

Ohio Farmers Union Special Orders of Business for 2024

As Proposed to the Delegates to the 90th Annual Convention
Delaware, Ohio
January 26, 2024



Special Order of Business
2024-01
Citizens Not Politicians

For the past several years, the Ohio Farmers Union has been highly critical of the state of Ohio's rules and procedures for reapportionment and redistricting of state and federal legislative districts. We have supported efforts at reform and held out hope that the "new" system used after the last U.S. Census would lead to fair and compact districts that kept communities whole to the greatest extent possible.

This was not the case and Ohio's current legislative districts have been found unconstitutional by the Supreme Court of Ohio.

When politicians draw biased, ridiculously shaped voting districts to favor their own interests, it's called gerrymandering, and Ohio is one of the ten most gerrymandered states.

Ohio Farmers Union supports an effort called Citizens Not Politicians that is backed by the Ohio League of Women Voters, Common Cause Ohio, former Ohio Supreme Court Chief Justice Maureen O'Connor and others. They are gathering signatures to take a citizen state constitutional amendment to the ballot that would:

- Create the 15-member Ohio Citizens Redistricting Commission made up of Democratic, Republican, and Independent citizens who broadly represent the different geographic areas and demographics of the state.
- Ban current or former politicians, political party officials and lobbyists from sitting on the Commission.
- Require fair and impartial districts by making it unconstitutional to draw voting districts that discriminate against or favor any political party or individual politician.
- Require the commission to operate under an open and independent process.

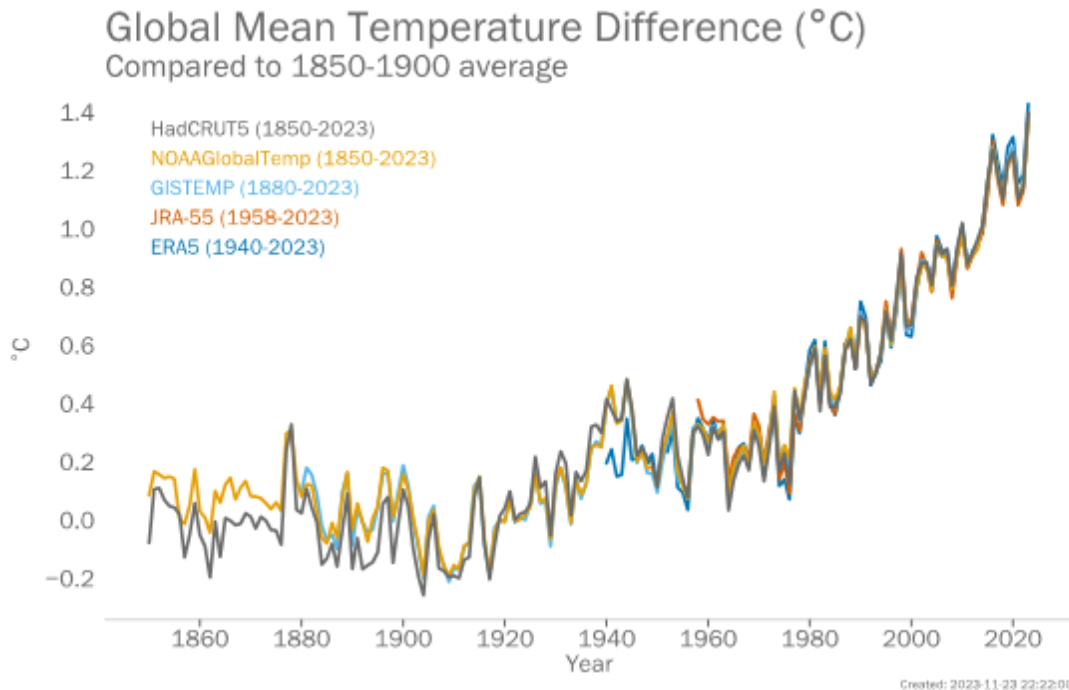
OFU urges all of its members and all Ohio voters to support the petition signature drive and to eventually vote in favor of the ensuing ballot initiative.

Special Order of Business 2024-02 Climate Change

According to the National Oceanographic and Atmospheric Administration (NOAA), carbon dioxide (CO₂) levels in the Earth's atmosphere increased from 419 parts per million (PPM) in December 2022, to 422 PPM in December 2023 — 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.

Moreover, according to the World Meteorological Organization, 2023 now stands as the hottest year on record in human history. The levels of Antarctic Sea ice are now at record lows—a sure harbinger of imminent sea level rise.

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. The concentration of CO₂ in the atmosphere now increases every year and the rate of increase is accelerating.



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.

Special Order of Business
2024-03
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 have sharply inhibited landowners' ability to develop their land for renewable energy projects.

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.

Special Order of Business
2024-04
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.

The Ohio Farmers Union has also advocated for further regulation of concentrated animal feeding facilities and the prescription in impaired watersheds that nutrients only be applied at the agronomic rate.

These ideas, for the most part, have fallen on deaf ears. Lake Erie continues to exhibit problems related to nutrient overload. In fact, scientific data and analysis presented to our Board of Directors in the summer of 2021 leads us to believe that Ohio has been more lucky than good when it comes to Lake Erie HABs in recent years.

Currently, the federal and state Environmental Protection Agencies are backing a Total Maximum Daily Load program that is essentially voluntary in affected watersheds. At OFU, we do not believe that entirely voluntary efforts will get Ohio where it needs to go in terms of clean water – especially in the Western Basin of Lake Erie and the Maumee Watershed.

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 would rescind our call for a moratorium if there were to be a census of livestock in the Maumee watershed coupled with state policy to regulate the number of animal units to be regulated to the watershed's carrying capacity.

The Ohio Farmers Union reiterates from our Special Orders of Business from 2019 through today that we believe the spreading of fertilizer – including manure – be limited to the agronomic rate in any watershed designated as impaired by the U.S. or state of Ohio EPA.

Special Order of Business
2024-05
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, generally referred to as "Agrivoltaics" are demonstrating that farming and solar or wind development are not mutually exclusive. In many cases, wind and solar projects will leave the underlying soils improved and not depleted after the turbines or solar panels are removed, when compared with high intensity monoculture farming.

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. 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, renewable diesel, and sustainable aviation fuel (SAF), particularly those using agricultural inputs, also provide a wide range of economic and environmental benefits in rural Ohio. We support the federal Administration's support for biofuels in the 2022 Inflation Reduction Act and the US Environmental Protection Agency's announced increases in future biofuels volume caps under the Renewable Fuels Standard.

We also support the new \$1.25/gal blending credit for SAF. Agricultural oil seeds, energy crops, and cellulosic biomass have all been approved as input feedstocks for future SAF production, placing farmers in the forefront of this new industry.

Special Order of Business
2024-06
Monopolistic Corporate Concentration in Ag Input Sales and in Meat
and Poultry Slaughter and Processing

Ag Input Sales

The fertilizer industry is highly consolidated, with just a handful of corporations dominating each of the major fertilizer input sectors (nitrogen, phosphorus, and potassium). Economists agree that market abuses are likely to occur when the concentration ratio of the top four firms exceeds 40%. Just four corporations controlled 75% of the nitrogen-based fertilizer market in the U.S. in 2019, and just two companies, Nutrien Limited and Mosaic, supply the entirety of North America with potash.

The fertilizer industry is rife with market abuses due to this concentration. The dominant fertilizer corporations have used their market dominance to price-gouge farmers by tying fertilizer prices to commodity prices, instead of to natural market pressures. We have witnessed these corporations raise their prices under the guise of global crises, mounting costs, and supply chain issues — even though their own financial statements and skyrocketing profits refute these excuses.

We strongly urge the US Department of Justice’s Antitrust Division and the Federal Trade Commission to make an inquiry into recent fertilizer price spikes, which a Texas A&M study has labeled “highly suspect,” and to block any future anticompetitive mergers in this sector.

Meat and Poultry Slaughter and Processing

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 60% of sales are controlled by four firms as well. In pork, the top four firms control 70% of the market.

Agency Action

OFU recognizes and applauds 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.” We call 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 finalizing its voluntary “Product of USA” labeling rule:

- While we applaud USDA’s finalized rule to bring transparency to poultry grower payment systems and its proposed rule to ban discrimination, retaliation, and deceptive contracting practices, we call on USDA to swiftly develop and implement rules to ban the poultry tournament system outright and to clarify USDA’s longstanding position that a farmer does not need to prove industry-wide harm to competition in order to bring a claim against a meatpacker.
- USDA issued a proposed rule in March 2023 clarifying that all products with the “Product of U.S.A.” label must be from animals born, raised, slaughtered, and processed in the United States. We call on USDA to quickly finalize this proposed rule, which would expand opportunities for American farmers and protect consumers from deception by multinational food corporations.

Federal Legislation

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 Fischer (R-NE), Tester (D-Mont) and Grassley (R-Iowa) have collaborated on a bipartisan bill, the Cattle Price Discovery and Transparency Act of 2023 (S. 228), which would require each U.S. 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. This bipartisan legislation is led in the House by Representatives Feenstra (R-IA04) and Levin (D-CA49). Other bipartisan legislation introduced by Senator Tester includes the American Beef Labeling Act (S.52), which, if enacted, would satisfy a longtime policy objective of OFU: mandatory country of origin labeling. A similar bill, the Country of Origin Labeling Enforcement Act (H.5081), was introduced in the House. Finally, Senator Tester has proposed the Meat and Poultry Special Investigator Act (S.346), which would create in USDA’s Packers and Stockyards Division, a new office dedicated to addressing anticompetitive practices in the meat and poultry industries with the power to issue and enforce subpoenas in investigations of Packers and Stockyards Act violations.

Ohio Policymaking

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
2024-07
Kroger-Albertsons Merger

Ohio Farmers Union strongly opposes the proposed acquisition of Albertsons by Kroger and urges the Federal Trade Commission to act against its consummation.

The proposed Kroger-Albertsons would secure this potential megacorporation's position as the second largest food seller in the country, behind only Walmart. Kroger is already the dominant grocery chain in Ohio with 195 stores across 113 cities, followed by Walmart with 144 locations across the state. Further entrenching Kroger's stranglehold on the retail market would have catastrophic effects on farmers in Ohio and across the country.

The U.S. has $\frac{1}{3}$ fewer grocery stores than we did 25 years ago, drastically decreasing farmers' opportunities to market their goods. Between 1996 and 1999 alone, there were 385 grocery mergers. Meanwhile, the share of every dollar spent on food at the grocery store that ends up in farmers' pockets has been steadily declining. In 1975, farmers received about 40 cents of every dollar spent on food. In 2021, that number had dropped to only about 14 cents. This decline has coincided with rampant consolidation across the food industry, from meatpacking to agrochemicals to retail grocery.

America's largest retail grocery chains not only dominate the stores where consumers purchase their food. Walmart, Kroger, and Albertsons are gaining greater control over the markets through vertical integration of their supply chains, giving them more power to squeeze the farmer. Kroger's own website notes that they are "the only major U.S. supermarket company to operate an economical three-tier distribution system."

As just one example of the harm created by a single retail merger, a peer-reviewed study showed negative consequences for specialty crop producers including uncertainty, lower prices, lost revenue, and higher transaction costs. This conclusion was based on both interviews with farmers following Albertson's acquisition of Safeway and supporting data analyses of USDA data on specialty crop prices and the impact that merger event had on them.

To safeguard our economy and rural communities, FTC must oppose the Kroger-Albertsons merger with the full weight of their authority.

Special Order of Business
2024-08
Commodity Checkoff Program Reform

Due to decades of lax oversight by the USDA, federal and state commodity checkoff programs are shrouded in secrecy while funneling farmers' money to trade and lobbying organizations — representing the world's largest meatpackers and grain traders — which promote policies that drive corporate consolidation and harm family farmers.

Ohio Farmers Union calls on Congress to pass the Opportunities for Fairness in Farming Act (OFF Act), which would prohibit checkoff programs from contracting with organizations that lobby on agricultural issues (with an exception for institutions of higher education, such as our land grant institutions), require transparency through the publication of checkoff program budgets and expenditures, and require periodic audits by the USDA Inspector General.

At the state level, OFU calls on the Ohio State Auditor to fully audit the past five years of Ohio Beef Council and Ohio Soybean Council funds to include how the funds were spent by all contractors and vendors. This oversight of public funds is critical as abuses of checkoff funds at the state level are being documented in Ohio and across the country: In Oklahoma, it was discovered that an employee of the Oklahoma Beef Council embezzled 2.6 million checkoff tax dollars over 10 years' time. In November 2023, the North Dakota State Auditor's Office released an audit revealing the North Dakota Soybean Council's illegal use of soybean checkoff funds to lobby on agriculture policy. And here in Ohio, OFU has documented that beef checkoff funds have been used illegally to promote the Ohio Cattlemen's Association's Political Action Committee activities.

Finally, OFU supports making checkoffs voluntary on the part of producers at the point of original sale, and calls for the actions of checkoff organizations to conform with the original intent of Congress and support the interests of domestic agricultural producers.