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May 14, 2025

**Ohio Chemistry Technology Council Testimony
Interested Party to House Bill 96**

Chairman Schaffer, Vice Chair Koehler, Ranking Member Hicks-Hudson and members of the Senate Agriculture and Natural Resources Committee, my name is Andy Swaim. I am the Vice President of the Ohio Chemistry Technology Council (OCTC). Thank you for the opportunity to provide interested party testimony for House Bill 96.

The Ohio Chemistry Technology Council (OCTC) would like to express our support for the Ohio Environmental Protection Agency (OEPA) air permit fee increase in the as-introduced version of House Bill 96 (HB 96). The fee increase is a necessary update to ensure that our members can continue to comply with our obligations under the Clean Air Act. OCTC believes that the House amendments to the proposed fee structure would not provide a long-term solution to funding challenges at OEPA.

The OCTC represents manufacturers that require air permits. These permits ensure that our members are in compliance with federal regulations under the Clean Air Act reauthorization of 1990. The program is operated by OEPA's Division of Air Pollution Control (DAPC) in accordance with the state implementation plan (SIP) for Ohio. The division reviews, issues, and enforces permits for installation and operation of sources of air pollution and operates an extensive outdoor air monitoring network.

DAPC is an essential partner to Ohio industry. It is important that the agency has the necessary funding to issue timely permits and decisions. The agency has operated in good faith to steward funds over many years to prevent having to request a fee increase since the reauthorization of the program in 1990. The air permit program currently operates under an emissions-based fee structure in order to incentivize permit holders to reduce emissions and therefore fees. Since the inception of the program, statewide air emissions have greatly reduced resulting in improved air quality for Ohioans. A consequence of these reduced emissions is a significant reduction in DAPC annual revenues.



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JENN KLEIN, PRESIDENT

OCTC has been involved in stakeholder discussions with OEPA for well over a year regarding the restructuring of air permit fees. After numerous meetings and discussions, OCTC member companies chose to support the as-introduced language for the following reasons:

- OEPA has justified the need and purpose of the fee increase;
- OEPA's proposal is competitive with our surrounding states and does not disadvantage Ohio companies; and
- OEPA's air fees are only used to ensure compliance with the Clean Air Act and is not used to subsidize other programs within the agency.

The Ohio House of Representatives passed an amended version of these fees. The House-passed language is a more extreme version of the existing fee structure that is especially punitive to certain industry sectors. This proposal would put OEPA in the same situation that we are currently in, meaning further anticipated emission reductions would significantly negatively impact OEPA's ability to operate the air program. OCTC believes the House-passed language would result in frequent substantial fee increases year over year. That uncertainty will have negative impacts on Ohio businesses.

While fee increases are never ideal, OCTC believes that in this case they are both justified and fair. We believe that the as-introduced version of the fee proposal will provide the most stability and certainty to Ohio industry moving forward. As such, we respectfully request that you consider reverting the proposed fee increase to the as-introduced version of HB 96.

We appreciate your leadership and attention on this important issue, and we welcome any and all opportunities to collaborate with our public policymakers. Please reach out if we can provide any additional information on this issue.

About OCTC

OCTC is the leading advocate for Ohio's chemistry industry. Ohio is the third largest chemical manufacturing state in the country. The chemistry industry in Ohio employs more than 40,000 people, pays an average annual wage of over \$100,000, and contributes more than \$31 billion to the state's economy.