

Ohio Soybean Association Policy Update December 2024

National Policy Updates

Farm Bill- In a departure from the bipartisan, bicameral negotiations that have taken place this fall, Senate Ag Committee Chair Senator Debbie Stabenow released <u>highlights</u> of her version of the farm bill, and introduced <u>legislative text</u> of the *Rural Prosperity and Food Security Act* totaling nearly 1,400 pages. There are numerous differences in the senate bill compared to a bill passed by the House Ag Committee earlier this year including:

- A 5% increase in statutory reference prices (House provided soybeans a 19% increase)
- Adjustments in base acres only to underserved farmers (House provided opportunity to expand base acres to farmers not based on demographics or other status)
- Adjustment Gross Income (AGI) changes that prevent tenants from receiving Title I benefits if the landowner's AGI exceeds \$700,000 (House did not include this restriction)
- No funding increase in the Market Access Program (MAP) and Foreign Market Development (FMD) trade promotion programs (House provided a doubling of resources for MAP and FMD)

The introduction of a separate Senate bill, rather than a framework created jointly by Ag committee leaders from both chambers, has diminished chances of passing a new Farm Bill in 2024. Congress will likely move to pass a one-year extension.

Biofuels- OSA President Rusty Goebel sent a letter to Ohio congressional members asking for support to extend the Biodiesel Blenders Tax Credit (40A) for one year. The delayed implementation of the new Clean Fuel Production Credit (45Z) continues to create uncertainty across the biofuel value chain. The Biodiesel Tax Credit Extension Act of 2024 (H.R. 9060) was introduced by Rep. Carey (R-OH) earlier this year and is being considered for the lame duck session.

Crop Protection - U.S. Federal District Court of Northern California <u>ruled against</u> <u>environmental groups</u> in a lawsuit they brought against EPA seeking to invalidate the agency's approach to the regulation of treated seeds. Currently, EPA exempts treated seeds from duplicative regulation as pesticides (an approach referred to as the "treated article exemption"). The reasoning is that seed treatment uses are already considered in the underlying registration for pesticidal active ingredients. ASA and other grower and industry groups were intervenors in the case, defending EPA's regulatory approach. The ruling is a significant win in protecting farmer access to pesticidal seed treatments.



Disaster Assistance - The Senate Appropriations Committee is holding hearings on the need for disaster funding across different sectors including agriculture. The White House released an updated disaster aid request that included \$21 billion for agriculture producers who lost crops and livestock to hurricanes, wildfires and drought in 2023 and 2024. OSA has been in communication with members of the Congressional delegation to share the impacts that farmers have had due to drought and hurricane damage.

Market Assistance- Key lawmakers are working on a two-pronged approach to help row crop producers who've been hit by the downturn in commodity markets. Concepts being discussed include economic assistance to address losses due to the 2024 farm economic downturn, and to increase the safety net for 2025 to allow for borrowing that many farmers will need in 2025. The goal is to attach some kind of ag relief to a one-year farm bill extension in December. However, OSA is stressing to policymakers that this assistance will not address additional financial stress that drought and hurricane damage have caused in Ohio and is urging those issues be considered as a part of actions Congress takes with regard to disaster response.

Ohio Policy Updates

Advocacy in Action – As sessions and committee meetings start back up, OSA staff continues to watch important bills at the state level. There are a few key bills that could receive a vote before the end of the General Assembly. As these committee hearings take place, staff will continue to be down in Columbus having important conversations with policymakers about the importance of sound agriculture policy for soybean farmers.

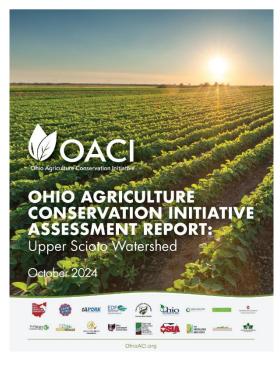


Drought and Crop Damage Response – Rep. Don Jones (R-Freeport), joint sponsor with Edwards (R-Nelsonville), has introduced HB 683. This bill would allocate \$10 million in aid to farmers in the D3 and D4 designated drought areas who do not qualify for certain federal programs through USDA, or the funds were not enough to cover the cost of damages by the drought. Farmers making a gross income over \$900,000 would not be eligible. This bill is not expected to provide specific assistance for row crops but OSA will continue to monitor its progress.



Grain Testers— OSA President Rusty Goebel sent a letter to the Senate Government Oversight Committee in support of an amendment to HB 238. The legislation would end the need for grain testers to be certified by the Ohio Department of Agriculture (ODA) and instead put in place industry-led training requirements. Mr. Goebel's letter emphasizes the need for ODA to continue issuing a grain tester identification number to individuals who have completed the training. The bill also does not specifically address how third-party service providers should be handled under the training requirements. Many larger grain handlers use service providers rather than employees for grain grading. OSA supports a simple clarification in the language that would include these service providers to ensure they also complete training.

State Election Recap – In the Ohio Senate, Democrats won a net gain of 2 seats. The senate will remain a Republican supermajority, 24-9. Democrats also gained 2 seats in the Ohio House of Representatives. Republicans will maintain at supermajority of 65-34 which gives them the three-fifths supermajority (60 seats) needed for veto overrides. Republicans expanded their majority in the Ohio Supreme Court to 6-1, winning three races. Two incumbents were ousted in this process.



Water Quality - The Ohio Agriculture Conservation Initiative (OACI) rolled out the findings of its 2024 Assessment Survey Report on practices being used by farmers in the Upper Scioto watershed to manage water and nutrients. The assessment results show ample conservation efforts, as well as areas for improvement and continued farmer education and resourcing by OACI. The survey results establish a baseline of adoption for various farming practices in the Upper Scioto watershed. The information will allow for a more targeted approach to help increase some practices, while also displaying that some practices are already adopted at an adequate level. You can read the full report or access the executive summary. OSA continues to engage with industry partners on issues that are important to water quality.



Ohio General Assembly Leadership Elections – Elections have been held to decide who will lead the four party caucuses in the Ohio legislature next year. Ohio House of Representatives:

- House GOP has chosen Representative Elect Matt Huffman for Speaker of the House. Huffman's leadership team for the 136th General Assembly includes Rep. Gayle Manning (R-N. Ridgeville) as speaker pro tempore, Rep. Phil Plummer (R-Dayton) as assistant speaker pro tempore, Rep. Marilyn John (R-Shelby) as majority leader, Rep. Adam Bird (R-Cincinnati) as assistant majority leader. Huffman named four lawmakers to serve as majority whips: Rep. Steve Demetriou (R-Bainbridge Twp.), Rep. Riordan McClain (R- Upper Sandusky), Rep. Nick Santucci (R-Howland Twp.), and Rep. Josh Williams (R-Sylvania Twp.).
- House Democrats chose Current House Minority Leader Allison Russo (D-Upper Arlington) keep her position. Joining Russo again on the House side are Rep. Dontavius Jarrells (D-Columbus) as assistant minority leader, Rep. Dani Isaacsohn (D-Cincinnati) as minority whip and Rep. Michele Grim (D-Toledo) as assistant minority whip.

Ohio Senate:

- Senate Republicans selected Sen. Rob McColley (R-Napoleon) as the next Senate president. Joining McColley are Sen. Bill Reineke (R-Tiffin) as president pro tempore, Sen. Theresa Gavarone (R-Bowling Green) as majority floor leader and Sen. George Lang (R-West Chester Twp.) as majority whip.
- Senate Democrats have chosen current Senate Minority Leader Nickie Antonio (D-Lakewood) to carry on that role. Minority leadership will also see the return of Sen. Hearcel Craig (D-Columbus) as assistant minority leader and Sen. Kent Smith (D-Euclid) as minority whip. New addition to the team will be Senatorelect <u>Rep. Beth Liston</u> (D-Dublin) assuming the Senate assistant minority whip spot.