



**House Finance Agriculture, Development and Natural Resources Subcommittee  
Testimony of Dorothy Pelanda, Director of the Ohio Department of Agriculture  
March 2, 2021**

Chairman Kick, Ranking Member O'Brien, and Members of the Finance Subcommittee on Agriculture, Development and Natural Resources, thank you for the opportunity to offer testimony on behalf of Governor DeWine and the Ohio Department of Agriculture.

As we think of the many challenges that Ohioans have faced over the past year, one word that immediately comes to mind is resiliency. Despite the many obstacles and interruptions to our normal lives that have recently taken place, the people of Ohio have consistently shown their ability to adapt to difficult and unanticipated situations. They have demonstrated the hard work ethic and can-do spirit that is emblematic of Ohio's citizens. Nowhere is that resiliency more evident than in our agricultural community. Ohio's farmers go to great lengths in protecting and preserving our cherished land.

Time and again, our farmers have shown an ability to weather the storm while continuously pursuing new ways to innovate their practices while feeding our families each day. From those tending the fields to those involved in our restaurant industry, 1 in 7 Ohioans are employed in this agricultural community that serve us with dedication and care.

The budget before you today expands and extends our partnership with this community. It prioritizes issues ranging from water quality to the preservation and stewardship of our farmlands to the safety of our citizens as we anticipate brighter days ahead.

One such priority is H2Ohio. Through the passage of the previous budget, the seeds for H2Ohio were planted. In the ensuing months that have transpired, this bold initiative has been tended to with exceptional care. H2Ohio has now come to fruition and exceeded our expectations. This has been made possible through tireless work from the Administration and from you – our partners on the legislative side who have shown your commitment to the program. Above all, it has happened due to overwhelming interest from Ohio's agricultural community.

It is my pleasure to report that, under ODA's jurisdiction of the H2Ohio Initiative, 1.1 million acres of Ohio's cropland have been enrolled in the program in 14 counties of the Maumee River Watershed. In February, ODA began sending payments to the producers who are implementing the seven Best Management Practices (BMPs). These practices are proven to reduce phosphorus runoff and prevent algal blooms. With 44% of the cropland in the Maumee River Watershed enrolled, we have projected a phosphorus load reduction of approximately 10% or 206,000 pounds of phosphorus.

We also recognize how important House Bill 7 is to the H2Ohio effort – passed late last year by the General Assembly. HB 7 creates a statewide watershed planning and management program with the goal of improving and protecting these areas as it pertains to water quality. ODA is tasked with hiring a coordinator in each of these seven watersheds, with specific experience and qualifications. We have developed a detailed plan and timeline to accomplish this. The work is already in motion and we are thankful to the Legislature for their diligent work with HB 7 and the H2Ohio Initiative as a whole.

The proposed budget expands the number of counties participating in H2Ohio from 14 to 24 as we look to take this initiative statewide in the coming years. Simply put, H2Ohio is a success story and we are just beginning to see the long term, positive effects it will have on water quality in our state.

Just as many of Ohio's families and businesses have had to tighten their belts in recent months, we at ODA have done the same. The COVID-19 pandemic tremendously decreased the amount of inspections conducted by our dedicated team in our Amusement Ride Safety Division. It is critical to note that this Division has historically been funded primarily through revenue generated by inspection fees. Our team of 12 inspectors was reduced to two and now stands at four inspectors on staff. We are currently in the process of building that team up to six inspectors over the next several weeks to meet the revived demand for inspections.

These decisions will continue to be made with precision based on the operational need for inspections and the proper staffing levels to conduct them. We have recently seen an increase in work volume, and we anticipate that to continue. Due to losses in revenue, we are asking for GRF dollars of \$900,000 in Fiscal Year '22 and \$600,000 in Fiscal Year '23 to ensure that these specialized inspectors are retained.

As you know, the work of these individuals ensures the safety of our citizens at our theme parks, fairs, festivals, and various other events throughout Ohio. During the previous General Assembly, the Legislature demonstrated their steadfast commitment to these ideals through the passage of HB 189 (commonly referred to as Tyler's Law). HB 189 instituted additional inspections to be conducted by our team and this important work will be done. Our mission in the Amusement Ride Safety Division is clear: we will never compromise safety for expediency. The budget before you today provides a necessary component in achieving that mission.

The budget implements fee structure adjustments for our Plant Health and Weights and Measures divisions. Pesticide services provided by Plant Health allow manufacturers to market pesticide products in Ohio and for agricultural producers, lawn care businesses, pest control services, lawn care services and horticultural producers to safely use these products without harming food production, human health or the environment. The Division of Weights and Measures ensures an accurate calibration for working standards used by weights and measures officials, private service companies, state and private laboratories, and law enforcement. Accurate weights and measures standards are essential for equity in the marketplace to provide consumer confidence and economic growth for the state of Ohio. The requested funding is essential to cover rising cost of supplies and to maintain the current level of service provided by these divisions.

The Animal Disease Diagnostic Laboratory (ADDL) provides regulatory testing support for disease control programs and full diagnostic laboratory services for veterinarians, livestock producers, and agribusinesses in Ohio and other states. ADDL provides capacity for diagnostic testing to respond to animal disease outbreaks at the state, regional and national level. These services require expert personnel and sophisticated laboratory equipment. In 2019, the laboratory conducted over 425,000 tests for the animal industry. The animal industry in Ohio anticipates continued growth over the next two years, resulting in increased testing volumes for ADDL. Three positions were eliminated from the laboratory in FY 2021 due to a funding shortfall. The budget includes funding for additional staff and to replace equipment, so ODA can meet the increased testing needs of the animal industry in Ohio.

Our Farmland Preservation Division maintains land in agricultural use for perpetuity by distributing grants to local governments, county soil water and conservation districts, and local land trusts to purchase agricultural easements from landowners via the Clean Ohio Program.

With new leadership in the Division and a tightening of operations, we closed 91 easement projects in 2020, double the number closed in the two years prior and are currently working on more than 110 pending projects. An additional \$7 million will assist ODA and its partners to meet the consistently high demand to preserve Ohio's farmland and support the state's number one industry.

The Division of Meat Inspection administers a robust regulatory program, covering 263 food handling facilities. The Division provides USDA mandated daily inspection for approximately 171 establishments, 84 of which always require an inspector onsite during slaughter operations. It also provides bi-monthly inspections to the approximately 92 exempt (custom) establishments. Ohio is also the largest participant in the Cooperative Interstate Shipment (CIS) program with over 33 registered facilities. The CIS program allows state-inspected facilities to sell their product online and ship across state lines. The program is experiencing significant growth with eight new facilities in 2020 and an expected increase of 25% annually over the next two years. FY21 staffing was reduced by nine positions due to a funding shortfall. To ensure that proper staffing levels are available to conduct daily inspections, the Governor's budget proposes to restore five of these positions.

Briefly returning to the issue of H2Ohio, attached to my testimony you will find five handouts that describe our accomplishments with the H2Ohio Initiative and our plan to continue this important program into the future. These documents provide further details on the various aspects of H2Ohio that I have described above.

I wish to conclude where I started. While we have faced our share of obstacles over the past year, our beloved agricultural community has continually shown their ability to rise and meet challenges. They have done so with hard work, grit, and determination. They have done so with resiliency.

Mr. Chairman and members of the committee, I appreciate your attention to my testimony today and I am happy to answer any questions. Thank you.



1

### **Voluntary Nutrient Management Planning:**

Nutrient management plans give farmers information on where to place fertilizer, when, and how much.



2

### **Variable-rate fertilization:**

Applying scientific fertilizer levels based on the need of each sub-acre. Reduces fertilizer application without risk of losing yield.



3

### **Subsurface nutrient application:**

Applying fertilizer below the surface to reduce runoff.



4

### **Manure incorporation:**

Mixing manure into the soil to keep it in place and prevent runoff.



5

### **Conservation crop rotation:**

Planting certain crops that reduce erosion and enrich the soil, thus reducing runoff and decreasing the need for fertilizer.



6

### **Cover crops:**

When planted after the main harvest, cover crops reduce erosion, hold nutrients in the soil, and improve soil health.



7

### **Drainage water management:**

Slowing down runoff to give phosphorous more time to settle back in the soil.



8

### **Two-stage ditch construction:**

Creating modified drainage ditches to slow water flow and allow the phosphorous to settle.



9

### **Edge-of-field buffers:**

When trees or shrubs are planted along farm fields in the right place, the plants hold on to the phosphorous and prevent its release into the water.



10

### **Wetlands:**

Wetland vegetation and soils absorb phosphorous, slow down the movement of water, offer a natural filtering process, and allow phosphorous to settle.



## H2OHIO: OHIO DEPARTMENT OF AGRICULTURE MAUMEE RIVER WATERSHED PHOSPHORUS LOAD REDUCTION ESTIMATE

A phosphorus load reduction estimate for the Maumee River Watershed has been developed based on the cropland acres and practices currently enrolled across the 14 county H2Ohio Program area. This is an estimate of the potential reduction in total phosphorus loss for the 2021 crop year at the edge of the crop field.

The table below is a review of the current H2Ohio Program enrollment for the Maumee River Watershed program area.

Of the 2.48 million acres of agricultural land in the Maumee basin approximately 1.1 million acres have been enrolled in ODA's H2Ohio program. Based on the current program enrollment and data compiled by McKinsey and Company, ODA presents the following information:

H2Ohio Practice 2021 Enrollment		
Practice	% of Total	Acres
Voluntary Nutrient Mgmt. Plan Development/Implementation	100%	1,100,000
Variable Rate Technology Phosphorus Application	44%	487,000
Subsurface Phosphorus Placement	28%	308,000
Manure Incorporation	15%	166,000
Conservation Crop Rotation	14%	153,000
Cover Crops	39%	430,000
Drainage Water Management	879 structures	11,980

- Currently nearly 44% of the total cropland contained in the project area is enrolled in the H2Ohio program. Enrollment has surpassed all of ODA's expectations prior to program rollout.
- Most agricultural producers are applying multiple practices to their cropland. Based on the current enrollment, each cropland acre will have an average of 2.4 practices applied.
- ODA estimates a 10% reduction in total phosphorus losses in the Maumee basin as a result of these practices for the 2021 crop year.
- From the McKinsey data this estimate equates to a reduction of 206,000 pounds of phosphorus.

These estimates are for the 2021 crop year only; to maintain the estimated reductions the H2Ohio practices must be continued in future years.

[H2.OHIO.GOV](http://H2.OHIO.GOV)

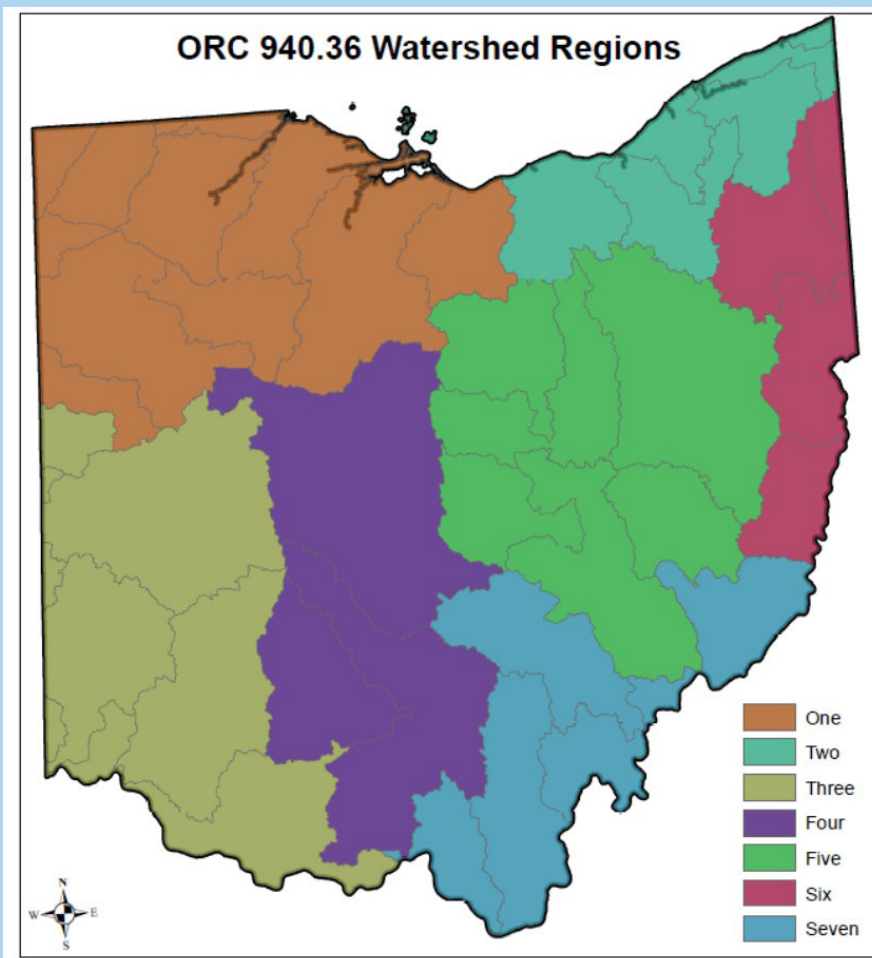


Department of  
Agriculture



## H2OHIO: OHIO DEPARTMENT OF AGRICULTURE

### HOUSE BILL 7



Passed by the 133rd General Assembly to provide a Statewide Watershed Planning and Management Program under the administration of the Director of Agriculture.

1. Western Lake Erie  
(HUC 041000)

2. Central Lake Erie  
(HUC 041100)

3. Wabash River  
(HUC 051200)

4. Scioto River  
(HUC 050600)

5. Muskingum River  
(HUC 050400)

6. Mahoning River  
(HUC 050301)

7. Hocking River  
(HUC 050901)



## H2OHIO: OHIO DEPARTMENT OF AGRICULTURE WATERSHED COORDINATOR OBJECTIVE AND ACTION ITEMS

### Identify sources / areas of water quality impairment

Objectives		Action Items
Work with SWCDs to characterize the watershed	<b>0-3 Months</b>	<p>Establish connections with ARS, Heidelberg, OSU, OEPA, USGS, SWCDs etc., and collect available water quality data on the region.</p> <p>Summarize sources and spatial patterns of pollution/water quality impairment and resource concerns.</p>
Identify critical areas and establish priorities	<b>3-6 Months</b>	<p>Convene a small group of SWCD and water quality partners to review regional water quality sources/patterns (examples: local and/or basin water quality and agriculture experts from the following organizations: SWCDs, OSU Extension, OEPA, ODNR, NRCS, USGS, and others with unique local knowledge or access to information).</p> <p>Establish priorities in the region based on group review.</p>

### Watershed planning, restoration, protection, & management

Objectives		Action Items
Build connections to support watershed plans within the region	<b>0-3 Months</b>	<p>Build connections with agencies/groups involved in conservation in the region to understand ongoing efforts.</p> <p>Identify pathways to support local watershed plans in the region.</p>
Explore H2Ohio expansion to the region	<b>3-6 Months</b>	<p>Use watershed characterization and priorities to assess and prioritize BMPs for the region.</p> <p>Finalize BMP selections and consider funding mechanisms such as H2Ohio to implement conservation activities in the region.</p>
Support existing conservation programs	<b>6-12 Months</b>	<p>Outline funding plan and identify needs/deficiencies in the region.</p> <p>Work with partners to promote existing and new conservation efforts.</p>

## Support certification program for producers

Objectives	Action Items	
Coordinate with OACI to expand certification to the region	<b>0-3 Months</b>	<p>Establish meeting schedule with OACI to discuss program coordination in the region.</p> <p>Determine timeline for baseline data collection.</p>
	<b>3-6 Months</b>	<p>Develop plan to support OACI certification in the region through H2Ohio or indirectly.</p>
	<b>6-12 Months</b>	<p>Finalize plan to support OACI in certification rollout.</p>

## Stakeholder outreach

Objectives	Action Items	
<p>Build team of Federal, State, Regional, Local, and Academic partners</p> <p>Develop watershed-specific communication</p>	<b>0-3 Months</b>	<p>Identify key outreach actions for each objective.</p> <p>Put detailed work plan in place for outreach/communication in each quarter of the first year.</p>

## Annual water quality report

Objectives	Action Items	
Produce annual water quality report	<b>3-6 Months</b>	<p>Develop report framework.</p> <p>Compile watershed characterization, summary of pollution sources and spatial patterns of water quality impairment, and region priorities.</p> <p>Coordinate with OACI to establish baseline priority practice implementation. Identify additional water quality data needs.</p> <p>Summarize funding needs and deficiencies.</p>
	<b>6-12 Months</b>	<p>Summarize water quality status and goals/targets for improvement.</p> <p>Detail progress of ongoing and proposed conservation efforts and their outcomes.</p>

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**MIKE DEWINE**  
GOVERNOR OF OHIO



Department of  
Agriculture



# H2Ohio

H2Ohio is Governor DeWine's comprehensive, data driven plan to improve water quality across the state. The Ohio Department of Agriculture's portion focuses on the use of best management practices on farmland to reduce phosphorus runoff into waterways which prevents harmful algal blooms. H2Ohio is a long-term investment toward permanent water quality solutions for future generations in Ohio.



## H2OHIO: OHIO DEPARTMENT OF AGRICULTURE

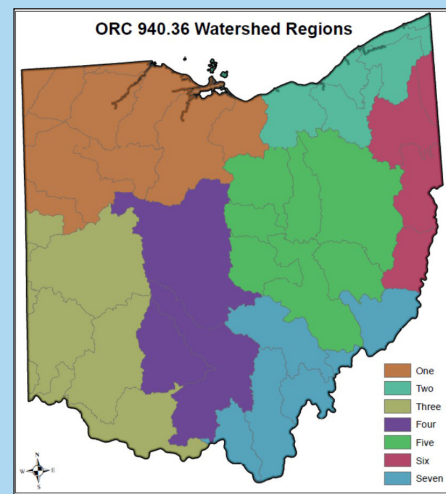
*The Ohio General Assembly invested \$172 million in H2Ohio, of which \$59 million went to ODA, as part of the 2020-2021 biennium budget. This funding budget allowed H2Ohio to lay the groundwork for cost-effective and permanent water quality solutions.*

### PHOSPHORUS REDUCTION STRATEGIES

Phosphorus runoff from agricultural fertilizer is a key contributor to algal blooms. H2Ohio offers producers incentives for the implementation of best management practices that maintain agricultural production while reducing phosphorus runoff from farms.

- Soil Testing & Volunteer Nutrient Management Plans
- Variable Rate Application
- Subsurface Fertilizer Placement
- Manure Incorporation
- Conservation Crop Rotation
- Cover Crops
- Drainage Water Management

### HOUSE BILL 7



1. Western Lake Erie (HUC 041000)
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Passed by the 133rd General Assembly to provide a Statewide Watershed Planning and Management Program under the administration of the Director of Agriculture.

*Ohio's water quality issues took time to develop, and it will take time to reverse course. Continued investment by the General Assembly will allow H2Ohio to continue building on its progress.*

**2022-2023**  
**INVESTMENT**  
**REQUEST**

**\$100M**

### Ohio Department of Agriculture

To expand and engage 1,200 new producers and to continue to engage the more than 1,800 agriculture producers currently enrolled in nutrient management, water management, and erosion management best management practices.

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