



Department of
Agriculture

John R. Kasich | Governor

David T. Daniels | Director

**Sunset Review Committee
Testimony on Agricultural Commodity Advisory Commission
Deputy Director John Schlichter
March 8, 2016**

Good afternoon, Chairman Jordan and members of the Sunset Review Committee. My name is John Schlichter and I am a Deputy Director at the Ohio Department of Agriculture. Thank you for allowing me to provide testimony on behalf of the Agricultural Commodity Advisory Commission. The Department of Agriculture is respectfully asking for re-authorization for this advisory board.

The Agricultural Commodity Advisory Commission was established in 1983 pursuant to the authority granted under ORC 926.32 (A). The Commission aims to accomplish four main objectives:

- To establish the per bushel dollar value for bushels delivered to a licensed agricultural commodity handler who is experiencing a failure
- To determine the legitimacy of claims presented against the Agricultural Commodity Depositors Fund, and to quickly approve valid claims
- To advise the Director by consent vote to reinstate fee collection of the Agricultural Commodity Depositors Fund if the balance is below \$10,000,000.00 at ODA's fiscal year end
- To develop and recommend to the Director any necessary law and rule changes appropriate for the administration of Chapter 926 of the Ohio Revised Code

The Commission is made up of seven members who are appointed by the Director and serve three year terms. They represent farms engaged in the production of agricultural commodities, farmer's cooperatives, agricultural elevator operators, commodity transportation warehouses and rural banks. To date, the Commission has approved 1,448 valid claims, totaling \$15,642,647.98.

The Commission's workload remains relatively constant. They are required to meet three times annually, and a typical meeting lasts about two hours.

The Commission is funded from fund 4970, which is supported by handler license fees and a \$500,000 maximum annual draw from fund 4980 – the Agricultural Commodity Depositors Fund. Commission members receive no hourly compensation, but are compensated for their travel expenses. The total disbursements paid to Commission members annually is less than \$1,500.

Thank you for your time. I would be happy to answer any questions you may have regarding the Agricultural Commodity Advisory Commission.