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*Forging a partnership between farmers and consumers.  
•Working together for Ohio's farmers•*

**HB SB 281, Proponent Testimony  
Senate Financial Institutions  
Lane Osswald  
February 15, 2012**

Good morning, Senator Hughes, Ranking member Skindell and members of the Financial Institutions Committee. My name is Lane Osswald. My parents, brother, wife Bambi, and our four children farm 1000 acres of corn and soybeans in Preble County. I also do custom spraying, custom combining. I am a certified crop advisor and sell seeds. I've been involved in the Farm Bureau in various capacities for more than a decade, and I was recently elected to represent Preble, Butler, Montgomery and Hamilton Counties on the OFBF Board of Trustees. I am also a prior AgLink participant. Thank you for allowing me to speak in favor of SB 281

The Ohio Farm Bureau Federation is a grassroots organization representing more than 214,000 member families located in all 88 of Ohio's counties. While our membership encompasses a broad swath of Ohioans from farmer to consumer and all stages in between, our policy is developed in a grassroots process by representatives from our more than 60,000 farmer members.

Our State Policy Resolutions, which are adopted each year at our annual meeting, support the Agricultural Linked Deposit Program and support an expansion of the program, specifically an increase in the amount of individual loans above the current \$100,000 threshold.

Our members support the expansion of this program for several reasons. First, current per-loan amount of \$100,000 is not a useful loan amount. General operating expenses through inflation and size of farms have dramatically increased in the past decade. Many loans made through the program exceed \$100,000, requiring an additional step to identify a second loan source in order to meet financial needs. The increase from \$100,000 to \$150,000 helps keep the program relevant for our Ohio farmers and reduces unnecessary extra steps in utilizing the program. Increasing the total funds available to AgLink from \$125 million per year to \$165 million per year not only keeps up with the general growth within the treasury, but also permits the state to expand individual loan amounts without significantly reducing the number of farmers who are able to participate. This change will make AgLink an even better program for Ohio's farmers, especially younger farmers who have more limited access to capital. The bill also makes changes recommended by Treasurer Mandel's office to make the statute more in line with current financial practices.

AgLink is an important program to Ohio's family farmers, especially since farmers frequently work with lenders who cannot participate in the other linked deposit programs (such as GrowNOW). We sincerely appreciate the work of Senator Beagle in his sponsorship of this legislation, as well as the work of Treasurer Mandel and his staff on the technical aspects of this legislation. Thank you again for your time, and I would be happy to answer any questions that you might have.