



**STATEMENT OF THE OHIO STATE BAR ASSOCIATION
IN SUPPORT OF HOUSE BILL 397**

Before the Ohio Senate Agriculture and Natural Resources Committee
Senator Tim Schaffer, Chair
February 15, 2022

Chairman Schaffer, Vice-Chair Huffman, Ranking Member Fedor, and members of the Senate Agriculture and Natural Resources Committee: On behalf of the Ohio State Bar Association, I am pleased to offer proponent testimony in support of House Bill 397.

My name is Ryan Conklin and I am an attorney with the law firm of Wright & Moore Law Co., LPA. I assist clients with a variety of issues including agritourism, wind and solar leases, farmland transactions, dispute resolution, and farm transition planning for young, new, and beginning farm families. I also have the privilege of serving as chair of the Ohio State Bar Association's Agricultural Law Committee. The Ohio State Bar Association's Agricultural Law Committee began working on this issue in 2019 and the legislation before ultimately was approved by the committee and then it was approved unanimously by the Ohio State Bar Association's Council of Delegates.

In addition to my membership with the Ohio State Bar Association, I am also a member of the Union County Farm Bureau. For the past two years I have worked alongside State Bar and Ohio Farm Bureau policy professionals on this issue. In 2020, Ohio Farm Bureau approved a policy position regarding the subject matter in House Bill 397.

On behalf of the Ohio State Bar Association and Ohio Farm Bureau Federation, we thank the sponsors of this legislation and the committee for tackling a problem faced by many Ohio farmers who have verbal or written leases that are silent on the terms of termination – what happens when their lease is terminated after crops have been planted but before they are harvested, or when a farmer has already taken affirmative steps toward the preparation of planting a crop prior to termination?

House Bill 397 provides the protection that Ohio farmers need by simply requiring two things if a lease arrangement is silent on end date and notice required:

1. That the lessor provides written notice of a termination to the lessee; and
2. That the notice must be given prior to September 1st in the year that it is to be effective for an end date of December 31st or harvesting of then-planted crops, whichever comes first.

An inspection of the statutory crop lease termination policies across many midwestern states reveals that Ohio is behind the times. Due to the costly impact and extreme interference that can be caused by a sudden lease termination, states have elected to protect their citizens through legislative fixes. Ohio farmers need the same type of protections to allow for better crop planning, more efficient allocation of resources, and for the expeditious resolution of any lease disputes.

Several midwestern states, including Indiana, Illinois, Iowa, Minnesota, and Wisconsin, have enacted policy addressing statutory lease termination. Indiana, Illinois, Minnesota, and Wisconsin demand that a landowner terminate a lease between 60 and 120 days prior to the end of the lease. Iowa, on the other hand, mandates that landowners terminate a lease before September 1 of a current crop year. Written notice from a terminating party is a consistent piece of each state's law.

Without a statutory lease termination date, I have witnessed firsthand the complications resulting from terminated crop leases. Some farmers invest in seed, fertilizer, lime, and other inputs and supplies in the fall for planting in the spring, only to receive a termination notice on March 1. As a result, the farmer would need to pursue damages against a landowner for its investment in the crop. Alternatively, landowners might sell a farm during the crop season and terminate an existing farm lease to improve marketability. The farmer could find him/herself in an unwanted fight to preserve its right to harvest planted crops. Through House Bill 397, these problems can be avoided by removing the uncertainty around crop lease terminations.

Thank you for the opportunity to testify on this important legislation. I am happy to answer any questions the committee may have.