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Ohio Revised Code

Section 1509.78 Carbon sequestration fees; Carbon Dioxide Storage Facility Fund; Carbon Capture Administrative Fund.

Effective: September 23, 2026
Legislation: House Bill 170 - 136th General Assembly

(A) Storage operators shall pay the department of natural resources a fee of five cents for each metric ton of carbon dioxide injected for storage in a storage facility. The fee shall be paid quarterly and credited to the carbon dioxide storage facility fund created under this section.

(B)(1) The carbon dioxide storage facility fund is created in the state treasury. Except for fees collected under divisions (C) and (D) of this section, the fund shall consist of any money collected under this section in relation to a carbon dioxide well, including money received by the department from financial responsibility mechanisms established and penalties imposed for violations of sections 1509.71 to 1509.79 of the Revised Code, rules adopted under those sections, and orders and terms and conditions of a permit issued under those sections. All interest earnings of the fund shall be credited to the fund.

(2) The chief of the division of oil and gas resources management shall use the money in the fund for the purpose of defraying expenses of the division that are associated with post-closure care of sequestered carbon dioxide in a storage facility, including the maintenance of carbon dioxide wells, associate surface facilities, remediation of any environmental impacts from the injected carbon dioxide, and plugging of monitoring wells associated with the injection of carbon dioxide in a carbon dioxide well.

(3) The existence, management, and expenditure of money from the fund do not constitute a waiver of governmental immunity or an assumption of any liability by the state for carbon sequestration.

(C) In addition to the fee established under division (A) of this section, an owner of a carbon dioxide well, an applicant for a UIC class VI permit, and the holder of a UIC class VI permit shall pay fees to defray the department's costs of administering sections 1509.71 to 1509.79 of the Revised Code and the rules adopted under those sections. The chief, by rule, shall establish the type and amount of the fees. The fees may include, without limitation, additional application fees, annual fees, and other fees that the chief determines are necessary to administer sections 1509.71 to 1509.79 of the Revised Code and the rules adopted under those sections. The fees shall be credited to the carbon capture administrative fund created under this section.

(D) In addition to the fee established under division (A) of this section, an owner of a carbon dioxide well shall pay to the chief a fee of three cents for each metric ton of carbon dioxide injected for storage in a storage facility, for the purpose of supporting the needs of host communities in which the storage facility is located. The owner shall pay the fee to the chief quarterly on the basis of carbon dioxide injected during the calendar quarter. The fees shall be credited to the carbon capture administrative fund created under this section.

(E)(1) The carbon capture administrative fund is created in the state treasury. The fund shall consist of the fees collected under divisions (C) and (D) of this section. The chief shall use the funds collected under division (C) of this section for the sole and exclusive purpose of administering sections 1509.71 to 1509.79 of the Revised Code and the rules adopted under those sections. The chief shall use the funds collected under division (D) of this section in accordance with division (E)(2) of this section. All investment earnings of the fund shall be credited to the fund.

(2) The chief shall provide for payment of the revenue from the fee collected under division (D) of this section to the county treasurer of the county in which the storage facility is located. If the storage facility is located in more than one county, the chief shall provide for payment of the revenue equally to the county treasurer of each such county. The county treasurer shall deposit any such payment into a special fund the treasurer shall create in the county treasury called the carbon storage host community fund.

(3) Money in a carbon storage host community fund shall be used by the board of county commissioners, or disbursed to a township, municipal corporation, school district, or other subdivision located within the county, solely and exclusively for one or more of the following purposes within the county or other subdivision:

(a) Infrastructure, including roads, bridges, water and wastewater systems, broadband, and other public works;

(b) Parks, recreation, and trails;

(c) Education, including support for primary, secondary, and career-technical education within the subdivision;

(d) Public safety, including law enforcement, fire protection, emergency medical services, and emergency preparedness and response.