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November 7, 2019

The Honorable J. Kyle Koehler, Chair
Agriculture & Rural Development Committee
Ohio House of Representatives
77 S. High Street, 13th Floor
Columbus OH 43215

Dear Chairman Koehler,

Ag Credit, ACA (Ag Credit) supports the passage of Substitute House Bill 183, which proposes to allow income tax credits for beginning farmers who participate in a financial management program and for the businesses that sell or rent agricultural land, livestock, facilities or equipment to beginning farmers.

Ag Credit is an agricultural lending cooperative owned by nearly 7,000 member-borrowers with total loans of nearly \$2 billion. It specifically serves farmers, agricultural producers, agribusinesses and rural homebuyers in an 18-county territory located in northwest and north central Ohio.

Ag Credit is a member of the Farm Credit System whose mission is to support rural communities and agriculture with reliable, consistent credit and financial services today and tomorrow. An important component of Farm Credit System institutions like Ag Credit includes a mission to focus on providing assistance to young, beginning and small farmers to help with establishing their farming operation.

A few years ago Ag Credit implemented a program known as Ag Start that reduces some of the barriers to accessing credit for participating young, beginning and small farmers. Since its creation in 2015, Ag Start has provided over \$71 million in loans to more than 300 Ag Credit member-borrowers who are young, beginning or small farmers.

As farmers in Ohio continue to manage various challenges facing them – a trend of declining commodity prices, weather related events and an uncertain global economy – we believe it is important to support beginning farmers since they are typically more vulnerable during times of prolonged economic stress. There are many barriers that could discourage someone from entering farming and pursuing their lifelong dream. Ag Credit views Substitute HB 183 as providing measures that will help remove these barriers.

Sincerely,

Brian Ricker
President & CEO

C: Members, Ohio House of Representatives Agriculture & Rural Development Committee