

Mike DeWine, Governor

Brian Baldridge, Director

HOUSE AGRICULTURE COMMITTEE Testimony of Ohio Department of Agriculture Director Brian Baldridge February 20, 2025

Chairman Creech, Vice-Chair Newman, Ranking Member Miller, and Members of the Ohio House Agriculture Committee, thank you for the opportunity to offer testimony on behalf of Governor DeWine and the Ohio Department of Agriculture (ODA).

The mission of this department is to ensure the safety of the state's food supply and the health of Ohio's livestock and plants, while creating economic opportunities for Ohio's farmers, food processors, and agribusinesses. Ohio's food and agriculture sector is the state's largest industry, adding \$124 billion to our economy annually and accounting for one in every eight jobs. Nearly 500 dedicated public servants protect consumers and support our agricultural communities.

To assist with this critical work, ODA's five specialized laboratories provide a comprehensive range of essential testing and diagnostic services to identify and prevent the spread of infectious disease. Half of our staff consists of field employees, who are located across the state, conducting inspections vital to the health and sustainability of Ohio's agricultural resources.

The budget before you today seeks \$180.7 million in FY 2026 and \$180.9 million in FY 2027 to increase agency efficiency by focusing regulatory efforts on high-risk issues, while still ensuring our commitment to safeguarding the state's food supply and consumer goods. This budget prioritizes issues ranging from water quality and conservation and protecting farmland, to enhancing Ohio's competitive advantage globally in agricultural trade and export to animal disease preparedness and response.

Budget Overview

ODA's budget request in FY 2026 reflects a decrease of 4.5% from FY 2025, and a small increase of 0.1% to FY 2027. Our General Revenue Funding request in FY 2026 is 5.4% less than our FY 2025 appropriations and increases 2.0% in FY 2026. Nearly half of ODA's requested budget (\$85.8 million in FY 2026 and \$83.6 million in FY 2027) will be paid out as grants and reimbursements to farmers, local SWCDs, county and independent fairs, and other agricultural_partners.



Ohio's Strategy for Clean Water

ODA's budget request includes \$60.6 million per year in continued H2Ohio funding to support Governor DeWine's statewide water quality initiative. H2Ohio continues to gain unprecedented commitment from farmers, recording the highest level of participation in program history in 2024, with more than 3,200 producers who have enrolled nearly 2.2 million acres of cropland.

This increase is due to the work of ODA and Ohio's local SWCDs to expand H2Ohio's footprint by offering incentives to farmers across the entire state. Previously offered only to farmers in Ohio's 24 Western Lake Erie Basin (WLEB) counties, farmers across the state are now successfully implementing proven, science-based H2Ohio best management practices (BMPs) to help reduce nutrient runoff that contributes to harmful algal blooms in Ohio's waterways.

Ohio farmers remain dedicated to improving water quality using Voluntary Nutrient Management Plans (VNMPs), which use soil testing to determine the right amount of nutrients needed on farmland. VNMPs are the cornerstone of H2Ohio and are a requirement for all participants. In addition to the VNMP, ODA incentivizes other proven, science-based, and costeffective BMPs such as conservation ditches, overwintering cover crops, and manure management.

Based on the 2023 completed BMP data, ODA estimates agricultural producers reduced phosphorus runoff by more than 332,000 pounds last year in the WLEB. As ODA continues to increase program enrollment, H2Ohio practices have the potential to reduce phosphorus by as much as 420,000 pounds in 2024.

Providing leadership and assistance to producers on a local level is critical to the success of H2Ohio. A recent collaboration with the Ohio Federation of Soil and Water Conservation Districts and USDA-Natural Resources Conservation Service (NRCS) will provide an additional \$1 million per year to assist local SWCDs with staffing needs. This requested funding will provide one additional staff member to specific districts to help implement programs that protect and conserve Ohio's resources.

With H2Ohio's continued effort and investment, the data shows phosphorus sales and soil test phosphorus levels continuing to decrease year after year. ODA is confident these positive trends will continue, as additional best management practices are implemented on Ohio's agricultural landscape.



Protecting Ohio's Livestock Industry

Veterinarians, laboratory scientists and inspectors in the Division of Animal Health help to protect the health and safety of Ohio's livestock and poultry industries. Our budget request includes \$17.7 million in FY 2026 and \$18.2 million in FY 2027 for funding to provide animal inspections, laboratory testing, and administrative support to help prevent and respond to ongoing animal disease threats in Ohio, such as HPAI, Chronic Wasting Disease and African Swine Fever, while also supporting the growing needs of Ohio's animal agriculture industry.

To continue improving division efficiency and to better serve clients, investment in new technology will enable ODA to replace paper-based processes with online client portals for disease monitoring, laboratory sample requests and test results, fee payments, permitting and licensing. These enhancements will offer our clients an easier, faster, and better experience.

Ohio Veterinary Diagnostic Laboratory

In FY 2027, ODA anticipates the new Ohio Veterinary Diagnostic Laboratory (OVDL) will be fully operational. The 70,000 square foot state-of-the-art facility will include 40% more laboratory space and updated biosecurity measures. A more energy efficient building will also accommodate laboratory and field staff in a single location and provide space for emergency planning and response. With the support from Governor DeWine and the General Assembly through the passage of HB 687 and HB 2, ODA secured appropriate funding for this project.

HPAI in Ohio

Ohio is experiencing the largest outbreak to date in positive detections of Highly Pathogenic Avian Influenza (HPAI), or more commonly known as bird flu. This unprecedented activity has emphasized the dedication of our Animal Health staff. ODA has responded to more than 50 outbreaks, resulting in more than 11 million egg-laying hens and turkeys being depopulated. These actions are critical to preventing the spread of disease across the rest of the state. As the virus continues to move across the country, this strongly indicates ODA's need to be prepared to respond to potential future large-scale events in FY 2026 and 2027. The budget includes appropriation to receive and expend funding from USDA in support of our response.

ODA's Animal Disease Diagnostic Laboratory (ADDL) is the first line of defense when detecting any foreign animal disease. The lab has increased its operations to seven days a week to accommodate the influx of testing and support the HPAI outbreak response. In addition, the



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laboratory continues its daily regulatory testing for veterinarians, livestock producers and agribusinesses.

Drought Impacts

Farmers in eastern and southeastern Ohio will soon receive much needed financial relief following this year's historic drought thanks to Governor DeWine and the General Assembly's passage of Senate Bill 54. Senate Bill 54 allocated \$10 million in state funding to assist livestock farmers in 28 counties deemed primary natural disaster areas by the United States Department of Agriculture (USDA), who previously applied for federal assistance through USDA FSA's Livestock Forage Disaster Program (LFP). These funds will be distributed by local Soil and Water Conservation Districts (SWCDs) to help impacted livestock farmers with recovery efforts.

Securing Ohio's Farmland

Agricultural land is a key part of Ohio's landscape and preserving it is essential. The state lost nearly one million acres of farmland between 2002 to 2022, impacting family farms in communities across the state. The Farmland Preservation program is a vital component of ODA's work to maintain the state's farming heritage while positioning Ohio for agricultural growth. Voluntary, legal agreements among the landowner, the local community and the state ensure that farmland remains in agricultural use forever. Using existing funding from the Clean Ohio Bond, ODA's program has preserved more than 725 farms totaling over 108,000 acres in 62 counties.

At the direction of Governor DeWine, ODA formed a Farmland Preservation Working Group to include members of the legislature and farmland preservation experts to discuss how to best balance preserving Ohio's valuable farmland while continuing to support economic growth. As a result of this thoughtful dialog, our budget request includes \$1 million in funding for local governments to develop land use plans, helping communities identify where to preserve and where to grow.

Fee Restructuring

Our budget includes fee increases, restructuring and eliminations. In addition to providing revenue, the changes we are proposing will result in a simpler, more equitable fee structure that will also ease the administrative burdens on members of the agriculture industry. Further, ODA has proposed to reduce regulatory reporting for businesses to focus on working



directly with their customers and not their regulators. Changes proposed in the budget include:

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- Eliminating the Apiary (beehive) Registration fee for more than 7,000 Ohio hive sites and replacing it with a Queen Inspection fee on 800 apiaries.
- Increasing the pesticide product registration fee to be in line with surrounding states to improve appropriate regulatory oversight.
- Reducing the regulatory burden of Ohio's feed manufacturers, now requiring them to report sales and pay an associated fee only once a year.
- Standardizing food manufacturing fees and removing certain registrations, allowing the agency to focus on high-risk activities.
- Redistributing the amusement ride safety inspection fees to reflect the amount of time and resources to complete inspections.

Expanding Agriculture Exports

ODA has re-energized its efforts to expand markets for Ohio's agricultural products and producers. The return of the Agricultural Trade and Export program to the department will showcase our resources on an international level while strengthening partnerships with commodities across the state. ODA has seen great success with this program in 2024, leading one trade mission to Mexico and hosting meetings with groups from Australia, China, Taiwan, and South Korea.

The department is leading trade missions to Vietnam and Saudi Arabia in 2025 and will host 15 international buyers from 15 different countries, who will meet with Ohio's processors and food suppliers. The focus on and promotion of Ohio's agricultural products will help retain and create jobs and enhance business's competitive advantage in Ohio and the United States.

Conclusion

I wish to conclude by saying your support, as always, is critical to the success of this department. We sincerely appreciate the opportunity to share our vision of Ohio's agricultural future.

Chairman Creech, Vice-Chair Newman, Ranking Member Miller and members of the committee, thank you for your time today and I am happy to answer any questions.