



Ohio Soybean Association Policy Update March 2025

<u>National Policy Updates</u>

Advocacy In Action - Farmer leaders from the Ohio Soybean Association (OSA) successfully advanced critical policy positions at the American Soybean Association (ASA) Voting Delegate Session during the 2025 Commodity Classic in Denver, CO. Delegates from across the country overwhelmingly supported several Ohio-led

proposals aimed at ensuring fair treatment in biofuel regulations and international trade policies. Farmer delegates from Ohio included David Clark (Warren County), Dustin Converse (Union County), Trish Cunningham (Union County), Rusty Goebel (Williams County), Dave Green (Crawford County), Bennett Musselman (Pickaway County), Ryan Rhoades (Marion County), Bob Suver (Clark County), and Jennifer Wilson-Oechsle (Van Wert Couty). Additionally, Ross County farmer Scott Metzger led the delegate session as the Vice President of ASA.



Economic Aid Payments - U.S. Secretary of Agriculture Brooke Rollins delivered remarks at Commodity Classic, where she announced the Department's plan to distribute the economic and disaster aid passed by Congress late last year. The economic assistance program will be called the Emergency Commodity Assistance Program, or E-CAP. Congress gave USDA 90 days to start distributing the first \$10 billion in economic assistance. Rollins reported that USDA will begin applications for that funding on or before March 20.

Biofuels - Five aviation trade bodies published a report in February that identified a "growing dependency" on energy companies to deliver SAF as a "substantial risk" to achieving their goals of net zero carbon emissions. There is growing concern by airlines that sustainable aviation fuel (SAF) is too expensive and not enough is being made. Energy companies are reluctant to invest in more production until there is more



certainty around the 45Z tax credit. Petroleum companies also plan to ask Congress to allow for co-processing of fuels which is prohibited under the current 45Z tax law. OSA policy currently opposes the practice of co-processing.

Meanwhile, a coalition including OSA sent a letter to U.S. EPA Administrator Lee Zeldin urging the agency to set robust, timely, multiyear Renewable Fuel Standard renewable volume obligations (RVOs) for 2026 and beyond.

Trade- New U.S. tariffs on imports from Mexico and Canada took effect on Tuesday March 4, just hours after President Donald Trump signed an executive order to raise duties on China – his second such tariff hike since taking office. New 25% duties on both countries' exports, with Canadian energy products subject to a lower 10%, until the crisis is addressed. One day later, President Trump granted automakers a one-month exemption from tariffs he imposed on Mexico and Canada. Mr. Trump followed the next day with an exemption from the duties for goods shipped under North America's free trade pact, the US-Mexico-Canada agreement (USMCA). OSA has voiced concern over the implementation of tariffs.

Corporate Transparency Act - The implementation of the Corporate Transparency Act, which requires millions of companies to disclose their true ownership to the government, is back on after a federal judge in Texas reversed an injunction he issued in January. The Treasury Department's Financial Crimes Enforcement Network, which oversees the enforcement of the law, issued a notice that extended the filing deadline for most companies to March 21.

Federal Funding Freeze - The Trump administration's temporary federal funding freeze is impacting several USDA programs, including conservation initiatives like the Environmental Quality Incentives Program (EQIP) as well as the Partnerships for Climate-Smart Commodities Program. The White House has stated that the 90-day funding pause to review various grant programs would not include federal assistance "provided directly to individuals," but many U.S. farmers say critical funding is still halted and leaving them on the hook for payment.

On March 5, a divided Supreme Court rejected the Trump administration's emergency request to pause foreign-aid funding, refusing to suspend a <u>lower court order</u> that required the government to pay contractors nearly \$2 billion in U.S. Agency for International Development (USAID) funding for work they already have performed.

Trade - Rep. Dan Newhouse (R-WA) introduced <u>bipartisan legislation</u> to increase funding to the Market Access Program and Foreign Market Development Program and help American farmers compete in global markets. OSA and more than150 stakeholder organizations are supporting the bill called, the Agriculture Export Promotion Act of 2025.



<u>State Policy Updates</u>

Advocacy In Action – Members of the Ohio Sovbean Association Board of Directors held their Annual Legislative Day in February. Farmer leaders shared the organization's priorities with the Ohio General Assembly. OSA members spoke about the opportunities around biofuels and encouraged more state leadership of promoting biomanufacturing. The state budget was a focus with members emphasizing the importance of farm friendly tax and regulatory policy as well as the importance of Ag research, development and extension roles within the Ohio State University's College of Food Agriculture and **Environmental Sciences.**



HPAI Update – During an update on the state's effort to address the bird flu, agricultural health leaders from the state said they are studying an effective way to utilize a vaccine strategy for the poultry industry. Governor DeWine also said he would be speaking with newly confirmed Department of Agriculture Secretary Brooke Rollins, who has said that the Trump administration's plan to respond to the threat would take months. The plan allocates \$1 billion toward the fight, which includes providing \$500 million to expand biosecurity, increasing relief to aid farmers to the tune of \$400 million, removing "regulatory burdens" on the industry, exploring vaccine strategies for chickens and having eggs sent to the U.S. from abroad. According to the United States Department of Agriculture, Ohio leads the country with over 5.7 million birds affected in the state since Feb. 28 and over 15 million birds have been destroyed as a result**State**

Budget – The bill to set the state operating budget for Fiscal Years 2026 and 2027 was introduced in the legislature on February 11th. The bill introduction marks the beginning of the budget process and kicks off five months of committee meetings, public testimony, and amendments between the House, Senate, and Governor. Ohio operates on a two-year budget cycle and is constitutionally required to adopt a new budget before the first working day of July in odd numbered years. Among the items OSA will be



advocating include increasing funding for agriculture extension services and agriculture research and development conducted by Ohio State University. The budget bill proposes 3% cuts in current funding levels for those programs. While there are no major tax changes in the introduced version of the bill, debate on taxes is expected.

Biofuels - A plan to establish a 5-cent per gallon rebate for higher-blend ethanol is being eyed for possible inclusion in the state operating budget. The initiative has been introduced as a tax credit numerous times at the urging of Ohio ethanol producers. The incentive to retailers on each gallon of E15 fuel sold aims to offset the cost for those businesses to update signage, replace nozzles or other hardware, and recalibrate fuel dispensers.

Foreign Ownership - A bill, SB 88, barring foreign adversaries from owning real property within 25 miles of a military base or critical infrastructure is again being promoted in the state legislature. The governor vetoed similar provisions pertaining to non-agricultural property out of the last operating budget in 2023. Other provisions limiting adversaries from owning farmland were passed and signed into law in 2023.

Energy - Open Road Renewables announced it was withdrawing its application for the Grange Solar Grazing Center, a proposed 500-megawatt solar project in Logan County. The project has faced significant local opposition. The decision came days after Ohio Power Siting Board staff recommended the board deny the project because it would fail to "serve the public interest, convenience and necessity" as required by state law.

Property Taxes – State legislators are considering whether certain "emergency" and "substitute" property tax levy collections should be allowed to grow with increased property valuations as current law allows to happen. Other property tax levies are subject to a 1976 law (HB920) that requires the total dollar amount collected when levy was initially passed by voters to hold consistently until the levy's expiration. OSA does not currently have a position on this issue but will continue to follow developments closely.