



February 26, 2025 – Ohio House of Representatives Natural Resources Committee Testimony of Director Anne Vogel on House Bill 96

Good morning, Chairman Jones, Vice Chair Robb Blasdel, Ranking Member Rogers, Jr., and House Natural Resources Committee members. My name is Anne Vogel, Director of the Ohio Environmental Protection Agency. Thank you for letting me speak to you today about Ohio EPA's fiscal year 2026 – 2027 budget requests.

Ohio EPA Overview

Since 1972, Ohio EPA has been committed to its mission of protecting the environment and the well-being of Ohioans across the state. We do this through regulatory programs that ensure Ohio has clean water and air while also assuring Ohio is protected from environmental spills and releases. Ohio EPA is the delegated authority by U.S. EPA to oversee federal environmental regulations at the state level, subject to certain conditions and requirements. These include the Clean Water Act (CWA), Clean Air Act (CAA), Safe Water Drinking Act (SWDA), Resource Conservation and Recovery Act (RCRA), and National Pollutant Discharge Elimination System (NPDES). By assuming these responsibilities, Ohio EPA protects human health and the environment while ensuring the state meets federal standards.

Ohio EPA employs 1,050 professionals who permit new development projects, respond to environmental emergencies, inspect regulated facilities, investigate environmental complaints, provide financial and technical assistance, and coordinate environmental education and outreach programs. As a leader among state environmental agencies, Ohio EPA staff are recognized nationally in their respective fields for providing their expertise to Ohio businesses and communities. Ohio EPA has office space for all staff and will be in the office full-time by the Governor's designated date.

Ohio EPA has five district office locations throughout the state, including downtown Columbus and district offices in Bowling Green, Dayton, Logan, and Twinsburg. These locations allow our team to maintain a strong statewide presence and positively engage in the communities they serve.

Additionally, Ohio EPA operates a laboratory at the Ohio Department of Agriculture campus in Reynoldsburg, where staff analyze over 100,000 tests annually to detect pollutants in drinking, ground and surface waters, sediment, air, and fish tissue. The agency also has a field office in Groveport that houses the Office of Emergency Response, which is available to respond to spills and other environmental emergencies 24 hours a day, seven days a week. In 2024, Ohio EPA staff received and acted upon 2,098 spills across the state.

Budget Overview

Ohio EPA's budget request is \$277 million for Fiscal Year 2026 (5.2% decrease) and \$285.2 million (3% increase) for Fiscal Year 2027.

The decrease from Fiscal Year 2025 is primarily due to a \$16 million reduction in federal funding previously allocated for one-time federally funded projects that will not occur in FY 2026 – 2027. Other decreases

include a reduction in maintenance and contracting services. The increase in Fiscal Year 2027 reflects staffing changes and the request for cybersecurity resources for water infrastructure.

H2Ohio

Thank you to the General Assembly for its continued support of H2Ohio. Ohio EPA received \$25 million in the last biennium and requests the same appropriation. This money funds critical water and wastewater infrastructure projects, especially in economically disadvantaged Ohio communities. This money is often last-mile funding, allowing local projects to reach completion. We have shared lists of H2Ohio projects in each of your districts, and I have found that every town or village needs something when it comes to water or wastewater infrastructure. H2Ohio can uniquely fill funding gaps that other programs cannot address.

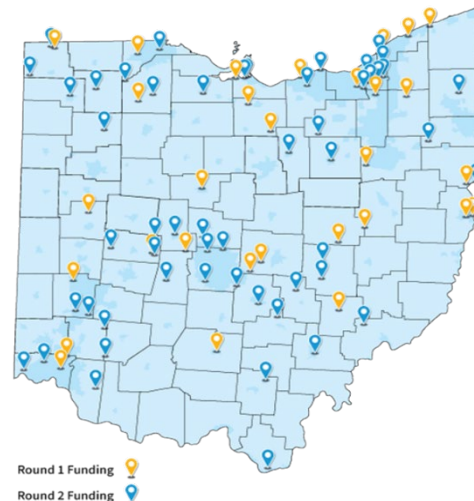
H2Ohio Rivers

Ohio EPA received \$15 million in the last biennium for the H2Ohio Rivers Program and again requests the same appropriation. H2Ohio Rivers focused on three key areas:

1. Chloride Reduction Grant Program

This program helps communities manage road salt application and reduce chloride pollution in Ohio's waterways. Chloride enters surface waters from roadways and stormwater runoff which is an increasing water quality concern across Ohio. These funds support upgrades to road salt application equipment and storage facilities to improve salt storage and provide tools to reduce the over-application of road salt. We have also partnered with the Ohio Department of Transportation on best practices education.

Projects include purchasing brine makers, live edge/articulated blades, calibration and spreader control systems, and facility upgrades such as poured concrete and permanent storage covers. Ohio EPA has funded two grant rounds totaling \$4.3 million in 84 communities.



2. Dam Removal Program

Ohio EPA has funded removing or modifying deteriorating dams that harm water quality through oxygen depletion, sediment buildup, and interrupted fish migration. \$10.3 million has been allocated to feasibility studies, design, and construction. In the first year, projects were funded for four dams in Troy and Piqua (Miami County) and the McDonald Steel/Girard Dam (Trumbull County). In the second year, projects were funded in Levittsburg (Trumbull County), Sydney (Shelby County), and New Philadelphia (Tuscarawas County).

3. River Sampling Program

Ohio EPA dedicated \$1.1 million to assess PFAS (per- and polyfluoroalkyl substances) in Ohio's large rivers. PFAS, often called "forever chemicals," are manmade compounds used in producing numerous consumer and industrial products and are associated with potential health risks.

This first-of-its-kind assessment in Ohio sampled 149 river locations across the state for PFAS in water, fish tissue, and macroinvertebrates. The results showed that majority of samples were below the U.S. EPA's draft aquatic life criteria, the conditions necessary for aquatic life to thrive, and provide a baseline understanding of PFAS presence in Ohio's large rivers.

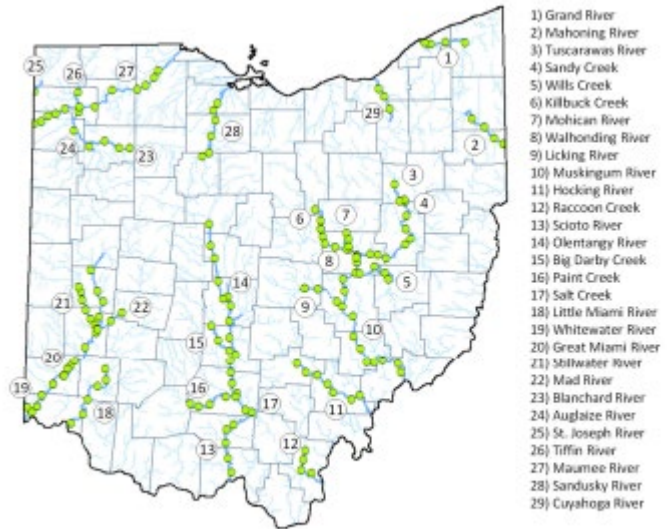


Figure 1 - Ohio's large rivers and sampling locations included in the 2020-2021 survey.

Long-Term Fee Sustainability

Ohio EPA's primary revenue source is permits, licenses, and waste disposal fees, which account for approximately 70% of our requested appropriation. These fees support programs such as scrap tire remediation, public water system licensing, operator certification, and wastewater system permitting. Without these permits at the state level, Ohio industries would be subject to additional federal requirements.

Ohio EPA fees sunset each biennium. I want to thank the General Assembly for its continued support of our existing fees, allowing our team to continue the important work of protecting Ohioans. To my knowledge, Ohio EPA is the only state agency with fees that expire each biennium, and I am requesting that these fees be extended permanently.

Fee Eliminations

Ohio EPA proposes eliminating two fees to reduce burdens on industry and businesses. These fees generate minimal revenue for the agency:

- The \$140 registration fee and triennial renewal fee for infectious waste generators. Infectious waste generators include businesses or organizations that produce waste capable of spreading infectious diseases (hospitals, clinics, medical offices, laboratories, veterinary clinics, tattoo parlors, etc.). This fee affects about 500 entities. The registration process for infectious waste generators will remain the same.
- The tax certification fee is one-half of one percent for obtaining an industrial water pollution control certificate. Businesses installing industrial water pollution control facilities may qualify for a tax exemption for equipment that prevents, controls, or treats water pollution from industrial operations. The Ohio Department of Taxation oversees the program in consultation with Ohio EPA. Ohio EPA currently collects between \$500 and \$1,000 per tax certification, generating about \$30,000

annually. Only the fee collected by Ohio EPA will be eliminated, and businesses can still use the certificate to make tax-exempt purchases on qualifying equipment.

Reduced Fee for Streamlined Waterline Extension Plans

Ohio EPA is asking for the ability to charge a reduced fee for streamlined waterline extension projects. Ohio EPA will propose an alternative streamlined process that will be available to all water systems through rulemaking in FY2025. For the program to be successful, a reduced fee structure would be required to align with the streamlined review requirements of the current self-certification provision.

This proposed language would not alter existing fees but expedite approvals by allowing smaller or simpler projects to qualify for lower review fees. The projects would meet specific criteria, such as new waterline construction, extensions, or improvements to existing systems. The goal is to reduce applicants' approval wait time.

Applicants currently pay \$150 + 0.35% of the estimated project cost.

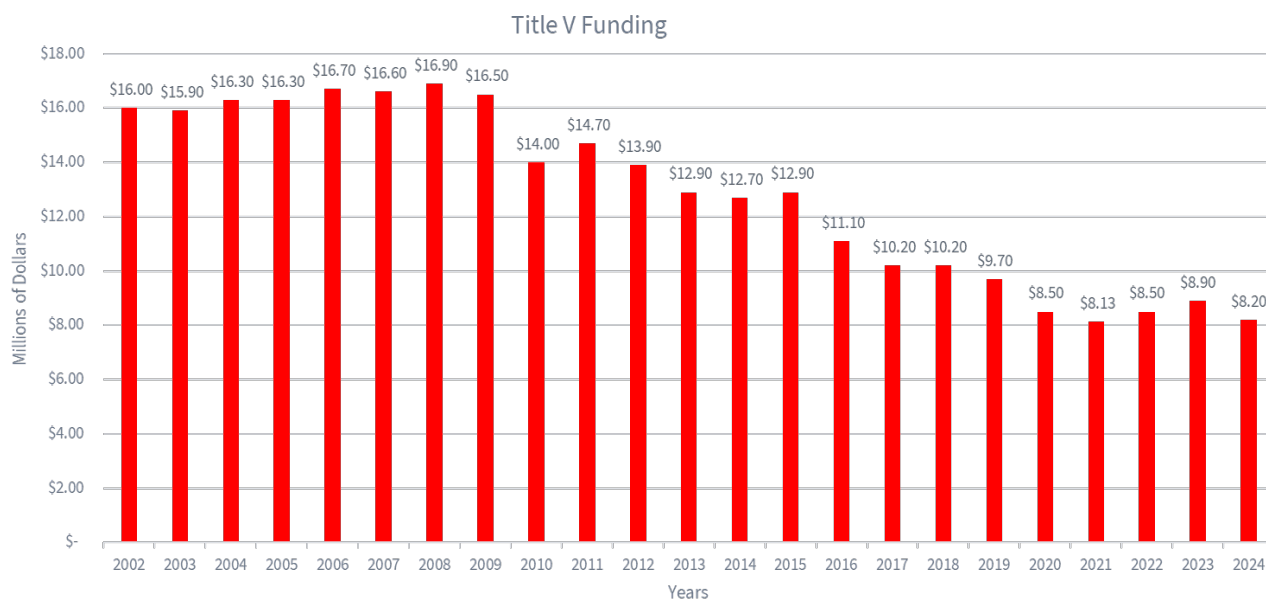
Division of Air Pollution Control (DAPC) Fees

Ohio EPA requests to modernize the Division of Air Pollution Control fees to ensure long-term program sustainability, as the program faces a \$7 million shortfall in the next biennium. The Air Division ensures compliance with the federal Clean Air Act (CAA), which has improved Ohio's air quality due to significantly fewer emissions. However, these improvements have resulted in less revenue, while federal air permitting requirements have not changed.

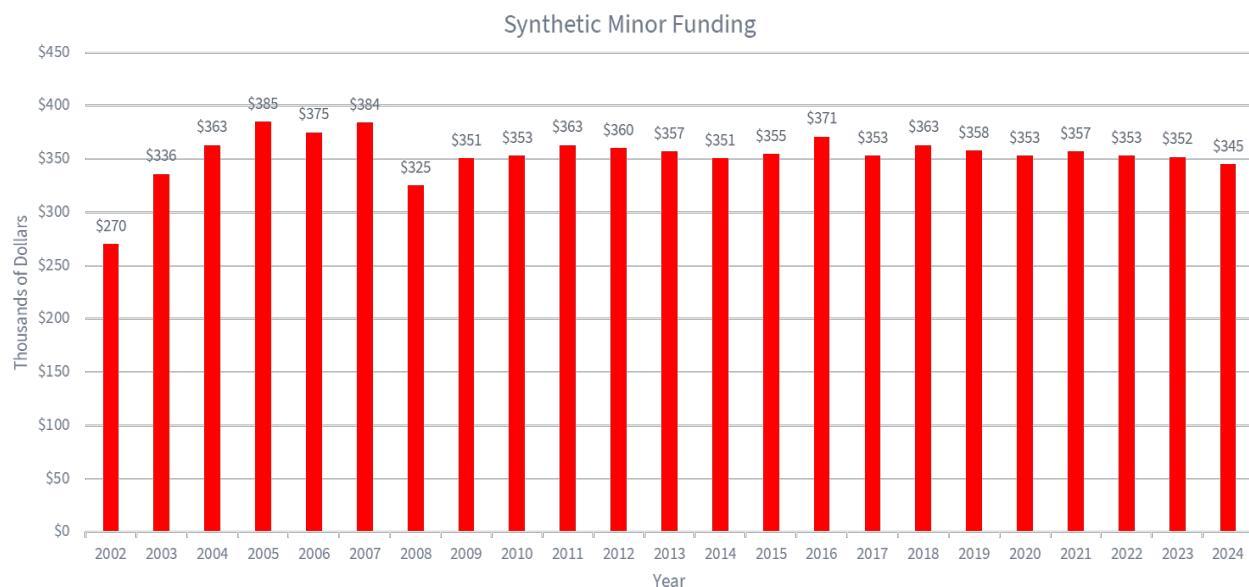
The Clean Air Act establishes a framework for permitting major air pollution sources through the Title V program. Ohio facilities receive Title V permits from Ohio EPA that detail various air quality standards, monitoring requirements, compliance conditions, and reporting obligations that facilities must meet. Ohio adopted its Title V fee structure in 1993, beginning at \$25 per ton (up to 4,000 tons per pollutant). This number is slightly adjusted annually based on the Consumer Price Index.

509 Title V facilities in Ohio pay approximately \$8.5 million annually in fees. More than 100 facilities (24%) pay less than \$1,000 annually for fees. Utility plant closures make up a significant portion of declining revenue. For example, six utility plants¹ have closed since 2014. Each paid about \$400,000 annually, totaling \$2.4 million.

¹ Conesville Power Plant (2020), Zimmer Power Station (2022), Killen Generating Station (2018), W.C. Beckjord Station (2014), Avon Lake Power Plant (2022), and W.H. Sammis Plant (2023)



Ohio EPA also issues synthetic minor permits to facilities that voluntarily limit emissions to avoid regulations like Title V permitting. Synthetic minor facilities are assessed based on the total tons emitted per year. The fee ranges from \$170 to \$3,350. Ohio has approximately 780 synthetic minor facilities that pay approximately \$350,000 annually, and about 450 of those facilities pay \$170 annually.



Ohio EPA also requires a permit-to-install (PTI) fee that ranges from \$25 to \$9,000. The exact cost depends on several factors, including facility size, type of equipment, and environmental impact. In 2024, 737 PTI construction permits were issued, totaling \$1.1 million, with an average cost of \$1,540.

Year	Number of Invoices	Total	Average Cost
2010	677	\$689,809.81	\$1,018.92
2011	817	\$850,258.93	\$1,040.71
2012	954	\$931,806.38	\$976.74
2013	1,081	\$1,340,244.75	\$1,239.82
2014	1,001	\$1,184,293.11	\$1,183.11
2015	1,054	\$1,757,692.41	\$1,667.64
2016	1,003	\$1,341,500.38	\$1,337.49

2017	912	\$1,215,273.77	\$1,332.54
2018	821	\$1,239,007.23	\$1,509.14
2019	837	\$1,181,457.20	\$1,411.54
2020	700	\$887,489.57	\$1,267.84
2021	667	\$762,687.50	\$1,143.46
2022	612	\$834,038.37	\$1,362.81
2023	698	\$955,320.48	\$1,368.65
2024	737	\$1,134,975.97	\$1,539.99

The Air Division has relied on reserve funding to subsidize its operations for several years. The Title V program costs nearly \$10 million but only generates \$8 million in revenue. Without increased funding, there is a possibility U.S. EPA may have to take over certain cases or programs, requiring Ohio industries to engage with U.S. EPA Region 5 in Chicago for permit changes, enforcement, and compliance instead of Ohio EPA staff. U.S. EPA would also charge an annual fee for program oversight.

A 2022 U.S. EPA report highlighted a national decline in Title V revenues, identifying Ohio as a state with unsustainable Title V fees. In the same report, Indiana was also identified as having unsustainable fees. In October 2022, the Indiana Division of Environmental Management (IDEM) received a letter from U.S. EPA stating that it would assume permitting responsibilities if the state could not secure sufficient funding for the Title V program. The Indiana General Assembly enacted legislation to address the funding shortfalls in 2023.

Ohio EPA's request follows a model recently implemented in Indiana. The additional revenue generated by this proposal will maintain air permitting operations and ensure timely permit issuance and support for Ohio's companies. It is not intended to hire additional staff or create new programs.

Ohio EPA is proposing the following fee changes to support the air permitting program:

Fee	Number of Facilities	Current Fee	Current Revenue	Proposed Change	Increased Revenue	Total
Title V	509	\$25 per ton	\$8,455,000	\$5,000 Base Fee	\$2,545,000	\$11,000,000
PTI Fee	737	Varies	\$800,000	50% Increase	\$400,000	\$1,200,000
Synthetic Minor	791	\$170 - \$3,350 Annually	\$350,000	50% Increase + \$5,000 Base Fee	\$4,121,000	\$4,471,000
Total	2,037	--	\$9,605,000	--	\$7,066,000	\$16,671,000

Approximately 500 Title V (large) and 775 synthetic minor (medium) companies will pay additional annual fees. Most Ohio businesses will not be affected. There will be no fee increase for approximately 15,000 small Ohio companies.

Solid Waste

Ohio EPA is working closely with members of the General Assembly to provide additional resources to communities facing solid waste management challenges. The proposed budget includes changes to disposal fees and public participation requirements in solid waste permitting.

Ohio generally accepts two types of waste at solid waste facilities: solid waste and construction and demolition debris (C&DD). Solid waste landfills currently can accept construction and demolition debris at \$1.60/ton and solid waste at \$4.75/ton.

The proposed language streamlines waste acceptance fees at only solid waste landfills, so both solid waste and construction and demolition debris are charged the same solid waste fee of \$4.75/ton. This would result in a revenue increase at solid waste landfills that also accept construction and demolition debris. The change would not affect construction and demolition debris landfills. If enacted, local health departments would receive additional funding for regulatory oversight at solid waste facilities.

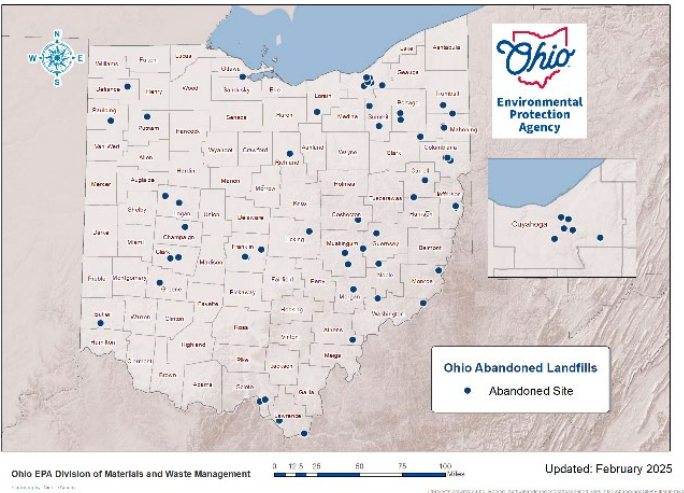
Ohio EPA oversees solid waste facilities but can grant oversight authority to local health districts. Today, 60 of Ohio’s 113 local health districts are approved to manage facility licenses, inspections, and enforcement actions. These approved health districts are responsible for issuing facility licenses, performing facility inspections, and initiating enforcement actions against owners and operators failing to comply with Ohio’s environmental regulations.

Historically, local health districts received no funding from solid waste fees collected at solid waste facilities. The proposed solid waste disposal fee change will fund our local health district partners to perform inspections, respond to complaints, and ensure solid waste landfills operate compliantly in their communities. Ohio EPA proposes for waste disposed at a solid waste facility, \$0.45 per ton go to health departments. This will generate more than \$9 million in funding, including more than \$7.7 million in new funding compared to the construction and demolition debris fee.

Solid Waste Disposal Fee Distribution	Current	Proposed
Ohio EPA’s hazardous waste program	\$0.71	\$0.55
Ohio EPA’s solid waste program	\$0.90	\$0.90
Local health departments (delegated solid waste program)	---	\$0.45
Environmental protection fund	\$2.81	\$2.15
Soil and water conservation districts	\$0.25	\$0.25
National priority list remedial support	\$0.08	\$0.06
Recycling and litter prevention grant program	---	\$0.18
Environmental protection remediation (abandoned landfills)	---	\$0.21
Totals	\$4.75	\$4.75

Over \$4 million in new revenue generated by this fee would also support a remediation program to address over 100 legacy abandoned landfills and open dumps across the state, which pose serious environmental and health risks. Additional revenue will also be reallocated to existing programs.

The proposed budget also aims to enhance public participation requirements for solid waste permitting. It would require permit applicants to evaluate the potential impacts of a proposed landfill on the host community, improve public notice for



meetings, and maintain a dedicated website with project information. Finally, the applicant would be required to hold a new public community involvement session to discuss a new community impact assessment that evaluates the effects of the proposed facility on the local economy and explores ways to minimize the effects on the surrounding community.

Economic Development and Infrastructure

Ohio EPA supports economic development by helping businesses and communities comply with environmental regulations while promoting sustainable growth. The Voluntary Action Program (VAP) focuses on redeveloping contaminated sites (brownfields) by providing financial assistance and regulatory support to encourage responsible development. Below are a few recent VAP successes:

- **Karl and Jan's (Village of Hamler, Henry County):** This property utilized Ohio EPA's Targeted Brownfield Assessment and Department of Development Brownfield Remediation dollars to investigate and remediate the property for future re-use and development. The Property was previously used as a bulk petroleum fuel storage facility from the late 1950s to the early 1990s. Existing underground storage tanks were removed, and the property was remediated to meet unrestricted residential use standards. It ultimately received a Covenant not to Sue from Ohio EPA on February 11, 2025.
- **Highland Park/City View Center property (Garfield Heights):** This has been a legacy project with Ohio EPA due to the closure of two former landfills that operated on the property from 1960 – 1978. The property sat dormant until the early 2000s when City View Shopping Center was redeveloped. Ultimately, anchor tenants vacated the property from 2008-2015 due to structural damage caused by settlement and subsidence of the landfills. The property is currently occupied by commercial businesses.
- **Brook Park (Cuyahoga County):** This property utilized the VAPs technical assistance program and Department of Development Brownfield Remediation dollars to investigate and remediate for future re-use and development. The 208-acre property is located on a portion of the Ford Motor Company Cleveland Campus, historically used to manufacture and assemble automotive engines dating to 1950. A VAP Covenant not to Sue was issued on May 3, 2024. The proposed re-use of this Property is currently slated for a new, state-of-the-art football stadium for the Cleveland Browns.

Ohio EPA Division of Surface Water regulates over 3,900 National Pollutant Discharge Elimination Systems (NPDES) throughout Ohio. Ohio EPA provides these facilities with technical assistance, inspections, data review, and compliance assistance. These facilities range from small restaurant owners and municipally owned wastewater treatment plants to private companies, including Intel, Honda, and Ultium Cells Battery Plant. On average, Ohio EPA issues over 700 NPDES permits and renewals annually.

- **Anduril (Columbus):** Ohio EPA is working with the company on the air and water permitting needed for this facility. Once constructed, it will employ 4,000 people and build drones, military technology, etc.
- **Louis Dreyfus Company (Upper Sandusky):** Ohio EPA issued the permits and modified a Total Maximum Daily Load (TMDL) to allow this project to discharge in Upper Sandusky, Ohio. This project will employ over 100 people and process 1,500,000 metric tons of soybeans annually.

The budget also includes a request for Ohio EPA to establish an isolated wetland banking program to simplify the slow and laborious federal permitting process. Isolated wetlands are disconnected from other surface water sources, such as rivers, streams, or lakes.

When a development project impacts streams or wetlands, developers must provide mitigation credits to offset the impacts. These credits represent the restoration, creation, or enhancement of wetland areas that replace the functions lost due to the development project.

Typical developers can purchase credits at mitigation banks in Ohio. An influx of economic development projects has caused a shortage of available credits. This proposal would allow the Ohio EPA director to approve banks independently of federal regulations to address the expected rise in isolated wetland impacts following the [U.S. Supreme Court's decision in Sackett v. U.S. EPA](#).

The proposal also grants the agency rulemaking authority to administer a state program for reviewing and approving bank and in-lieu fee proposals. The wetland in-lieu fee program is an alternative to traditional wetland mitigation that offers developers the option to pay a fee rather than restore or create wetlands or purchase credits from a mitigation bank. The authorized entity then uses the collected fees to fund wetland restoration, creation, or enhancement projects.

Environmental Protection Remedial Fund

Ohio EPA requests a change to allow employees and contractors access to properties to perform site remediation. Statute does not explicitly allow Ohio EPA to enter these locations, often leading to clean-up delays. If Ohio EPA is required to act through enforcement, money will be used in the environmental protection remediation fund to clean up these sites. Access is necessary when funding is available to perform clean-ups and remediation activities. If enacted, the proposed language would ensure timely remediation of contaminated sites receiving clean-up funding.

Scrap Tire Remediation Program

The agency's tire cleanup program removes scrap tires that pose health and safety threats to communities. Each year, more than 12 million scrap tires are generated in Ohio. While many are recycled or properly disposed, some end up in stockpiles or illegal dumps throughout the state. These open dumps harm public health and the environment, particularly through mosquito breeding and fires. In FY2024, the program successfully removed 231,219 scrap tires from 217 sites, including 180 public properties and 37 private properties, at a cost of \$1.1 million.

Ohio EPA greatly appreciates the General Assembly's support of scrap tire program changes in the last biennium that have improved the delivery of services to Ohio's communities and businesses. This next round of proposed changes will further reduce the number of dumped tires and provide more opportunities for the state to partner with communities and organizations dedicated to keeping Ohio beautiful.

Ohio EPA requests the eligibility for the Scrap Tire Cleanup Program be expanded to include properties where scrap tires were placed before being acquired by a land bank or accumulated during community cleanup events. The proposed language also supports agency enforcement authority and site remediation for solid waste and construction and demolition debris open dumping. Scrap tires are usually not the only waste present on sites, and Ohio EPA wants to be able to clean up all waste.

E-Check

Ohio EPA requests continued General Revenue Fund (GRF) appropriation of \$27 million over the biennium to administer the E-Check program in Northeast Ohio.

Under the federal Clean Air Act, Ohio is required to maintain a mobile source emissions control program in areas that do not meet federal air quality standards for ozone, which is currently seven counties in Northeast Ohio. Every two years, drivers in these counties must take their vehicle in for an emissions test at a test station, self-service kiosk, or repair shop to renew their vehicle registration. The self-service kiosks allow motorists to test their vehicles conveniently 24 hours a day, seven days a week.

Continued funding is critical to prevent reductions in federal highway funding and to avoid additional regulations that could hinder economic development in the Northeast Ohio region. Thanks to support from the General Assembly, E-Check is provided at no cost to drivers. This appropriation for the upcoming biennium will ensure the program remains free and all current stations and self-service kiosks remain open.

Cybersecurity

Finally, Ohio EPA requests \$8 million in new GRF funding (\$2 million for SFY26 and \$6 million for SFY27) to implement a cybersecurity grant program for Ohio's public water utilities. This program will provide grants to perform cybersecurity assessments and address vulnerabilities identified. The grants will be open to public drinking water and wastewater systems, with funding prioritized for drinking water systems. A third party will be contracted to manage the program with direct input and oversight from Ohio EPA.

Ohio EPA is working to implement this plan in coordination with the CyberOhio Office and Cyber Reserves and in partnership with Ohio water utilities.

Conclusion

I am excited about the opportunities this budget request presents for Ohio EPA to continue improving the lives of Ohioans around the state. I believe Ohio EPA plays a pivotal role in why businesses choose to build here and why people choose to live here. As the Ohio EPA Director, I hope to continue to empower our team and strengthen our role in Ohio to keep this time of great opportunity rolling. Thank you for your time today. I am happy to answer any questions you may have.