Brian Baldridge, Director

SENATE AGRICULTURE AND NATURAL RESOURCES COMMITTEE **Testimony of Ohio Department of Agriculture Director Brian Baldridge** May 8, 2025

Chairman Schaffer, Vice Chair Koehler, Ranking Member Hicks-Hudson, and members of the Senate Agriculture and Natural Resources 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 Governor's budget request 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 2027. 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.

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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. The FY 26-27 flat funding request will allow the department to continue its efforts with a similar number of participants and acreage while improving the state's water quality and reducing phosphorus that contributes to harmful algal blooms in Lake Erie.

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.

Data collected out of the Maumee River Watershed area (14 counties) shows farmers are not over-applying phosphorus to their farm fields. H2Ohio data shows 97% of farm fields in the 14-county area have low to moderate phosphorus runoff risk levels. In addition, phosphorus sales and soil test phosphorus levels continue to decrease year after year.

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.

Mike DeWine, Governor Jim Tressel, Lt. Governor Brian Baldridge, Director

With H2Ohio's continued effort and investment, 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 Highly Pathogenic Avian Influenza (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 customers, 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 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 experienced the largest outbreak in the state's history in positive detections of Highly Pathogenic Avian Influenza (HPAI), or more commonly known as bird flu. The unprecedented activity has emphasized the dedication of our Animal Health staff. ODA responded to more than 75 outbreaks, resulting in 15.5 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.

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

Drought Impacts

Farmers in eastern and southeastern Ohio received much needed financial relief following last 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 also previously applied for federal assistance through USDA FSA's Livestock Forage Disaster Program (LFP). Funding was distributed by local Soil and Water Conservation Districts (SWCDs) to more than 4,000 eligible livestock producers.

Preserving 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 745 farms totaling over 109,000 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

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

- 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.

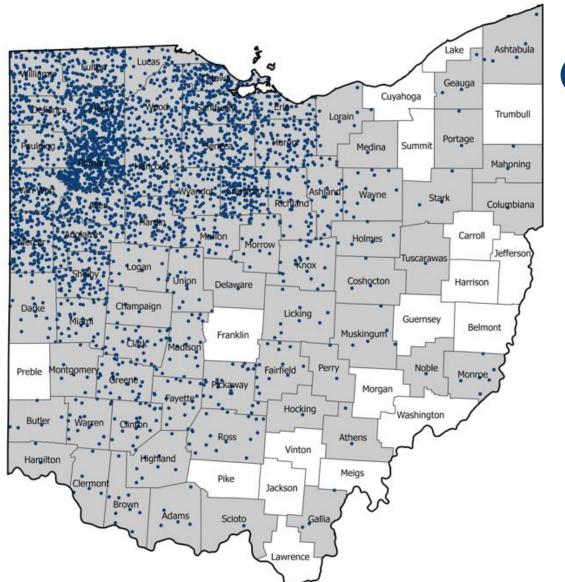
The department has led one trade mission to Vietnam and will lead another to Saudi Arabia in 2025. ODA will host 15 international buyers from 15 different countries, who will meet with Ohio's processors and food suppliers. The focus on and promotion of Ohio's agricultural products will help retain and 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 Schaffer, Vice Chair Koehler, Ranking Member Hicks-Hudson, and members of the Senate Agriculture and Natural Resources Committee, thank you for your time today and I am happy to answer any questions.

H2Ohio Statewide Contract Density Map



Each blue dot represents a farm participating in H2Ohio

- In 2024, ODA began offering H2Ohio statewide to producers who farm outside of the Western Lake Erie Basin region.
- The agricultural community continues to show its commitment to H2Ohio.

