

Ohio House Ways & Means Committee

Sub Senate Bill 19

Proponent Testimony of Vince Messerly, President

Stream & Wetlands Foundation

March 16, 2021

Chairman Merrin, Vice Chair Riedel, Ranking Member Sobecki and members of the House Ways & Means Committee, thank you for the opportunity to testify as a proponent of Senate Bill 19 (SB 19).

My name is Vince Messerly, I am President of the Stream & Wetlands Foundation, I am a registered professional engineer and I have more than 25 years of experience overseeing wetland and stream mitigation projects in Ohio and other states.

The Stream + Wetlands Foundation (formerly known as the Ohio Wetlands Foundation) was formed as a non-profit 501(c)(3) in 1992 in response to the need to provide ecologically sound and cost-effective compensatory mitigation alternative for permit applicants in Ohio. We use funds from entities required to provide compensatory mitigation for impacts to wetlands and streams to acquire land, plan, design, and complete the restoration, rehabilitation, and permanent protection of mitigation projects. Additionally, we provide funding for long-term maintenance and stewardship of completed projects.

S+W works closely with other non-governmental organizations, county and metropolitan park districts, and ODNR to identify lands suitable for habitat restoration and protection. Subsequently, nearly all of our projects end up being publicly owned and available for research, education, bird watching, hiking, and hunting.

Over the years, we have protected, enhanced, or restored over 4,000 acres of wetlands, riparian corridors, and upland buffers. In addition to providing green space and recreational opportunities, the completion of mitigation projects has helped facilitate more than 1,500 infrastructure and economic development projects resulting in an estimated \$3 billion dollars of economic development across the State of Ohio.

I support the passage of SB19 because it will clarify and codify what has been standard property tax practice in the state of Ohio since the first wetland mitigation projects were begun in 1992. I want to clarify that this is not a new property tax exemption. The lands we have owned have been tax exempt for many years. This legislation is intended to clarify a very narrow exemption, that lands owned by non-profit natural resource-based organizations established in section 501(c)(3) of the Federal tax code are tax exempt. This includes lands that are restored for compensatory mitigation as well as lands that are restored for other purposes, such as the H2Ohio program.

Having listened to last week's sponsor testimony from Senator Schaffer, I will proactively respond to the questions he received and say that we had a project impacted by a county's decision to break with more than 20 years of settled tax law and apply property taxes; despite the fact that we are a 501(c)(3), the fact that the property was being used for wetland mitigation, and finally the fact that the property was transferred to the local county park district. We have paid property taxes going back to 2008 in the affected county (because the county sought previous tax years.) While not a devastating number for a single project or a single county, if that were to be multiplied across all projects, it would be significant to non-profits and the projects we support.

Mr. Chairman, this concludes my testimony. I want to thank Senator Tim Schafer for introducing SB19, as well as the 22 other members of the Senate from both parties who became co-sponsors of this bill. I urge this committee's favorable support and I would be happy to take questions from you and members of the committee.