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**Committees**

Ways and Means, Chairman  
Energy and Natural Resources  
Aging and Long Term Care

**Special Appointments**

Tax Expenditure Review Committee  
Ohio 2020 Tax Policy Study  
Commission, Co-Chair  
Study Committee on Receivership Laws

**Tim Schaffer**  
**State Representative, 77<sup>th</sup> House District**

**House Energy and Natural Resources Committee**  
**Senate Concurrent Resolution 21—Sponsor Testimony**  
**Tuesday, November 27, 2018**

Chairman Landis, Vice Chair Hagan, Ranking Member O'Brien, and members of the House Energy and Natural Resources Committee, thank you for the opportunity to present sponsor testimony on Senate Concurrent Resolution 21.

Senate Concurrent Resolution 21 will merely urge Congress to enact legislation, provide funding, and take further initiatives to promote the development of an Appalachian natural gas storage hub.

Ohio is the sixth largest chemical manufacturing state in the nation, which makes the chemical industry the second largest manufacturing industry in the state. This industry provides \$1.3 billion in federal, state and local taxes. It employs over 44,000 people, with an average wage of over \$80,000. The chemical industry is a major player in the Ohio economy.

In the Appalachian region, which consists of Ohio, West Virginia, Kentucky and Pennsylvania, the shale formations have large amounts of ethane and propane. These resources continue to be important raw materials for the chemical industry in Ohio because they are main components in products we use on a daily basis.

The creation of an Appalachian storage hub would attract further investment into the area, generate additional tax revenue and create jobs. The American Chemistry Council released a report that estimated the region could see nearly \$35 billion in new capital investment, 100,000 direct and indirect jobs, and \$2.9 billion in federal, state and local tax revenue.

This is why I am before you today. This bill is one positive step toward allowing Ohio to take advantage of the economic benefits that come from an abundance of natural gas and its byproducts such as ethane and propane. Currently, Kentucky and West Virginia have introduced similar legislation and it is expected that Pennsylvania will introduce legislation soon. It is time Ohio join its partners in the movement to create an Appalachian storage hub.

Thank you once again, Chairman Landis, and the members of the committee, for the opportunity to present this issue to you today. I will be glad to answer any questions at this time.

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