



**WRIGHT & MOORE**  
LAW Co. LPA  
www.OhioFarmLaw.com

ROBERT E. MOORE  
KELLY BRAKEFIELD MOORE  
RYAN C. CONKLIN  
EVIN Z. BACHELOR

OF COUNSEL  
PAUL L. WRIGHT, FOUNDER

**Proponent Testimony Sub. House Bill 183**  
**House Agricultural and Rural Development Committee**  
**Ryan C. Conklin, Esq**  
**October 29, 2019**

Chairman Koehler, Vice Chair Smith, Ranking Member Brent, and members of the House Agricultural and Rural Development Committee, thank you for the opportunity to offer proponent testimony for House Bill 183.

My name is Ryan Conklin and I am the son of a third-generation dairy farmer from Plain City. My upbringing on the farm fostered a lifelong relationship with the agriculture industry. I used this fervent connection to complete a Bachelors of Science in Agriculture from The Ohio State University in 2010 and a Masters of Science in Agricultural Education from the University of Florida in 2012. During my graduate degree program, I felt a new calling to the practice of law in order to help farmers with their legal struggles. As a result, I received my juris doctor from the Michigan State University College of Law in 2015.

After my admission to the Ohio bar, I began working as an attorney with Wright & Moore Law Co., LPA, an agricultural law firm located in Delaware. My colleagues and I dedicate a large part of our practice to helping farm families from all over our state achieve their farm succession planning goals. I am here today to discuss my experiences assisting beginning farmers with entry into an agricultural enterprise, as well as the challenges facing transitioning farmers.

According to the 2017 United States Census of Agriculture, the average age of the Ohio farmer is 55.8 years old, up from the previous mark of 54.6 years from 2012. Furthermore, the Census revealed that Ohio has 13,233 producers under the age of 35, or approximately 10% of the 128,686 producers in the state. Finally, 19,213 people, or 15% of respondees, indicated they are the principal operators of their farm and possess less than 11 years' experience.

With this very limited data set, it is easy to see that Ohio farmers are getting older, and fewer young people are returning to the farm or entering agricultural production. My interactions with beginning farmers throughout the state reveal a consistent message: we would like to build a larger operation, but various barriers are prohibiting us from doing so. These barriers include:

- An inability to access farm assets and credit,
- Other financial obligations, including student loan debt and off-farm employment,
- Lack of interest in transitioning farm assets from family, friends, or neighbors.

In 2018, the National Young Farmers Coalition released the results of its 2017 survey of young farmers. When asked about the top obstacle preventing aspiring farmers from entering agriculture, nearly 2/3 of participants referenced one of the barriers listed above. As agriculture

---

www.OhioFarmLaw.com

Ryan C. Conklin, Attorney  
RConklin@OhioFarmLaw.com  
Office: (740) 990-0755 Cell: (614) 832-2638

Wright & Moore Law Co. LPA  
Main: (740) 990-0750 Fax: (740) 417-4411  
92 N. Sandusky St., Ste. 300, Delaware, OH 43015

has become an increasingly debt and capital-intensive enterprise, beginning farmers have become less competitive in the marketplace due to cash flow concerns, insufficient assets to pledge as collateral, and the need to maintain an off-farm income source. This has left beginning farmers unable to grow.

Discussing the plight of beginning farmers only presents one side of the coin. Currently, our seasoned farmers are not properly incentivized to immediately transition their operations to beginning farmers. For example, if a landowner wants to sell or lease ground to an area farmer, he/she is likely to sell to a large established farmer because that person can often offer more money and better financial terms. However, by offering the landowner a tax incentive to sell to a beginning farmer, this bill would help level the playing field during the bidding process.

Also, existing farm succession planning strategies incentivize farmers to retain assets until death rather than transitioning the farm while living. For beginning farmers, this is a poor outcome. In many cases, this means that the next generation would be in their 50s or 60s before receiving these vital farm assets. By that age, farmers are reluctant to expand the operation. For beginning farmers, they need access to farm assets as early as possible, and access to the expertise of the transitioning farmer. Providing transitioning farmers with tax incentives to transition now, requiring financial management proficiency for beginning farmers, and affording the two generations time to work together would help achieve this "transition now" objective.

Recognizing the challenges facing beginning and transitioning farmers in their states, Minnesota, Iowa, Nebraska, and Kansas, have all enacted beginning farmer tax credit legislation. Now Ohio can join the national effort to alleviate these obstacles. For beginning farmers struggling with student loan debt or balancing off-farm employment with on-farm efforts, the financial management workshops and accompanying tax credits would be a tremendous tool. Offering a tax credit to sellers of farm assets, or to farmers transitioning out of their operations, would provide an incentive to transfer these assets to beginning farmers.

Although this bill highlights potential tax and training incentives for beginning farmers, it also contains strong potential for rural development. Rural communities across Ohio have watched their populations fall for decades, and employment opportunities in these areas have shown the same tendency. Agriculture can be a vehicle that stops or reverses these negative trends. It can be a path to bringing beginning farmers to rural areas and keeping them there. However, there must be tools in place to incentivize these efforts, and House Bill 183 is one of those tools.

Whether it is agricultural property tax reform, legalization of the hemp industry, or common-sense water quality initiatives, the Ohio farm community is exceedingly grateful for the supportive legislative efforts recently enacted by the General Assembly. Your efforts on various issues are known throughout our industry and are greatly appreciated. Now, I respectfully request that this Committee advance House Bill 183 in order to help beginning farmers overcome arduous barriers to entry, be competitive in the farm marketplace, and help our rural communities prosper.

Thank you to this Committee for its consideration of this Bill, and for Representatives Manchester, Patterson, and Cross for their sponsorship. I would be glad to field any questions from Committee members at this time.