

**Ohio Senate Finance Committee
Interested Party Testimony
House Bill 96**

Mary Turocy, Director of Policy and Government Relations
The Nature Conservancy in Ohio
May 30, 2025

Good morning Chairman Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson and members of the Senate Finance Committee. Thank you for the opportunity to provide testimony as an interested party on House Bill 96, the FY2026-27 biennial budget.

The Nature Conservancy is a global organization with chapters in all 50 states and projects in over 80 countries. We are a non-partisan, science-based organization that seeks to conserve the lands and waters on which all life depends. We work collaboratively with businesses, farmers, sportsmen groups, government, and local communities to develop pragmatic solutions to conservation challenges, including land conservation, water quality, and air pollution. More than 65,000 Ohioans are supporters of The Nature Conservancy and we own and manage 25,000 acres of nature preserves throughout the state. We invite any of you to visit our seven open preserves and enjoy the unique places that make Ohio a great place to live, work and play.

The Nature Conservancy supports Governor DeWine's proposed funding levels for the critically important agencies that protect Ohio's lands and are working to improve our water quality, including the Ohio Department of Agriculture (ODA), the Ohio Environmental Protection Agency (EPA), the Ohio Department of Natural Resources (ODNR), and the Lake Erie Commission (LEC). The funding levels in the As Introduced version of the budget would adequately fund the protection of Ohio's natural areas through invasive species control, wetland mitigation, plugging orphaned gas and oil wells, and optimizing Ohio's agricultural lands. These tasks will ensure that Ohio's natural spaces and working lands remain productive and beautiful for generations to come. We are excited to be a partner with the Administration, the General Assembly and other key stakeholders in many of the efforts by these agencies to continue to preserve and improve Ohio's natural resources and agricultural legacy. In addition to our general support, we would like to call your attention to a few specific items in the House version of HB 96:

Restore funding for the H2Ohio water quality initiative

Ohio's abundant freshwater makes it unique and a vital resource for Ohioans drinking water, quality of life, and an asset for businesses interested in locating here. Plentiful, clean water is

incredibly important to our lives today, and to future Ohioans. We have a responsibility to our families and businesses to provide consistently available and healthy water in Lake Erie and throughout the state.

TNC enthusiastically supports the Governor's proposed funding for H2Ohio in his budget. Since the Toledo Water Crisis in 2014, when over 500,000 Ohioans could not drink or use their water because of a harmful algal bloom in Lake Erie, Ohioans have implored the state to take action to address water quality issues in the lake and across our state. During the water crisis, restaurants, companies, hospitals, and just everyday people needing to bathe their children, relied on clean water and suffered when it wasn't available. Thanks to the foresight of Governor DeWine and the members of the 133rd General Assembly, the H2Ohio program launched in 2019 to begin to tackle the dangerous risks from algal blooms and other threats to clean water. H2Ohio is an innovative, flagship approach to improving Ohio's water resources. Indeed, as a part of a global organization, I have been approached by colleagues and partner organizations in other states and countries asking, "how do we get an H2Ohio?" H2Ohio has helped the State meet its commitment to reducing the nutrients that run off into Lake Erie and ensuring that all of Ohio's communities have clean water for their families to drink, businesses to use, and places to play.

This problem was not created in six years, and it will take more than six years to address it. The science shows that addressing issues like nutrient runoff that causes algal blooms in Lake Erie and improving water quality statewide requires sustained investment over time. Unfortunately, changes to the program made in the House version of this bill will hobble the administering agencies' ability to continue yielding the same exceptional results the program has been able to achieve since its inception. The House version of HB 96 includes a 45% budget reduction on average across all administering agencies to H2Ohio funds. Reduction at this level undermines the investments that are currently paying off in cleaner water for Ohioans.

Through the efforts of ODNR and partners like TNC, over 16,000 acres of wetland across the state have been created, restored, or enhanced with H2Ohio funding. These wetlands will filter water from runoff coming from more than 90,000 acres of land. Not only will these wetlands filter nutrients from the water, acting as "nature's kidneys," but they provide a number of ancillary benefits to people and nature – including increased habitat for wildlife and opportunities for people to enjoy outdoor recreation, as well as improving air by pulling out carbon dioxide and producing oxygen. ODNR also administers some of H2Ohio's river programs, improving water systems all around the state. To date, the program has protected over 1,500 acres of high-quality riparian corridor, surveyed over 150 high priority water quality sites, and removed over 450,000 pounds of trash from Ohio's rivers and streams. Continued funding for this program will ensure that Ohio's rivers offer welcoming places for Ohioans to fish, swim,

and boat, enjoy ecologically productive wildlife habitats, and source dependable clean drinking water. This important work is at risk of being discontinued if the funding cuts proposed in the House are to remain.

The Ohio Department of Agriculture has been using H2Ohio funds to work with over 3,200 farmers and agriculture producers - enrolling 2.1 million acres in the Western Lake Erie Basin in at least one practice to reduce nutrient runoff into the Maumee River watershed and Lake Erie. Recently they expanded this program statewide to benefit other communities and prevent the levels of nutrient runoff from getting to crisis levels in other watersheds around the state. If budget cuts remain, it would likely be necessary to end the statewide program and to focus solely on the Western Lake Erie Basin. The Nature Conservancy works directly with farmers to support the adoption of sustainable agricultural practices, and we see the great benefit that these voluntary practices have on the health of Ohio's water and the health of our agricultural land and soil. For the wellbeing of all Ohioans, we would like to see this program continue to benefit farmers and water systems all around the state.

In addition to these benefits on lands throughout Ohio, the H2Ohio program allows the Ohio EPA to repair or replace failing home sewage treatment systems, replace lead service lines, and contribute to other infrastructure projects that impact the quality of Ohio's drinking water across the state. EPA's small "last mile" H2Ohio grants can quite literally mean the difference between a household or daycare in any corner of the state having clean water or water contaminated by lead. We were informed that of the 400 grants that Ohio EPA currently provides to communities, at most 200 could be funded if the funding cuts proposed in the House are to remain.

For these reasons, TNC thanks the Senate for your past support of H2Ohio and respectfully urges the Senate to restore H2Ohio funding to the levels in the As Introduced version of the budget.

Eliminate the prohibition on using H2Ohio funds for purchases of land or conservation easements

In addition to the cuts to H2Ohio funding, the House version of the budget included a provision that would prohibit the use of H2Ohio funds to purchase land or conservation easements. Land purchases and easements play a vital role in H2Ohio programs – allowing permanent protection of the land through a purchase or easement guarantees the land remains undeveloped and preserved, ensuring that the state's investment today remains to benefit future generations by filtering nutrients, reducing flooding, and sustaining communities for years to come. Moreover, without the ability to use H2Ohio funds for purchases and easements, it's not clear if the ODNR could continue to secure use of the land for their projects.

The H2Ohio program making land and easement purchases is popular with Ohioans. In a recent poll, 83% of Ohioans across the political spectrum supported spending state funds to improve habitats for plants and animals that rely on healthy rivers and lakes, and 84% supported improving drainage and restoring natural wetlands near farms to capture and filter fertilizers and other nutrients.

H2Ohio's work restoring and protecting wetland and river habitats also benefits the communities surrounding the projects. In addition to being a critical piece of Ohio's beautiful natural habitats, the waters and lands around H2Ohio sites can be an important way for Ohioans to work and play in the recreation, tourism, and sportsmen industries.

Outdoor activities like hiking, camping, hunting, fishing, and boating are major economic drivers. In 2022 alone, wildlife-based recreation, including hunting, fishing, and wildlife viewing contributed nearly \$12.5 billion to the state's economy. These activities supported nearly 80,000 jobs and generated \$4 billion in income. Moreover, studies have shown that, in Ohio, access to green spaces is linked to higher property values, higher satisfaction with living conditions, and a stronger sense of community.

Without the ability to purchase land, the H2Ohio program would have only limited access to much of the land needed to complete wetland restorations and without easements the benefits may be short lived. Easements are insurance on investments that have been used by conservation organizations and land trusts around the US for decades. It is also the one conservation tool for which a federal tax deduction is available to property owners.

TNC respectfully urges the Senate to remove the prohibition on using H2Ohio program funds to acquire land or easements.

Robust funding for other agency programs working to improve water quality and other environmental benefits

The Nature Conservancy appreciates the funding levels for the other programs under the Department of Natural Resources, Department of Agriculture, and OEPA in the House Passed version of HB 96 and thanks the House for its support of the agencies' efforts to improve and maintain the quality of Ohio's lands and waters. For example, ODNR oversees the Healthy Lake Erie program, which recently funded efforts to use dredged material to benefit lakeside communities rather than dumping it in the lake, and OEPA works to monitor and enforce limits on water pollution around the state. TNC encourages the Senate to also prioritize robust funding for these efforts in this budget.

For the Department of Agriculture, TNC supports funding to sustain the management of siting, construction, and oversight of large livestock facilities to ensure that Ohio's livestock are being raised in an environmentally healthy and responsible manner and that Ohio consumers can be confident in the sanitation and cleanliness of the products they are eating every day. We also support the budget highlighting the importance of investigating pesticide misuse and the dangers that pesticides, herbicides, and fertilizers can pose to human and environmental health. Prioritizing the monitoring and licensing of the use of these products will ensure that all Ohioans can live in a clean, productive, and safe environment.

TNC strongly supports continued funding of the ODNR Buckeye State Tree Nursery established in 2024. This institution focuses on growing hardwood trees that have historically been native to Ohio including several species of oak, hickory, black walnut, sycamore, and American chestnut. These trees are critical for maintaining and preserving Ohio's forests and related forest products for generations to come, and to provide a steady supply of hardwood for Ohio's timber market. Because tree nurseries require significant capital and the native trees needed for reforestation are not as profitable as commercial plants, the Buckeye State Tree Nursery helps meet reforestation demands while avoiding out-of-state tree purchases, and keeps Ohio plants in Ohio, for Ohioans. In addition to the important work that the Tree Nursery is doing for Ohio's forests, we are happy to support the ODNR Division of Forestry's continued work with private landowners, incentivizing them develop long term land management plans assisting rural communities with wildfire defense and prevention projects, expanding reforestation, providing landowners with the tools to control invasive species and promote forest health, and ensuring that Ohio's state forests are safe for all visitors.

We also support and appreciate the House budget's prioritization of plugging orphaned gas and oil wells across the state. These wells are typically decades or centuries removed from drilling and production and have either been abandoned or have no owner. In 2024, ODNR plugged 538 wells, a 27.2 percent increase over calendar year 2023. Continued funding for this program will ensure that the sites of these former wells can be restored to their natural state and won't pose a threat to public health and safety because of deteriorating infrastructure, methane and other gaseous emissions, or oil leaks.

Finally, TNC supports OEPA's request in the As Introduced version of the budget to make its permits, licenses, and waste disposal fees permanent, like other agencies. Permanent fees ensure greater continuity for both OEPA's funding and the regulated community. Making OEPA's fees permanent while also eliminating or reducing the fees they've determined are not critical is a common-sense way to reduce burdens and ensure consistency.



We thank you for the opportunity to provide this testimony, urge your support for these recommendations, and offer our help as we work together to make Ohio not just a great place to live, work, and raise a family, but a shining example of excellent stewardship and natural resource management. Thank you again for this opportunity to provide testimony as an interested party on HB 96. Please do not hesitate to reach out should you have any questions.

Mary Turocy
Director of Policy and Government Relations
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