

HB 105 Testimony
May 23, 2017

Thank you Chairman Schaffer, Vice Chair Scherer, Ranking Member Rogers and Members of the Ways and Means Committee for allowing public input on HB 105

My name is Terry Bell, I am from Jefferson County, was a township trustee for 11 years and I'm currently Vice President of the Jefferson County Township Association.

Several years ago, I visited Bradford County Pennsylvania, where a significant amount of oil/gas exploration was taking place; I spoke to township officials and saw first-hand the wear and tear they experienced on township roads from the oil/gas industry. After what I saw it became apparent to me that we, in Ohio, needed a way to protect our township roads. Shortly after that visit the county engineer, prosecutor and I began drafting the first Road Use and Maintenance Agreement or RUMA. A large part of that first document was used as a template for the application used by ODNR for the oil/gas industry when requesting a drilling permit and eventually became part of the Ohio Revised Code.

Currently in our state the majority of all gas drilling is occurring in 12 the Appalachian counties. When these townships in these 12 counties experienced the increase in road damage they also experienced a decrease in the local government funding. This loss of funding has resulted in many, many townships unable to hire full time employees and if the trustees don't get involved fixing roads becomes almost impossible! Of the over 122,000 miles of road in Ohio, the 1,308 townships are responsible for the maintenance of 41,387 or 34% of miles of road, with counties responsible for 29,948 and ODOT responsible for 19,260.*

Considering that ODNR permitted 2,499 wells, 1,982 drilled and with 1,551 producing, one must remember that at least 96% of the wells are in rural areas in a small portion of our state. So who should get the severance tax? It is imperative that the revenue generated by HB 105, the severance tax, be returned to the counties and townships where the current work is taking place and where future drilling is projected for many years to come.

*Heidi Fought, March/April 2017, *Ohio Township News*