

Representatives Thomas Hall and Bride Rose Sweeney

Sponsor Testimony for House Bill 93, Brownfield Remediation Funding House Finance Committee May 20, 2025

Rep. Hall

Chairman Stewart, Vice Chair Dovilla, and members of the House Finance Committee, thank you for the opportunity to testify on behalf of House Bill 93 which would establish a stable, dedicated funding source for the Brownfield Remediation Program and make several changes to the program's structure and application process to ensure state funds are used more effectively.

As many of you already know, Ohio's Brownfield Remediation Program is a vital economic development tool through which the state provides grant funding to local governments, non-profits, or for-profit developers to support the assessment and cleanup of environmentally contaminated sites that have been abandoned by their previous owners. Representative Sweeney and I first introduced this legislation in the 135th General Assembly in an effort to address some of the concerns that had been raised by our constituents and the community development community about how the program was operating. To that end, we see HB93 as more of a framework through which we hope to work together with the committee to make changes to the Brownfield Remediation Program that benefit all 88 counties and ensure that we are making the best use of taxpayer dollars.

The first goal of this legislation was to establish a stable, dedicated funding source for the Brownfield Remediation Program, rather than requiring the General Assembly to reappropriate funds every two years. Because brownfield remediation projects are often large, multi-phase projects that can span many years, funding reliability and consistency are of particular importance to brownfield developers and project applicants. They will want to know, for example, that if they make the initial investment to complete a site assessment, a necessary first step for any remediation project, there will still be state funding available to support the necessary cleanup work in the next phase. Since brownfield site cleanup and development rarely work on the 2-year budget cycle that we work on, making a change that demonstrates the state's commitment to this work would give developers more confidence to move forward with their planned projects. HB93 seeks to provide this dedicated funding source by earmarking a portion of the excess liquor franchise profits that JobsOhio returns to the state every year, however, we also see this as the start of an ongoing conversation with this committee and remain open to feedback.

Rep. Sweeney

The second goal of this legislation is to reform the first-come, first-served application process to ensure projects are assessed based on merit and to ease some of the overly burdensome requirements that prevented smaller counties from being able to take full advantage of the program. The requirement that all applications in a given county be submitted through a designated "lead entity" was burdensome and oftentimes meant a small, 1-2 person team would be responsible for submitting dozens of applications in a matter of minutes. We heard from many constituents and business owners who were frustrated by the rushed application process that seemed to prioritize how fast the lead entity could click "submit" over the strength of their project's application. Additionally, long wait times between the initial application and the funding announcement led to project delays and a scramble to secure a contract with one of the few firms able to complete the required assessment and remediation work.

Instead, we would advocate for a project application process that utilizes a merit-based evaluation and accepts applications on a rolling basis, with a resolving process so that applications can be submitted when they are ready and revised as needed. This would alleviate the current scramble for funds when the application portal opens and create a level playing field for areas of the state that may not have the technical expertise or staff necessary to get their local projects over the finish line. While HB93 addresses these concerns by resurrecting an updated version of the Clean Ohio Council, we would be in favor of any reforms that seek to address these core issues in collaboration with the Department of Development and the program's end users. Furthermore, we would be supportive of changes to the set-aside that each county would be guaranteed to ensure that communities of all sizes in every corner of Ohio can take advantage of the program.

Funding for brownfield remediation represents a significant opportunity to spur further community revitalization and economic growth in Ohio. An economic impact study conducted by the Greater Ohio Policy Center found that the economic return on investment was nearly \$5 for every \$1 invested by the state. As Ohio looks to create more construction-ready sites that will attract new business to our state, we can both mitigate harm and create new economic opportunity by redeveloping existing brownfield sites rather than paving over green space or displacing agricultural land. In addition to the incredible economic return on investment, remediation projects also help address pollution and environmental concerns, improve public health conditions, and enhance our constituents' overall quality of life.

As many of you already know, the House-passed version of this year's state operating budget included a \$250 million appropriation for the Brownfield Remediation Program but left many of the other issues we have outlined today unaddressed. While maintaining funding for this program is critical, it is also important to address the necessary programmatic changes to ensure we are using taxpayer dollars as efficiently and effectively as possible. Whether it's HB93 or further changes to the budget before final passage in June, I hope that we will continue to work together to deliver a program that is not only well-funded but responsive to the needs of communities across Ohio.

Thank you for the opportunity to testify today; we would be happy to answer any questions you may have.