



**Testimony of Andrew W. Herf
Executive Director
Ohio Association of Convention and Visitors Bureaus
Proponent of HB 530
House State and Local Government Committee
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Chairwoman Anielski, Vice Chairman Hambley, Ranking Member Holmes and members of the House State and Local Government Committee.

My name is Andy Herf and I am the Executive Director of the Ohio Association of Convention and Visitor Bureaus. I am here today to offer OACVB's support to House Bill 530 and to explain why our organization believes this change in policy will allow boards to be run with more transparency and to better fulfill their mission of attracting visitors and encouraging economic activity to the areas they represent.

OACVB's membership includes sixty-five convention and visitors bureaus that represent various cities and counties around the state. The CVB boards are composed of business owners with a vested interest in tourism such as hotels and restaurants, economic development advisors and, in many cases, public officials. Each CVB board is governed by their bylaws. First some have a nominating process, then, the nominations are presented to the board for a vote. Because the processes are governed by the individual bylaws, they have nuances. For example, in some places there is an ex-officio seat for a county commissioner. In other counties, the commissioners advise and consent on the board appointments. Our position as an association is that we support the local communities' ability to govern their CVBs according to their bylaws.

Additionally, having public officials serve on CVB boards is a mutually beneficial relationship for the CVB, business and the public. A public official who is serving on a CVB is far more knowledgeable about how lodging tax revenue, the chief source of revenue for CVBs, is being spent. This alone will eliminate much of the conflict that arises between local governments and hotels over lodging tax rates. Having county commissioners and hotel stakeholders, in addition to other community members serving on bureaus, increases the likelihood of building consensus because conflicting parties become more familiar with the mission and the challenges facing the CVB. Elected officials on CVB boards may also represent the position of the citizens of the community. Oftentimes, members of the community do not understand what a CVB does because much of the money is spent outside the community in an attempt to attract visitors. The local community does not see the impact unless they are in the industry and local elected leaders can also help explain the function to the local community, assuming they are not denied the ability to serve on CVB boards.

Furthermore, a county commissioner serving on a CVB is no different than a member of the Ohio Legislature serving on the Controlling Board. Those legislators, like the county

commissioners serving on a CVB, are there to watch over public dollars. In that case, the legislature has already appropriated the money, but the controlling board is another layer designed to ensure that taxpayer funds are being spent appropriately.

Additionally, all CVBs are subject to audit by the Auditor of State under an agreed upon procedures or AUP condition. The AUP audit is stringent as every check over one thousand dollars is reviewed, as well as, any incentive or gift that totals over one hundred dollars. These reviews include written statements by the employee who made the expenditure detailing the exact purpose of the expenditure and how the expenditure benefits the efforts of increasing tourism and convention efforts for the city or county that the CVB represents. The Agreed upon procedures for CVB audits are included with this testimony as "AUP Report shell CVB" The audits then appear on the Auditor's website and may be searched at <http://www.ohioauditor.gov/auditsearch/Search.aspx>.

Overall, House Bill 530 is needed to clarify that Ohio's convention and visitor bureaus can continue to efficiently pursue programs that increase the amount of tourism to the state resulting in economic benefit for all businesses but especially those who are largely dependent on tourism to thrive.

Thank you for your time, I am happy to answer questions.