance Falls Short of Claims Based on Corporate Announcements,”](#) Kentucky Center for Economic Policy, 12/10/2018.

¹⁷ [“Kentucky Micro-Enterprise Loan Program \(KMEL\),”](#) Kentucky Cabinet for Economic Development.

¹⁸ [“Micro Loan Fund,”](#) Southeast Kentucky Economic Development Corporation.

¹⁹ [“Microbusiness Program,”](#) The Louisville Metro Office of Resilience and Community Services.

²⁰ [“Small Business Lending,”](#) The Northern Kentucky Area Development District.

²¹ [“Microloans a glimmer of hope for small businesses in need,”](#) USA Today, 5/3/2018.

²² [“Micro-Loans Make Sense For Many Small Businesses,”](#) Forbes, 9/23/2015.

²³ [“Kentucky Preference Laws,”](#) University of Louisville.

²⁴ [“Guide to Government Contracting,”](#) Think Kentucky.

²⁵ [“A Plan to Clean Up Kentucky Government,”](#) Beshear/Coleman 2019.



good-paying jobs that don't require a college degree and are available to Kentuckians no matter what stage of their careers they are in.

One major report found that “States can build a strong foundation for economic success and shared prosperity by investing in education. Providing expanded access to high quality education will not only expand economic opportunity for residents, but also likely do more to strengthen the overall state economy than anything else a state government can do.”²⁶

The same report added that, “Overwhelmingly, high-wage states are states with a well-educated workforce. There is a clear and strong correlation between the educational attainment of a state’s workforce and median wages in the state.”²⁷

The Beshear/Coleman administration will make Kentucky more competitive with surrounding states by creating a pipeline of talented and high-skilled workers.

- **Skills & Apprenticeships for Adults in the Workforce:** Kentucky should partner with labor unions to create a fast-track workforce grant program for lower-income adults who are working toward degrees that can fill high-need skills gaps. Additionally, Kentucky should encourage agritech and advanced manufacturing businesses to offer educational opportunities to current workers in the field who want to develop specialized training. While some efforts already exist, Kentucky should expand these programs and sharpen their focus for jobs in agritech and advanced manufacturing.²⁸
- **Invest in Community & Technical Colleges and Align with Local Jobs:** Instead of trying to cut funding from public higher education,²⁹ Kentucky should invest in community colleges and technical schools, while ensuring they are preparing students and adults with skills that directly align with the needs of local employers. This can start with a focus on training Kentuckians to fill advanced manufacturing jobs in their own communities.
- **Expand Employer-Driven Higher Education:** Kentucky should focus on expanding employer-driven education so school, community, and family partnerships are involved in deciding what skills students are learning. This will make sure the skills students are learning fill industry gaps and needs. Kentucky should also increase scholarships and

²⁶ [“A well-educated workforce is key to state prosperity,”](#) Economic Policy Institute, 8/22/2013.

²⁷ [“A well-educated workforce is key to state prosperity,”](#) Economic Policy Institute, 8/22/2013.

²⁸ [“Training Incentives,”](#) Kentucky Skills Network.

²⁹ [“Kentucky's 1 of only 5 states to cut money for higher education this year,”](#) Louisville Courier Journal, 2/11/2019.



incentives for people in traditionally disadvantaged communities to pursue careers in these fields.

- **Preparing High School Students for Good-Paying Jobs:** Kentucky should allow high school students to specialize in career pathways related to agritech, if they meet rigorous standards and competencies developed in coordination with agritech leaders and experts. We should also develop rigorous standards for teachers to earn a new certification, so they can teach the skills needed for agritech and advanced manufacturing jobs in our public schools. This should include allowing students in high school to substitute a core science unit for an agritech focused class, as long as they stand up to the same rigorous standards.
- **Career Awareness in Middle School:** Kentucky should launch an agritech and advanced manufacturing career awareness program for middle school students, with an online-based curriculum.