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Fracking brings good and bad to Ohio county

Study examines impact of drilling on economy, housing, traffic, key services

Shale development is changing the economy, environment and culture of Carroll County, Ohio, and other communities around the state, according to a study released today by Policy Matters.

“It’s a complicated story,” said Amanda Woodrum, report author and Policy Matters researcher. “Whether fracking ultimately helps or hurts the local economy will depend on whether the money stays local, where the gas is refined, who gets the jobs and business, and what the costs are to the community, the environment and public health.”

The study found that:

- Fewer jobs than promised are being created, with many going to out-of-state workers;
- Some companies doing drilling-related work in Carroll County are buying local and landowners are spending signing bonuses in the community, leading to a 31 percent increase in sales tax receipts in the county (an indicator of increased economic activity);
- Increased truck traffic on roads not built to handle heavy loads and big trucks is causing wear and tear and a higher rate of accidents;
- Rents are rising, becoming unaffordable for some residents;
- Increased economic activity is boosting local government revenues.

“Overall, the economic benefits of fracking fall far short of what was promised and come with costs to safety, the environment and the community,” said Woodrum.

The report recommends a stronger severance tax, in keeping with that of other drilling states. “Ohio should increase its severance tax to 5 percent and use the revenue for industry oversight and regulation, and for covering community costs,” said Woodrum.

Other recommendations outlined in the report include putting in place additional taxation with revenues set aside in Ohio’s Advanced Energy Fund; forming local taskforces to identify issues, consider solutions, and open dialogue; better state monitoring of water quality and other environmental health issues; new pollution control requirements; and policies to require local hiring for fracking-related jobs and provision of health insurance. “Ohio should also diversify our energy portfolio to be less reliant on fossil fuels in the future,” said Woodrum.

The Carroll County study is part of a larger effort by the Multi-State Shale Collaborative, of which Policy Matters is a member. Other Collaborative members examined the impact of shale drilling in Greene and Tioga counties in Pennsylvania and Wetzel County in West Virginia.

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*Policy Matters Ohio is a nonprofit, nonpartisan state policy research institute
with offices in Cleveland and Columbus.*