



Ohio Senate
Ways and Means Committee
HB 324 Proponent Testimony
Dennis Vennekotter, Ohio Corn & Wheat Growers Association
June 12, 2024

Chairman Blessing, Vice Chair Roegner, Ranking Member Smith, and members of the committee, I'm Denny Vennekotter, a farmer from Putnam County, and I'm here today on behalf of the Ohio Corn & Wheat Growers Association (OCWGA). I'm pleased to serve as President of OCWGA in 2024. Our association represents the interests of Ohio's grain producers, and on their behalf, I am here to seek your support of House Bill 324.

I've asked some of my colleagues and fellow board members to join me today to speak on the merits of this bill and to share what the biofuels industry means to them. But today, I want to focus on sharing with you why our association believes a time-limited, narrowly scoped bill like this is the right approach for Ohio.

Across the corn belt, more and more states are gaining advantages over Ohio. Recognizing the cost savings that their constituents can realize at the pump - without buying new vehicles - other states have enacted policy approaches that far exceed the limited, conservative measure in front of you today. Some states have gone so far as to require fuel retailers to offer this product. Our association doesn't believe that is the right approach for Ohio.

While Ohioans should benefit from the low-cost, high quality ethanol we produce here - to the tune of more than 700 million gallons per year - we are unfortunately shut out of a great opportunity to save at the pump. Unleaded 88, a fuel blended with 15% ethanol that is federally approved for use in 9 out of 10 cars on the road right now, generally retails anywhere from 5-20 cents less per gallon. In filling up my tank with Unleaded88 today in Columbus for the drive back to Napoleon, I can expect an area Sheetz station to save me 20 cents or more per gallon. But I can't find that same savings in all corners of the state - because less than 3% of Ohio stations currently offer this fuel.

Our association asserts that market competition can change that.

In a free market system, consumers are the decision makers. For that system to work, consumers must have access to factual knowledge and alternative products. Our bill aims to help make that a reality in Ohio.

By limiting the proposed tax credit to four years from adoption, this General Assembly can encourage early adoption by willing retailers and create local market opportunities for consumers. Those early adopters will be able to offer a lower-priced, higher quality fuel - and experience will show that price educates. When a consumer sees a lower-price option at the pump, they ask questions. Those questions

will lead them to understand that this fuel is safe, reduces tailpipe emissions, and can save them money. Ultimately, those market forces and savings will generate real free market competition that does not exist in our fuel markets right now.

That's what makes the sunset provision in this legislation so important. Market competition is what will drive adoption of higher blends of biofuels. But we don't have a free market now. That's where this committee, this chamber, and this General Assembly can jump in. By voting yes on HB 324, you can facilitate voluntary action by retailers who wish to open up alternatives in the marketplace.

New markets are good. They foster savings and innovation. They tap into the core needs of consumers. In a time like this, where consumers see soaring prices everywhere, you have the opportunity to kickstart relief. That small measure of relief at the gas pump will allow Ohio families flexibility to spend their hard earned dollars on other goods and services, because 20 cents per gallon adds up very quickly for a working family of four like my son's.

Those families continue to reap the benefits of Ohio's strong agricultural roots. Ohio's grain farmers continue to innovate and create incredible products that touch the life of every consumer. Ohio's corn crop alone goes into more than 4,000 products. We continue to deliver higher yields, on less land, while adopting new conservation practices. HB 324 will allow real free market competition for just one of those many products we can create from a small kernel of corn.

That's why I'm here today to ask for your support on House Bill 324. Help us bring more innovation, more competition, more free market savings to the rest of Ohio. Please vote yes on House Bill 324.