



*Working together for Ohio farmers to advance agriculture and strengthen our communities.*

**House Financial Institutions Committee  
H.B. 440 Interested Party Testimony  
Jenna Reese, Director of State Policy  
November 17, 2021**

Chair Jordan, Vice Chair Ferguson, Ranking Member Crossman, and members of the committee, thank you for the opportunity to provide comments on the expansion of Ag-LINK contained within HB 440. Farm Bureau has a long history of supporting this program, providing critical financial assistance to one of the state's leading industries.

I will restrict my comments to the Ag-LINK portions of the bill, as that is the section for which Farm Bureau has policy. Ag-LINK has assisted farmers for many years by providing reduced cost operating loans, and it is critical in our current economy to expand the program. In addition, many of the agricultural retailers who work directly with our farmer members, supplying products like seed, nutrients, feed, and equipment, are organized as farmer cooperatives. Allowing cooperatives to benefit from Ag-LINK is another helpful step to reducing costs to farmers.

Ohio Farm Bureau supports the expansion of the Ag-LINK program. Currently, our industry is facing skyrocketing operating costs. On Friday, fertilizer prices rose to an all-time high of \$1,094.35 per short ton; a 4.4% jump over last month's short-lived record high of \$996.32 per short ton, which dramatically increases costs for farmers. The Consumer Price Index (CPI) is steadily climbing—with the largest jump since 2008 occurring between March and April at 4.2%—raising the question of whether we are headed for high overall inflation. It is likely these factors will require some farmers to utilize larger operating loans to help fund the upfront costs of their inputs.

We also applaud the review of the program in this legislation as we encourage the department to do so periodically to monitor for effectiveness. Incidentally, Ohio Farm Bureau is in the middle of reviewing and updating its own policies, which takes place annually and is completed in early December at the annual meeting. One of the areas slated to be updated is our Ag-LINK policy as it is reflective of the economy at the time it was written.

We appreciate Treasurer Sprague's office and joint sponsors Representative Swearingen and Representative White for bringing forward this timely legislation. Many farmers across the nation are struggling with soaring input costs and looking for assistance in financing next year. Thank you again for the opportunity to provides remarks on behalf of Ohio's farmers; I will answer any questions I can.