



Budget Testimony

Testimony before the Ohio House Finance and Appropriations Committee Regarding Substitute House Bill 153 – Biennial Operating Budget

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Overview

The State Budget Bill. It's the single most important bill the General Assembly will pass this year. It funds thousands of state and local programs that directly impact everyday life in Ohio.

From the quality of the air you breathe and the water you drink...to the safety of the food you eat and the cost of your commute to work and school...and even your weekend and vacation options to hike and camp in scenic and wild places

in the Buckeye State, the priorities your lawmakers make and the programs they choose to invest in truly can have a big impact on how clean, safe, and enjoyable it is to live and grown and raise a family in Ohio.

Here are six top "green" priorities for the State Budget Bill (Ohio House Bill 253). The Budget Bill funds the state's next two fiscal years; it must be passed into law by July 1, 2011.

1. Natural Areas and Preserves

Background: Conkle's Hollow. Hueston Woods. Blackhand Gorge. Kent Bog. Ohio's 135 State Nature Preserves and are among Ohio's natural jewels—the finest remnants of the state's remaining prairie, old-growth forest, gorges, and other natural wonders of state and national significance. The Ohio Division of Natural Areas and Preserves (DNAP) manages and protects the 30,000 acres that comprise these unique and endangered sites—fragile sites which need continuous care to protect them from abuse, including from poaching and invasive species.

The Issue: The Governor's Budget proposes to merge the Natural Areas Division with the Parks Division—even while cutting the combined Parks and Natural Areas budget by 6.4% or -\$9.8M! Naturalists and former DNAP officials strongly believe that care for preserves inevitably will decline and future potential acquisitions will all but extinguish if the merger proceeds.

The "Ask": Protect Ohio's natural jewels. Support the House Substitute Budget proposal to keep the Ohio Division of Natural Areas and Preserves independent from the Ohio Division of Parks and Recreation.

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2. State Park Drilling and Logging

Background: Bakers of drilling in Ohio's 75 State Parks claim that one way to tackle an estimated \$400 million backlog in park maintenance projects is to tap oil and gas reserves that lay beneath the parks. But at what cost and what actual benefit? Even when drilling proceeds without incident, long-lasting scars are inevitable, from wellhead access roads and pipelines that fragment forests and impact habitat to unsightly, smelly, and noisy storage tanks and compressor stations.

Nearly half of park income is from visitor fees. This income may be threatened if would-be park visitors have or believe they will have a negative experience. Finally, it simply is not worth the risk to life and limb of park visitors and the threat of long-term damage to our most scenic areas from a leak, spill, explosion, or blowout. The Governor's Budget also proposes opening Ohio's State Parks to timber harvesting. This is yet another extractive activity that simply is not compatible with the mission of preservation and outdoor recreation.

The Issue: The Governor's Budget proposes to open Ohio's State Parks to oil and gas development and to "sustainable" timber harvests. Separate legislation (Ohio House Bill 133 and Ohio Senate Bill 108) would open all state-owned and -controlled lands to drilling.

The "Ask": Keep our state parks natural parks set aside for the enjoyment of the public, not industrial parks open to extractive activities. Reject the Governor's Budget proposal to open Ohio's State Parks to oil and gas drilling and timber logging.

3. Soil and Water Conservation

Background: Without soil and water, there is no food. Soil erosion robs us all of a valuable natural resource; it also fouls the water, as does runoff from city streets and construction sites. Ohio's 88 Soil and Water Conservation Districts work with farmers, homebuilders, and city planners to help fund and give advice on effective soil and water conservation practices. Services include planning, design, and construction of conservation projects to reduce soil erosion and protect local water resources. Common instances include grass filter strips on farm fields, fabric fencing around building sites, and tree plantings in neighborhoods.

The Issue: The Governor's Budget proposes funding for Ohio's 88 SWCDs from a series of existing fees on the disposal of municipal solid waste (25¢/ton) and construction and demolition debris (25¢/ton) and also new tire sales (50¢/tire). Inadvertently, the Governor's Budget stops the MSW fee after the first year of the biennium. Finally, the Governor's Budget cut \$2.9 million per year in General Revenue Funds. All told, the Governor's Budget would reduce the state matching rate to county SWCD districts to approximately 60% (and less the second year of the biennium without the MSW fee correction).

The "Ask": Restore funding for Ohio's 88 local Soil and Water Conservation Districts. Support the House Substitute Budget proposal to restore funding for Ohio's 88 local Soil and Water Conservation Districts by continuing all three fees and by adding \$2.9 million in GRF in both years of the biennium.

4. Diesel Clean Up

Background: Diesel engines are the workhorse of our economy. They power the vehicles and equipment that plant and harvest our crops, move raw materials to factories and finished products to market, and build and maintain our roads, rails, and ports. Diesel engines also are a major source of pollution, including particulate matter (or soot) and known and suspected cancer-causing toxics. The good news is that modern pollution controls can be retrofitted onto existing vehicles and equipment and cut emissions by 90%.

The Issue: The House Substitute Budget proposes to fund Ohio’s Diesel Emission Reduction Grant program at \$10 million per fiscal year—\$20M total for the biennium. (The Governor’s Budget recommended \$0.) The source of the funding is federal CMAQ (Congestion Mitigation Air Quality) funds. DERG grants are available to public and private fleets, alike.

The “Ask”: Support the House Substitute Budget proposal to invest \$10M each fiscal year in the successful Diesel Emission Reduction Grant program, which helps public and private fleets clean up diesel trucks and construction equipment—at no cost to the State Budget.

5. Public Transit

Background: Ohio’s 35 rural and 24 urban public transit agencies deliver half a million Ohioans to work and school and other important destinations each weekday. Transit buses and vans offer more than just a safe, convenient, and reliable commute. They also save commuters money; stimulate jobs and local economic growth; offer mobility choices, especially to rural residents and the elderly and handicapped; reduce highway congestion; encourage efficient land use; reduce fuel consumption; lessen America’s dependence on foreign oil; and improve air quality. Freight rail development also saves energy, reduces air pollution, lessens America’s reliance on foreign oil—and takes more trucks off the highway. The Rail Development Commission has a proven track record of maximizing public-private investments in inter- and intra-modal freight rail infrastructure. The ORDC is a solid choice for further investment.

The Issue: The House Substitute Budget proposes to cut the Public Transportation-State line item by 25% (-\$1.8M) in each fiscal year. This line item funds the Ohio Public Transportation Grant Program and the Elderly and Disabled Fare Assistance Program, which provide partial funding for operating assistance and capital projects to the rural and urban transit systems operating throughout the state.

The “Ask”: Help Ohio’s public transit riders get to work and other important destinations. Support the full public transportation budget (\$7.3M/FY) and full Rail Development Commission budget (\$4M/FY) as proposed in the Governor’s Budget—not the 25% cut to transit funding and 2% cut to freight rail development, as proposed in the House Substitute Budget proposal.

6 Energy Efficiency and Consumer Protection

Background: The Ohio Consumers' Counsel. It's the lawyer who looks out for you—the residential customers of electric, natural gas, telephone, and water—when utility companies seek a rate increase. The OCC is funded by a tiny assessment on residential customers' utility bills (approximately 3¢ for every \$100 in utility charges).

The Issue: The Governor's Budget proposes spending \$4.1M per fiscal year—a 51% cut from the \$8.5M allocated in the current fiscal year. The Governor and other critics claim that the Consumers' Counsel has strayed from its core mission, is filing too many legal challenges against utilities, and duplicates the PUCO's consumer complaint call center. The results and facts speak otherwise: This small but scrappy office saved customers of investor-owned utility companies an estimated \$53M last fiscal year. Part of that savings is from keeping watch on electric utility companies' compliance with Ohio's new energy efficiency standard. The law requires Ohio's investor-owned electric utilities to make increasing investments in money- and energy-saving energy efficiency programs and equipment. Further, just last month, the Ohio Supreme Court upheld the Consumers' Council lawsuit, finding that American Electric Power overcharged customers. Finally, the call center accounts for only 10% of the OCC's budget and only 1% of consumer calls are directed to both the OCC and PUCO call centers.

The "Ask": Keep Ohio's pit-bull Consumers' Counsel fit and fully funded, fighting for millions of small consumers. Reject the Governor's Budget proposal to slash the OCC by 51%.