



**Proponent Testimony  
House Bill 398  
Ohio House of Representatives  
Government Accountability and Oversight Committee Hearing**

**Presented by: Joe Foster, President  
Ohio Cattlemen's Association  
May 3, 2016**

Chairman Brown, Ranking Member Clyde and members of the House Government Accountability and Oversight Committee – my name is Joe Foster. I am a beef farmer from Gallipolis and currently serve as president of the Ohio Cattlemen's Association (OCA).

My farm, located in Gallia County, is family owned. We operate a diversified farm that includes cow/calf, backgrounder and stocker operations, Holstein heifer development, a small feedlot and we raise dairy beef bottle calves. OCA is a statewide membership organization that represents the business interests of farm families that raise cattle. It serves as the voice and issues manager for all of Ohio's beef cattle business including cattle breeders, producers and feeders.

There is no doubt that CAUV has been Ohio's most important farmland preservation tool for more than 40 years. However, as you have heard through testimony here, there is a need for targeted changes to the program. The CAUV formula's capitalization method includes factors that inflate the value of farmland by including assumptions that land value constantly appreciates based on real estate market factors that have nothing to do with agricultural production. OCA fully supports House Bill 398 as it will make the targeted changes needed to improve CAUV.

I also continue to hear from fellow farmers who have committed acres to conservation programs prior to these property tax increases. The increases in CAUV are having a negative impact on their ability to maintain these conservation practices and provide some income for their farms. At a time when environmental issues seem to be front page news on a daily basis, we should be incentivizing these practices. Instead, the opposite effect is taking place. Many farmers are forced to make the tough decision to put even more land into production.

Farmers aren't seeking arbitrarily decreases in taxes. They are asking the legislature to help us find a balance so that the formula is more fair and accurate. We are asking for changes to the capitalization rate that disproportionately adds value to land based on incorrect financial assumptions of how affordable it is to purchase the land. Affordability of land is a factor, but others such as crop prices, input costs and yields are much more influential to a farm's income.

I believe the targeted changes in HB 398 will help us achieve needed improvements, eliminate factors that have led to unsustainable property tax increases, and uphold the integrity of CAUV - Ohio agriculture's most important program.

Thank you, Mr. Chairman. I am happy to answer questions the committee may have.