

Ohio Farmers Union Special Orders of Business for 2023

As Proposed to the Delegates to the 89th Annual Convention
Lima, Ohio
January 27, 2023



Special Order of Business
2023-01
Landowners' Rights in Ohio

The Fifth Amendment to the United States Constitution states "... nor shall private property be taken for public use, without just compensation." Similarly, Article I Section 19 of the Ohio Constitution states that "where private property shall be taken for public use, a compensation therefor shall first be made in money...." However recent actions by State Government, including the Ohio Department of Agriculture, have sharply inhibited landowners' ability to develop their land for renewable energy projects and have utterly failed to protect farmland from encroachment by gas pipeline developers.

Through legislation adopted in 2021 (S.B. 52), county commissioners, and in some instances township trustees, have been granted authority to ban or restrict utility-scale solar or wind farms throughout rural areas of the county. Under this legislation, farmers wishing to lease or sell their ground for large scale solar or wind farming will be permanently prohibited from doing so—without compensation.

The Ohio Farmers Union objects to this apparent violation of constitutionally protected landowners' rights. While we urge solar and wind developers to explore brownfield sites or reclaimed strip-mine land, where available, it should be farmers - and NOT local politicians - who determine whether they can lease their land for renewable energy projects.

Make no mistake, for family farmers of any age, the cash flow from a solar lease of even a small portion of their farm could be a life preserver for their operation in hard times. For farmers approaching retirement, the opportunity to enter into a solar farm lease could mean the difference between a comfortable retirement, and a forced sale of their land to outside developers.

In another case of government over-reach - this time by the Ohio Department of Agriculture (ODA) - the State weighed in on behalf of gas pipeline developers in the case Columbia Gas of Ohio, Inc vs Patrick E. Bailey et.al. The Bailey family, longtime Union County farmers, had protected their land with an ODA Farmland Preservation Easement in 2003. During prior administrations, ODA had protected farmland easements against gas pipeline encroachment on at least two occasions. This time, however, ODA inexplicably supported the position of Columbia Gas to approve the pipeline. The case is currently on appeal in the Third Appellate District in Lima.

The ODA is urged to publicly explain this backpedaling, and to confirm that they will strictly enforce the public policy behind the Farmland Preservation Easement program going forward.

Special Order of Business
2023-02
Climate Change

According to the National Oceanographic and Atmospheric Administration (NOAA), carbon dioxide (CO₂) levels in the Earth's atmosphere peaked at 419 parts per million in December 2022—the highest level in the past 3.6 million years of Earth history. The concentration of CO₂ in the atmosphere now increases every year and the rate of increase is accelerating. These sharp increases in CO₂ have triggered an era of global warming and climate change which will have profound effects on agriculture in the immediate present and which may hamper the ability of future generations to survive on this planet. The Ohio Farmers Union recognizes that the existence of climate change is based on sound science and has been caused by human activity, accelerating since the dawn of the industrial revolution.

Both world and US agriculture must become part of the climate solution. We believe Ohio farmers and rural communities can also play an outsized role in leading the transition from a carbon-intense agricultural economy to a cleaner, more sustainable one.

This objective was greatly strengthened with the passage of the federal Inflation Reduction Act (IRA) in August of last year. The IRA includes nearly \$40 Billion in agricultural climate-smart programs, supporting a clean energy transition in rural communities and strengthening climate-smart forestry management. Of this \$40 billion, \$20 billion will be managed by the US Department of Agriculture to improve agriculture conservation programs. This includes incentives and technical assistance for farmers to adapt sustainable farming practices to reduce methane emissions, increase carbon capture, and optimize the usage of farm inputs. \$14 billion will go towards lowering the cost of clean energy and increasing clean energy jobs to support a clean energy transition in rural communities. This includes the single largest investment in biofuels, which will reduce the United States' dependence on international oil imports.

While we offer our strong support to the Administration and the USDA for funding climate-smart initiatives, we nevertheless caution USDA to be more circumspect in future funding rounds. Successful participants in the first round of "Partnerships for Climate Smart Commodities" included Walton Family Foundation (Walmart), Cargill, PepsiCo, Tyson Foods, ADM, Blue Diamond, and other uber wealthy corporations. Some critics called their participation "greenwashing" by corporations ready to vacuum up any carbon credits generated by the projects. Yet another "Land Grant University researcher," who declined to give his name, noted that "A model relying on those that caused the problem to solve the problem is a deeply flawed model."

Special Order of Business
2023-03
Renewable Energy in Rural Ohio

The Ohio Farmers Union recognizes that solar and wind development provides unique benefits to farmers and to Ohio's rural economy. Utility-scale solar and wind projects require the voluntary leasing or sale of real estate, usually farmland, which provides cash income to the farmer and provides much-needed funding for local schools. These projects also provide hundreds of local jobs in construction, maintenance, and ancillary services. Further, newer integrated farming methods can ensure that wind and solar projects will leave the underlying soils improved and not depleted after the turbines or solar panels are removed, and promising research in agrivoltaics- farming beneath solar panels - is being conducted.

The transition from coal-fired electric generation to carbon-free wind and solar electric generation is a necessary step in our response to global climate change. Yet Ohio legislators continue to place unfair regulatory obstacles on wind and solar projects (e.g., Ohio S.B. 52 in 2021) that are not applicable to coal, natural gas, or nuclear facilities. Many of these policies are the result of crooked, backroom deals in the legislature. The pending federal criminal trial of former House Speaker Larry Householder alleging over \$60 million in illegal contributions during the coal & nuclear bailout bill (H.B. 6) in 2019, shows an utter failure in governance and has made Ohio a national byword for political corruption. However, as of today, not a single elected official has paid a political or legal price for their misconduct. It continues: In move financed by dark money, Ohio lawmakers passed a cynical measure declaring natural gas to be "Green Energy" and making oil and gas drilling easier in State Parks and other previously protected areas and harder for state agencies to stop. What's the old saying? If you put lipstick on a pig, it still oinks."

OFU urges the Ohio General Assembly and the Ohio Public Utilities Commission to provide and maintain sensible, fair, legal pathways for prompt regulatory approval of properly sited solar and wind generation projects in rural Ohio. In addition, Ohio's Rural Electric Cooperatives should show leadership by transitioning their electric generation from coal to renewable energy sources.

Biofuels, including ethanol, biodiesel, and renewable diesel, also provide a wide range of economic and environmental benefits in rural Ohio. We support the federal Administration's support for biofuels in the Inflation Reduction Act passed last year. The IRA extended the Renewable Fuels Standard tax credits for ethanol and biodiesel and authorized an additional suite of "carbon capture" tax credits for CO₂ captured at the plant during ethanol processing. Sustainable Aviation Fuel (SAF) also received a boost from the IRA, giving SAF a new \$1.25/gal blending credit through 2024.

Special Order of Business
2023-04
Water Quality in Ohio

Lake Erie is the source of drinking water for 11 million people and contributes over one billion dollars annually to Ohio's economy. Restoring and protecting Lake Erie and its watershed has been a significant challenge over the years.

The Ohio Farmers Union has supported voluntary initiatives such as the 4Rs program, cover crops, filter strips, buffer zones and blind outlets in efforts to reduce nutrient runoff into Lake Erie. Despite these initiatives, the concentration of nutrients flowing into Lake Erie has continued unabated.

Research tells us that the major source of nutrients is from agriculture, and that a major source within Ag may be large animal feeding operations (AFOs). The Ohio Farmers Union has advocated for oversight of AFOs to prevent over application of manure and advised that nutrients not be applied at rates in excess of the agronomic rate, especially in impaired watersheds.

In 2002, the Ohio Legislature removed Ohio EPA's authority to oversee and regulate AFOs and gave that authority to the Ohio Department of Agriculture (ODA), PENDING the approval of the USEPA. In the ensuing two decades the ODA has sparred with USEPA about how best to maintain water quality, while promoting animal agriculture.

Earlier this year, The USEPA officially declined the approval of the transfer of authority to the ODA, due to long standing unresolved issues. This action puts two decades of ODA regulation into question. We urge the USEPA, the Ohio EPA and the ODA to meet with the Ohio Legislature to establish a clear line of authority for the oversight and regulation of large livestock feeding operations in Ohio.

Until clear lines of regulatory authority are established, The Ohio Farmers Union renews its call on the state of Ohio to impose a moratorium on the issuance of new permits for livestock CAFOs in the Maumee watershed. We also renew our call for a census of livestock in the Maumee watershed and a plan to assure that manure generated in any given watershed be compatible with the farmland acreage available for manure applications at the agronomic rate.

**Special Order of Business
2023-05**

**Monopolistic Corporate Concentration in Ag Input Sales and in Meat
and Poultry Slaughter & Processing**

The Ohio Farmers Union is appalled at the increasing consolidation and corporate concentration in the agricultural economy and the record-breaking crop input price increases (fixing?) in the fertilizer and anhydrous ammonia market. After the acquisition of the phosphate fertilizer business of Florida-based CF Industries by Minnesota-based Mosaic Company in 2013, four major players now control 75% of the US nitrogen production. Just two companies, Nutrien Limited and Mosaic, supply the entirety of North America with potash. Since late 2021, these companies have increased the price of anhydrous ammonia fertilizer by 152% and doubled the price of diammonium phosphate (DAP) and potash. These increases have soared far beyond inflation, bringing in upwards of 1000% increased profits for at least one of these fertilizer behemoths. These machinations, which may be an existential threat to small and medium sized wheat and corn growers, are now becoming a typical scenario in this era of unbridled consolidation, where corporate giants are “price makers” and farmers become unwitting “price takers”. We strongly urge the US Department of Justice’s Anti-Trust Division to make an inquiry into this fertilizer price spike, which a Texas A&M study has labeled “highly suspect”.

Ohio Farmers Union is also alarmed about increasing consolidation in the meatpacking industry. The concentration of this critical part of our food supply into a few relatively large facilities owned by a handful of corporations does not benefit the farmers and ranchers who produce the animals, nor the consumers who want safe, quality meats. Presently, four large packing companies control 85% of the beef market. In poultry 54% of sales are controlled by four firms as well. In pork, the top four firms control 70% of the market.

The OFU recognizes and applauds last year’s actions by the Biden Administration and the USDA to address these inequities, as pledged in the 2022 “Action Plan for a Fairer, More Competitive, and More Resilient Meat and Poultry Supply Chain”:

1. Expanding Independent Processing Capacity by dedicating \$1 Billion in American Rescue Funds, to include \$375 Million for independent processing plant projects, including \$150 Million to ‘jump start’ 15 near-term projects.
2. Supporting workers in the independent processor industry by providing \$100 Million in reduced overtime inspection costs for small processors and providing \$100 Million in workforce training for workers in new or expanded processing facilities.
3. Increasing transparency in cattle markets and livestock purchase contracts by creating the Cattle Contracts Library Pilot Program.

4. Promoting vigorous and fair enforcement of existing competition laws by creating and launching an on-line Portal for citizens reporting concerns about potential violations of competition or anti-trust law violations.

The OFU calls on the Biden Administration and the USDA to fulfill the remaining commitments outlined in the Action Plan, including strengthening the rules that protect farmers and consumers by issuing and implementing new rules under the Packers and Stockyards Act, and issuing a new voluntary “Product of USA” labeling program.

While much can be done at the Agency level, OFU also strongly supports the passage of federal legislation addressing market consolidation and over-reaching in livestock markets. OFU calls for the reintroduction and passage of the following legislation in the 118th Congress (2023-2024): Senators Tester (D-Mont) and Grassley (R-Iowa) have collaborated on a bi-partisan bill which would require each US processing facility that slaughters 125,000 head of cattle yearly to purchase at least 50% of their weekly volume on the open (or “spot”) market. The bill would also require the USDA to maintain a publicly available library of marketing contracts. Other bipartisan legislation introduced by Senator Tester includes the American Beef Labeling Act, which, if enacted, would satisfy a longtime policy objective of OFU: mandatory country of origin labeling. Finally, Senator Tester has proposed a Meatpacking Special Investigator Act, which would create in USDA’s Packers and Stockyards Division, a new office dedicated to addressing anticompetitive practices in the meat and poultry industries.

OFU also supports reform of the national and state commodity checkoff programs that should include 1) federal and state audits of the national and state programs as required by law; 2) the immediate change in programs so that they are truly voluntary on the part of producers at the point of original sale; and, 3) that the actions of checkoff organizations conform with the original intent of Congress and support the interests of domestic agricultural producers and, 4) that checkoff funds not be used , directly or indirectly, for political purposes.

At the state of Ohio level, there is a need in Ohio for more state- licensed small to medium-sized slaughter and meatpacking facilities, geographically located throughout the state. We urge The Ohio Department of Agriculture, Meat Inspection Division, in conjunction with the Ohio Department of Development, Jobs Ohio, and USDA’s Ohio Rural Development Agency to conduct a listening session or open house for potential meat or poultry processors to discuss licensing opportunities and potential financing sources for start-ups.

Special Order of Business
2023-06
Gerrymandering Remains in Issue in Ohio

It is apparent to the Ohio Farmers Union that Ohio's new system for re-apportioning state and federal legislative districts is a failure. The decennial process of drawing new legislative districts began in September 2021 and ended with five failed attempts at state legislative district maps and two failed congressional district maps. By failure, we mean that no version of any maps received bipartisan support, a goal of the new system. A federal court ordered the state to use the latest versions of the maps in order to proceed with the 2022 election.

The state of play in the state capital promises more gridlock on this issue. While former Ohio Supreme Court Chief Justice was the swing vote that sent mapmakers back to the drawing board, the current Ohio Supreme Court now promises to be a rubber stamp for the GOP-controlled state apportionment board. Under the new system, the apportionment board should be back at work working on fair district maps, but the current Republican leaders have no Ohio Supreme Court check on their power nor do they have any sense of fealty to the spirit behind the "reformed" system which was to deliver geographically compact and fair district maps.

Therefore, the Ohio Farmers Union urges further reform of the system. We propose that like-minded public interest groups across the state, along with voters, return to the referendum path and pursue a "Voters not Politicians" system like the state of Michigan.

In 2018, Michigan voters amended their state constitution to "establish a commission of citizens with exclusive authority to adopt district boundaries for the Michigan Senate, Michigan House of Representatives and U.S. Congress, every 10 years." Any registered voter may apply to become one of 13 members of the commission randomly selected from the pool. Of the 13 commissioners, four affiliate with the Democratic Party, four affiliate with the Republican Party, and five do not affiliate with either major political party.

Ohio Farmers Union supports such a citizen/voter-based system and ending the days of gerrymandering in Ohio.