

Ohio Senate Finance Committee Am Sub H.B. 96 Proponent Testimony Tadd Nicholson, Ohio Corn & Wheat Growers Association May 27, 2025

Chairman Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson, and members of the committee, I'm pleased to write to you today on behalf of the Ohio Corn & Wheat Growers Association (OCWGA). Our association represents the interests of more than 25,000 grain producers who raise hundreds of millions of bushels of grain every year. Ranked seventh nationally in corn production, Ohio's grain farmers are not only vital to our state's economy, but they're the driving force in feeding America and fueling the global marketplace.

Our organization is pleased to support Amended Substitute House Bill 96 as it includes significant provisions that are priorities for our members.

You've heard from the Department of Agriculture on maintaining funding for H2Ohio so Ohio's agricultural producers continue the progress they've made to improve water quality in the Western Lake Erie Basin. We echo their testimony and ask you to maintain the department's current funding level of \$60.6 million to support the work of H2Ohio. Decreasing funding for this holistic approach to water quality in Ohio will be a step backward, placing an added burden on Ohio farmers, who are already grappling with a challenging farm economy and sharp increases in input costs, while undermining vital conservation efforts that protect our land, water, and future.

Beyond H2Ohio, this legislation also contains the top policy priority of our association in 2025: expanding market access for the corn ethanol produced right here in Ohio. Each year, our grower members have the opportunity to market their corn to Ohio's seven ethanol plants. Those biofuel facilities subsequently produce more than 730 million gallons of fuel grade ethanol annually. The strength of this market has helped propel Ohio to rank seventh nationally in both corn and ethanol production.

Since Ohio's first ethanol plant opened in 2008, the market kick-started by this industry has contributed to the stability of local grain markets – adding more than \$1.00 of value to each bushel grown and sold by our members. Coupled with livestock and exports, ethanol production diversifies and strengthens our market opportunities and helps our members' small businesses thrive.

As amended, the bill before you includes a provision for an ethanol retailer rebate program. As passed by the House of Representatives, the legislation authorizes a one-time allocation of \$10 million for the Department of Agriculture to establish a rebate program to incentivize the immediate adoption of higher blends of ethanol at gas stations across Ohio.



For more than a decade, many Americans have enjoyed access to E15, a fuel blend that incorporates 15% ethanol by volume compared to regular gasoline. E15 delivers higher octane and reduced carbon emissions at the same time. But what's more, this federally approved gasoline delivers cost savings to consumers. Approved for all cars, light-duty trucks and SUVs built 2001 E15 also saves consumers an average of 25 cents per gallon.

Unfortunately, Ohio's drivers haven't enjoyed the same access as other states. Other states have tailored incentive packages to encourage retailers to offer higher blends of ethanol while Ohio has not. That's why today I ask for you to support the ethanol retailer rebate program included in the House's version of the biennial budget.

This measure is not a mandate. It's limited in cost and is not meant to live on in perpetuity. But most importantly, it will level the playing field for fuel retailers in Ohio and help them invest in fueling infrastructure that will deliver lower costs to Ohio's drivers. As those drivers gain greater access, I am confident that prices in the market will help educate consumers and drive greater consumption, and that means long term corn demand. This corn demand translates to stable markets for the grain our members grow, while its use helps drive down costs for consumers each time they choose to fill up with E15.

Supporting this piece of the House-passed budget is a win-win-win. A win for consumers who save money. A win for fuel retailers who can offer more competitive prices and drive traffic to their convenience stores. And a win for Ohio's corn producers who will enjoy additional demand for their grain. I ask that you help protect this provision in the proposed state budget.

Thank you for your consideration. Our organization stands ready to assist you in any way that we can as you deliberate further.