

### **Testimony to the Senate Finance Committee**

## Regarding Ohio Department of Natural Resources Oil and Gas Funding

**Submitted to:** Chairman Cirino and Ranking Member Hicks-Hudson

**Date**: May 28, 2025

Chairman Cirino, Ranking Member Hicks-Hudson, and distinguished members of the Senate Finance Committee.

I am writing to urge your support for restoring the \$40 million in oil and gas funding that was removed from the Ohio Department of Natural Resources budget by the House. This funding represents money that rightfully belongs to ODNR under existing law and is critical to maintaining safe, well-managed state parks for Ohio's families and visitors.

## The Legal Framework is Clear

When the General Assembly created the Oil and Gas Land Management Commission, it explicitly agreed that divisions owning land under oil and gas leases would utilize funds from bonus payments and royalties. This was not a suggestion—it was the legislative intent. For Parks specifically, at least 30 percent must be used at the property where the lease is held, with the remainder available for division-wide use.

ODNR has already begun responsibly using these funds. The Division accessed funding through the Controlling Board and started spending the required 30 percent at Salt Fork State Park. However, they still lack appropriation authority for the remaining \$40 million in available funds.

# **Critical Operational Needs**

The Division has identified essential uses for these funds that directly impact public safety and stewardship:

**Law Enforcement Staffing:** Like agencies across Ohio, ODNR faces severe challenges recruiting and retaining law enforcement officers. These officers are vital to protecting visitors and surrounding communities. Without adequate funding, our state parks become less safe for families.

**Equipment Replacement:** ODNR needs to replace aging vehicles and equipment that are costing taxpayers through expensive maintenance and lease arrangements. Investing in owned equipment is more cost-effective than continuing costly leases.



**Legal Obligations:** The Division must pay contractual wage increases required by recent union agreements with the state. These are not optional expenses—they are legal requirements.

**Inflationary Pressures:** Like all agencies, ODNR faces rising costs that current funding cannot cover.

### The Impact of Inaction

The House's removal of this \$40 million will have cascading effects across ODNR operations. The Division will be unable to retain essential law enforcement personnel, compromising visitor safety. Other critical work—dredging, waterways management, and facilities maintenance—will suffer as resources are diverted to cover mandatory wage increases.

Importantly, ODNR requested a flat General Revenue Fund allocation in this budget, specifically to use oil and gas funds instead of additional taxpayer dollars. This approach saves money for Ohio taxpayers while allowing the Division to meet its operational needs with revenue it has earned.

## **A Simple Solution**

The solution is straightforward: restore the \$40 million in oil and gas funding that legally belongs to ODNR. This money sits unused while our state parks face staffing shortages and deferred maintenance. Ohio families deserve safe, well-maintained parks, and our state deserves efficient use of available resources.

The benefits from leasing state lands for oil and gas development were intended to strengthen our natural resources management, not sit idle in accounts. I urge the Committee to restore this funding and allow ODNR to fulfill its mission of protecting Ohio's natural treasures for current and future generations.

Thank you for your consideration of this critical issue.

Ginger Clark, Manager of the Great Miami Riverway

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