



Ohio Senate Ways and Means Committee
HB 95 Proponent Testimony, March 1, 2022

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Chair Blessing, Vice Chair Reogner and Ranking Member Williams thank you for the opportunity to provide proponent testimony for HB 95, the Family Farm ReGeneration Act.

This legislation will help ensure the continued livelihood of farming and provide for greater food system resilience for the state of Ohio. The recent pandemic illustrated the fragility of our food system, and our emergency management agencies are now starting to look more closely at how to understand and prepare for food system disruption. Taking proactive steps, such as passing HB 95 will put the state on stronger footing in the future.

OEFFA has been working to ensure beginning farmers have access to the land and capital they need to farm. For decades, OEFFA has provided training for next generation farmers, and we manage a USDA Beginning Farmer and Rancher Development Program grant expressly focused on early career and aspiring farmers. Through that experience with these next generation farmers, we have heard, first-hand, about the challenges they face accessing land. If you are not fortunate enough to come from a farming family with access to land, acquiring the capital necessary to start a farm operation is formidable and the intense competition for land resources, makes that process all the more difficult, especially as land prices continue to rise.

Young farmers in Ohio take on many risks inherent in farming and face significant challenges that require creative policy solutions. Access to—and secure tenure on—affordable, high-quality farmland is the number one challenge young farmers are facing. At the same time, millions of acres of farmland are changing hands as older farmers look to retire and divest from the farmland they are stewarding.

House Bill 95 introduced by Representative Susan Manchester and Representative Mary Lightbody is critical to the future of farming and the economic and societal benefits it generates. Tax credits are an effective tool for incentivizing the transfer of agricultural assets to the next generation. We have been in communication with staff administering this program in the state of Minnesota where it has been very successful.

We respectfully offer the following amendments for consideration to ensure optimal flexibility in demonstrating agricultural experience:

In consideration of the need to support underserved, minority farmers, offer landowners who transfer farmland and other agricultural assets to minority farmers increased tax incentives through the inclusion of the following:

- 8% credit on the sale price of agricultural assets other than land
- 13% credit on the value of agricultural land