

Sub. H.B. 49  
LSC 132 0001-3

\_\_\_\_\_ moved to amend as follows:

- In line 31 of the title, after "1509.071," insert "1509.11," 1
- In line 251, after "307.639," insert "321.50, 321.51, 2  
321.52,"; after "503.70," insert "505.96," 3
- In line 260 of the title, after "3715.08," insert "3737.15," 4
- In line 503, after "1509.071," insert "1509.11," 5
- In line 644, after "307.639," insert "321.50, 321.51, 6  
321.52,"; after "503.70," insert "505.96," 7
- In line 651, after "3715.08," insert "3737.15," 8
- Between lines 16302 and 16303, insert: 9
- "Sec. 321.50. (A) As used in this section: 10
- (1) "Eligible county" means a county appearing on the most 11  
recent determination certified by the chief of the division of oil 12  
and gas resources management under division (C) of section 1509.11 13  
of the Revised Code. 14
- (2) "Cost of capital improvement projects" has the same 15  
meaning as in section 164.01 of the Revised Code. 16
- (B) The county treasurer of each eligible county shall create 17  
in the county treasury an oil and gas infrastructure fund. The 18  
treasurer shall deposit any money received by the treasurer under 19

section 1509.02 of the Revised Code into the fund. 20

Not later than twenty days following the deposit of money 21  
into the fund, the treasurer shall distribute the money to 22  
subdivisions in proportion to the amount the subdivision would 23  
receive from the county's undivided local government fund 24  
according to the formula used by the county to distribute money 25  
from that fund under section 5747.51 or 5747.53 of the Revised 26  
Code. 27

A subdivision shall use money received from the oil and gas 28  
infrastructure fund exclusively for the purpose of paying the cost 29  
of capital improvement projects. 30

**Sec. 321.51.** The county treasurer of each eligible county 31  
shall create in the county treasury a township road maintenance 32  
fund. The treasurer shall deposit any money received by the 33  
treasurer under section 1509.02 of the Revised Code into the fund. 34  
The treasurer shall notify the chair of the county's township road 35  
maintenance committee whenever the treasurer deposits money into 36  
the fund. The treasurer shall distribute money from the fund into 37  
the township road funds of townships in the county as prescribed 38  
in an order of the township road maintenance committee under 39  
section 505.96 of the Revised Code. As used in this section, 40  
"eligible county" has the same meaning as in section 321.50 of the 41  
Revised Code. 42

**Sec. 321.52.** (A) As used in this section: 43

(1) "Eligible injection well county" means a county appearing 44  
on the most recent determination certified by the chief of the 45  
division of oil and gas resources management under division (D)(1) 46  
of section 1509.11 of the Revised Code. 47

(2) "Cost of capital improvement projects" has the same meaning as in section 164.01 of the Revised Code. 48  
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(B) The county treasurer of each eligible injection well county shall create in the county treasury an injection well infrastructure fund. The treasurer shall deposit any money received by the treasurer under section 1509.02 of the Revised Code into the fund. 50  
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Not later than twenty days following the deposit of money into the fund, the treasurer shall distribute the money to subdivisions in proportion to the amount the subdivision would receive from the county's undivided local government fund according to the formula used by the county to distribute money from that fund under section 5747.51 or 5747.53 of the Revised Code. 55  
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A subdivision shall use money received from the injection well infrastructure fund exclusively for the purpose of paying the cost of capital improvement projects." 62  
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Between lines 17480 and 17481, insert: 65

"Sec. 505.96. (A) There is hereby created in each county that is or has been an eligible county, as that term is defined in section 321.50 of the Revised Code, the township road maintenance committee, which shall consist of one trustee of each township located in the county appointed by the board of trustees of each township. A member of the committee may be removed by the member's appointing board. Members shall be appointed on or before the first day of June of each year and shall serve one-year terms. Members may be reappointed to the committee. 66  
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Any member appointed to the committee under this section shall continue as a member until the later of the end of the term 75  
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for which the member is appointed or the date the member's 77  
successor joins the committee. A vacancy occurring among the 78  
members shall be filled in the same manner as the original 79  
appointment. Members of the committee shall not be compensated or 80  
reimbursed for members' expenses. 81

(B) At the first meeting of the committee, which shall occur 82  
not later than the fifteenth day of June of each year, members of 83  
the committee shall elect a chair and notify the county treasurer 84  
of the result of the committee's election. The committee shall 85  
meet at the call of the chair. A majority of the committee 86  
constitutes a quorum. The committee is a public body for the 87  
purposes of section 121.22 of the Revised Code. Records of the 88  
committee are public records for the purposes of section 149.43 of 89  
the Revised Code. 90

(C) On or before the thirty-first day of September of each 91  
year, the committee shall issue an order and certify that order to 92  
the county treasurer distributing money in the county's township 93  
road maintenance fund to the township road funds of townships in 94  
the county in the proportions prescribed by the committee. In 95  
prescribing the proportion to be distributed to each township, the 96  
committee shall consider the following factors: 97

(1) The number of centerline miles within the boundaries of 98  
the township as determined under division (A)(3)(b) of section 99  
5735.27 of the Revised Code; 100

(2) The amount of money received by the township from the 101  
county's oil and gas infrastructure fund in that year; 102

(3) The number and locations of producing oil and gas wells 103  
located in the township. 104

(D) A township shall use money received from the township 105

maintenance fund exclusively for the purposes of maintaining and 106  
constructing roads and purchasing road maintenance equipment." 107

In line 20143, after "1509.02." insert "(A)" 108

Between lines 20210 and 20211, insert: 109

"(B) The director of budget and management shall, by the last 110  
day of each fiscal year, transfer or pay the following amounts 111  
from the oil and gas well fund: 112

(1) Five million dollars to the oil and gas infrastructure 113  
fund of each eligible county, as that term is defined in section 114  
321.50 of the Revised Code, in the county's proportion most 115  
recently certified to the director by the chief of the division of 116  
oil and gas resources under division (C) of section 1509.11 of the 117  
Revised Code; 118

(2) One million five hundred thousand dollars to the township 119  
road maintenance fund of each eligible county in the proportion 120  
certified to the director by the chief under division (C) of 121  
section 1509.11 of the Revised Code; 122

(3) One million dollars to the injection well infrastructure 123  
fund of each eligible injection well county, as that term is 124  
defined in section 321.52 of the Revised Code, in the county's 125  
proportion most recently certified to the director by the chief 126  
under division (D)(1) of section 1509.11 of the Revised Code; 127

(4) Two million dollars to the general fund of each municipal 128  
corporation or the township general fund of each township in the 129  
municipal corporation's or township's proportion most recently 130  
certified to the director by the chief under division (D)(2) of 131  
section 1509.11 of the Revised Code. Money received by a municipal 132  
corporation or township under division (B)(4) of this section may 133  
be used for any lawful purpose; 134

(5) Five hundred thousand dollars to the shale region 135  
firefighting equipment fund created in section 3737.15 of the 136  
Revised Code." 137

Between lines 20462 and 20463, insert: 138

"**Sec. 1509.11.** (A)(1) The owner of any well, except a 139  
horizontal well, that is producing or capable of producing oil or 140  
gas shall file with the chief of the division of oil and gas 141  
resources management, on or before the thirty-first day of March, 142  
a statement of production of oil, gas, and brine for the last 143  
preceding calendar year in such form as the chief may prescribe. 144  
An owner that has more than one hundred such wells in this state 145  
shall submit electronically the statement of production in a 146  
format that is approved by the chief. 147

(2) The owner of any horizontal well that is producing or 148  
capable of producing oil or gas shall file with the chief, on the 149  
forty-fifth day following the close of each calendar quarter, a 150  
statement of production of oil, gas, and brine for the preceding 151  
calendar quarter in a form that the chief prescribes. An owner 152  
that has more than one hundred horizontal wells in this state 153  
shall submit electronically the statement of production in a 154  
format that is approved by the chief. 155

(B) The chief shall not disclose information received from 156  
the department of taxation under division (C)(12) of section 157  
5703.21 of the Revised Code until the related statement of 158  
production required by division (A) of this section is filed with 159  
the chief. 160

(C) Not later than the fifteenth day of June of each year, 161  
the chief shall calculate and certify to the director of budget 162  
and management and the fire marshal, for each county in which one 163

or more wells producing oil or gas in the Utica or Marcellus formation were located in the preceding calendar year, the number of wells producing oil or gas in the Utica or Marcellus formation located in that county in the preceding calendar year divided by the total number of wells producing oil or gas in the Utica or Marcellus formation located in the state in that calendar year.

(D) Not later than the fifteenth day of June of each year, the chief shall calculate and certify to the director of budget and management both of the following:

(1) For each county in which one or more injection wells whose owner has been issued a permit under division (D) of section 1509.22 of the Revised Code were located in the preceding calendar year, the number of barrels of substance delivered to be injected into each such well located in the county in the preceding calendar year divided by the total number of barrels of substance delivered to be injected into each such well located in the state in the preceding calendar year;

(2) For each municipal corporation and township in which one or more injection wells whose owner has been issued a permit under division (D) of section 1509.22 of the Revised Code were located in the preceding calendar year, the number of barrels of substance delivered to be injected into each such well located in the municipal corporation or township in the preceding calendar year divided by the total number of barrels of substance delivered to be injected into each such well located in the state in the preceding calendar year. For the purposes of division (D)(2) of this section, an injection well is located in a township only if the well is located in the unincorporated territory of that township."

Between lines 54385 and 54386, insert:

"Sec. 3737.15. (A) As used in this section: 194

(1) "Fire department" means a fire department of a municipal corporation or township, a township fire district, a joint township fire district, a private fire company or volunteer fire company that has entered into an agreement for the use and operation of firefighting equipment with a municipal corporation, township, township fire district, or joint township fire district or, in a municipal corporation or township where no such fire department or district exists and no such agreement is in effect, the fire prevention officer of the municipal corporation or township. 195  
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(2) "Eligible fire department" means a fire department serving territory that coexists wholly or partly with an eligible subdivision. 205  
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(3) "Eligible subdivision" means an eligible county or a township or municipal corporation that is wholly or partly located in an eligible county. 208  
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(4) "Eligible county" has the same meaning as in section 321.50 of the Revised Code. 211  
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(5) "Firefighter" means any regular, paid or volunteer, member of a lawfully constituted fire department. 213  
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(6) "Emergency medical technician" means an EMT-basic, EMT-I, or paramedic as defined in section 4765.01 of the Revised Code. 215  
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(7) "Firefighting equipment" means equipment and vehicles used by firefighters or emergency medical technicians in the performance of their duties. 217  
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(B) There is hereby created in the state treasury the shale region firefighting equipment fund, which shall consist of money 220  
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transferred to it from the oil and gas well fund under section 222  
1509.02 of the Revised Code. The fire marshal shall use money in 223  
the fund exclusively to award grants under this section to 224  
eligible fire departments to purchase or acquire firefighting 225  
equipment in accordance with this section. 226

(C) One or more eligible fire departments may apply to the 227  
fire marshal, on forms prescribed by the fire marshal, for a grant 228  
from the shale region firefighting equipment fund. In approving 229  
applications and in determining the amount of the grant to be 230  
awarded, the fire marshal shall specifically consider all of the 231  
following factors: 232

(1) The regional distribution and availability of similar 233  
firefighting equipment; 234

(2) The importance of the firefighting equipment to the 235  
health and safety of the firefighters and residents of the 236  
subdivision; 237

(3) The availability of federal, local, or other state funds 238  
for the purchase; 239

(4) The extent to which the firefighting equipment is 240  
necessary to prepare for or respond to emergencies caused by the 241  
presence of oil and gas wells; 242

(5) Any other relevant factors prescribed by the fire 243  
marshal. 244

The fire marshal shall not approve a grant application if the 245  
amount of the grant requested by the eligible fire department 246  
exceeds the amount of money available in the shale region 247  
firefighting equipment fund. A county emergency management agency 248  
may file a joint application for a grant under this division on 249  
behalf of two or more eligible fire departments with territory in 250

that county. 251

(D) The fire marshal shall notify the director of budget and management of the amount of any grant awarded by the fire marshal under this section. The director of budget and management shall release appropriations from the shale region firefighting equipment fund for the purpose of awarding a grant to one or more eligible fire departments on the presentation of a request to do so by the fire marshal. 252  
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(E) The fire marshal may adopt rules in accordance with Chapter 119. of the Revised Code as are necessary to administer the grant program created in this section, including the procedures and manner in which applications may be submitted under division (C) of this section." 259  
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In line 99399, after "program" insert "and oil and gas regulatory program" 264  
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In line 99400, after the first comma insert "to provide revenue for local governments and fire departments," 266  
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In line 102619, after "1509.071," insert "1509.11," 268

The motion was \_\_\_\_\_ agreed to.

SYNOPSIS

**Oil and Gas Well Fund proceeds** 269

**R.C. 321.50, 321.51, 321.52, 505.96, 1509.02, 1509.11, 3737.15, and 5749.02** 270  
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Requires \$9.5 million to be paid annually from the Oil and Gas Well Fund to local governments overlying the Utica and 272  
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Marcellus formations or where injection wells are located for 274  
operating expenses and infrastructure maintenance, and \$500,000 to 275  
be transferred from the Fund to an equipment grant program for 276  
local fire departments, beginning with FY 2018. Of the \$9.5 277  
million for local governments, \$5 million is to be distributed 278  
among counties based upon the relative concentration of wells and 279  
thence to subdivisions in the same proportions as LGF money, to be 280  
spent for capital improvements; \$1.5 million is to be distributed 281  
among such counties on that basis for further distribution to 282  
townships for road construction, maintenance, and equipment; \$1 283  
million to counties on the basis of injection well deliveries and 284  
thence to subdivisions in LGF proportions to be spent for capital 285  
improvements; and \$2 million to municipalities and townships on 286  
the basis of injection well deliveries for their general funds. 287