134th General Assembly Committees

<u>19th House District</u> Parts of NE Franklin County Including Gahanna, New Albany, Westerville, Minerva Park, and area townships



Technology and Innovation, Ranking Member Higher Education and Career Readiness Primary & Secondary Education Energy and Natural Resources

Representative Mary Lightbody 19th House District

Testimony to the House Agriculture and Conservation Committee House Bill 95 <> February 16, 2021 Mary Lightbody, Ph.D.

Chairman Koehler, Vice Chair Creech, Ranking Member Brent, and fellow members of the House Agriculture and Conservation Committee, thank you for allowing me to testify in support of House Bill 95, which presents a pathway for beginning farmers to take over the responsibility and opportunities for farming existing farms as the owners seek to retire. As a member of the Ohio Farm Bureau and a member of this committee in the last General Assembly, I am very much interested in supporting Ohio farmers and urge passage of this bill. The bill would provide legal footing and tax incentives for established farmers to sell or rent agricultural land, livestock, facilities, or equipment to those beginning farmers who are accepted into this program and participate in a financial management program. The bill limits the credit to five years, and established a limit on the total amount of tax credits awarded over those five years to \$10 million.

This legislation is an investment in Ohio's future by providing assistance to the next generation of Ohio's farmers who may face barriers in accessing capital for land and equipment. According to the 2017 Census of Agriculture, the average of the U.S. farmer is 58 years old, which illustrates a trend of aging in the industry. Creating a pathway to assistance for these beginning farmers gives them a strong start in an industry that requires significant financial resources. The National Young Farmers Coalition found through a 2017 survey that land access is the number challenge faced by young farmers and ranchers. Increasing costs of land and competition due to increasing development across Ohio create prohibitive costs for many young farmers.

Many young would-be farmers start by renting land from others. These rental properties vary in size, can be scattered across many road miles, may be covered with scrub brush, and may only be secured for short terms. For example, I read an article about Jason Ward, of Medway, Ohio, who now raises livestock and grows organic grains on 600 acres split between 40 fields in four counties. He has to move farm equipment to each piece of property which is both inefficient and expensive. He can lose access to these properties at any time, which threatens his bottom line and increases his stress. If we factor in costs for crop insurance, repairing and replacing farm equipment, dealing with the weather, a flat market, bugs and weeds, minimizing erosion, and managing soil chemistry, the challenges facing young farmers might seem overwhelming.

Mr. Ward is but one of many young would-be farmers who can support Ohio's farming industry long into the future. HB95 offers an alternative pathway to establishing themselves in farming. Minnesota passed similar legislation in 2017, followed by Pennsylvania in 2019. These programs were supported by farmers and agricultural organizations across the states. Indeed a recent national opinion poll of 2,200 US adults conducted by the American Farm Bureau Association¹ found that 9 out of 10 trust farmers. Overall those in the survey agreed that farmers should not be expected to bear the financial burden alone and that it is important that farmers pass farms on to future generations. In Ohio agriculture is the backbone of our economy; 1 out of 8 jobs are in this industry.

It is clear to me, and no doubt many in this room and following this proposed legislation, that Ohio should invest in the next generation of farmers. This legislation is an important step to ensuring continued financial success and well-being for those who carry on this important work. As you will remember this committee heard this bill in 2019, and votes unanimously to send it to the full House for consideration, where it subsequently was stalled, as so many other important bills we all considered in the last GA, by other critical legislation to address the consequences of the Coronavirus. I hope the bill gets through to the governor's desk this time, and soon. Ohio farmers, both those of my generation and of future generations, will benefit from this legislation and need our support.

Thank you for the opportunity to testify today. Like Representative Manchester, I would be happy to answer any questions the committee members may have.

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¹ Poll: Americans have trust in farmers. Buckeye Farm News, 20 (3), p. 14