

ROBERT SPRAGUE

OHIO TREASURER

Good morning, Chair Edwards, Vice Chair LaRe, Ranking Member Sweeney, and members of the House Finance Committee. My name is Zach Prouty, I am the Director of Policy and Legislative Affairs for Ohio Treasurer Robert Sprague, and I am here to give proponent testimony in support of HB 683.

You may be asking yourselves “Why is the Treasurer’s office testifying about a drought relief Ag bill?” While that may seem strange, the Ohio Treasurer’s office for 40 years has operated the Ag-LINK linked deposit program, which is to our knowledge, the largest agricultural linked deposit program in the nation. Thanks to Treasurer Sprague's effort to revamp and modernize the program, Ag-LINK has set new annual savings records in both 2022 and 2023 - and 2024 appears on pace to set another savings record for Ohio's ag community. Over the last year we’ve enhanced over \$700 million in Ag loans, saving Ohio farmers millions of dollars. At a high level, Ag-LINK is a way for the Ohio Treasurer’s office to partner with community based financial institutions to “buy down” the interest rate on a farmer’s loan.

Over the years, Ag-LINK has been used to support farmers during extraordinary weather events numerous times. In fact, shortly after Treasurer Sprague took office in 2019 Ohio was hit with too much rain, rather than too little, and there was a series of floods in western Ohio. We opened up a special lending window to get additional assistance to farmers in need. Two years later, as inflationary pressures were hurting farmers’ bottom lines, we worked with Representatives Swearingen and White to enact HB 440 which truly modernized the Ag-LINK program by removing programmatic caps and constraints and giving broad ability for the Treasurer’s office to tailor the program to fit the needs of Ohio farmers.

All of that is to say Treasurer Sprague has been traveling the state learning firsthand how this drought is impacting Ohio farmers. He even did a farmer tour and roundtable with Representative Jones about a month ago. The needs faced by cattle farmers in particular in southern and eastern Ohio are extreme and we applaud this effort by the House to address the problem and to deliver some emergency relief to an extremely important industry.

I would be remiss if I didn’t take this opportunity to also announce that we are intending to open another special lending window for Ag-LINK, likely in January. Specifics are still being ironed out with impacted stakeholders, but we are confident that the “special” Ag-LINK will be quite popular and help deliver additional much needed support. I want to again thank Representatives Swearingen and White for their work with us in years past, without the changes included in HB 440 we would not have the legal flexibility to do this.

Thank you, members of the House Finance Committee, for your time today and I’m happy to answer any questions.

Zach Prouty
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Ohio Treasurer’s Office