



State Representative Brian Stewart

State Representative Darrell Kick

Sponsor Testimony on House Bill 397

September 28, 2021

Chairman Koehler, Vice-Chair Creech, Ranking Member Brent, thank-you for the opportunity to provide sponsor testimony in favor of House Bill 397, which will provide greater clarity and predictability with regard to agricultural leases and, specifically, their method of termination.

In short, the legislation will require that if a written agricultural lease does not specify a method for the termination of the lease, or if the lease agreement is verbal, then the landlord will be required to provide a written notice of termination on or before the first day of September in the year that the termination of the lease will occur in order to be effective. As a practicing attorney from a rural farming community, I have witnessed first-hand the disputes that can arise when a method or deadline for terminating a lease is not included in the verbal or written lease. A tenant farmer may have invested significant money to improve the ground for the following year assuming that they are in contract to farm it again, only to receive a termination notice in late December. Or a landowner might be hoping to rent the ground to a relative, or to farm the ground themselves, only to find themselves defending an unexpected claim that their tenant is entitled to another year of farming rights. Reducing the possibility of these disputes is good for business on both sides, which is why this bill has the support of the Ohio Farm Bureau and the Ohio State Bar Association.

According to the United States Department of Agriculture, "Food and agriculture is the #1 industry. Forty-four percent of Ohio is considered prime farmland; 99% of the farms are owned by farm families. Ohio has 14,900,000 total farm acres and 80,000 farms averaging 206 acres in size" (https://www.nrcs.usda.gov/wps/portal/nrcs/oh/about/outreach/nrcs144p2_029664/). It is important economically that this industry operates as smoothly as possible, and it is also important for the thousands of Ohioans who make their living and provide for their families through the agricultural industry.

By requiring the setting of an outline for the termination of a lease between the landlord and the tenant, we can reduce the need for litigation between neighbors and establish transparency between the two parties, which in turn, will add a little grease to the wheels of Ohio's top industry.