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Submitted by:

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Submitted to:

The Ohio Senate, Finance Committee
133rd General Assembly

Written testimony of Arts Cleveland
IN SUPPORT OF the Ohio Motion Picture Tax Credit in Sub. SB 166
Testimony Before The Ohio Senate, Finance Committee

May 22, 2019

Arts Cleveland is pleased to submit the following testimony in support of restoring and increasing the Ohio Motion Picture Tax Credit in Sub. SB 166.

Since our organization's inception, Arts Cleveland has recognized the powerful role the arts and culture sector plays in driving our economy, workforce and communities forward. Recent research on the arts and culture industries demonstrates these benefits for the State of Ohio. For example, a report from Ohio Citizens for the Arts reveals that the arts in our state have experienced significant growth in the past few years and now account for more than \$41 billion in economic activity and \$4.62 billion in annual tax revenues, while supporting nearly 290,000 jobs in Ohio annually.¹ In addition, research on arts and cultural production from the Bureau of Economic Analysis has shown that in 2016, Ohio ranked 6th among all states in this employment, and 14th among all states in employment growth. Since 2015, this employment has grown 2.94 percent in Ohio, compared with an increase of 2.55 percent for the U.S.² In addition to such economic and workforce benefits, Arts Cleveland's work³ has shown that a strong arts and culture ecosystem is a valuable cross-sector partner in areas such as community development, health and human services, education, and safety. To achieve these positive outcomes however, a vibrant arts and culture ecosystem relies upon strong public and private sector partnerships that support arts and culture substantively through financial investment and research-based

¹ Ohio Citizens for the Arts. 2018. *Ohio's Creative Economy: The Economic Impact of the Arts and Creative Industries*. Available at: https://docs.wixstatic.com/ugd/6ba135_9a09380c87884f8394adc9113ee5935a.pdf

² Bureau of Economic Analysis. U.S. Department of Commerce. 2016. *Arts and Cultural Production Satellite Account (ACPSA)*. Available at: <https://www.bea.gov/data/special-topics/arts-and-culture>

³ Arts Cleveland's full research library is available at: <https://artscleveland.org/Reference-Desk/Research-Library>



policymaking. The Ohio Motion Picture Tax Credit is such an investment and has resulted in numerous benefits for our state, and particularly for Northeast Ohio.

According to the Greater Cleveland Film Commission, since 2009, the increase in media sector activity has resulted in \$572 million in economic impact to the state, of which \$463 million was in Northeast Ohio. In terms of job creation, there have been 4,162 direct jobs in Ohio, with 3,399 of the total being in Northeast Ohio.⁴ Interest in film and media arts have also resulted in new educational investment in Northeast Ohio, notably Cleveland State University's creation of the School of Film and Media Arts which is Ohio's first standalone film school⁵. Moreover, nurturing emerging industries in Northeast Ohio is critical to attracting new talent, creating job opportunities, and retaining skilled workers locally. It also provides opportunities on a national stage to redefine the narrative being told about Northeast Ohio.

In closing, I urge you to restore and increase the Ohio Motion Picture Tax Credit, while expanding it to include Broadway productions (as was the intent of SB 37). In doing so, you will continue to strengthen an important component of our overall arts and culture ecosystem. Our arts and culture assets represent a major competitive advantage for our state and Northeast Ohio. Our community is defined by the diverse range of arts and culture offerings available and benefits further from being a welcoming place for arts-driven industries and businesses. However, similar to other business sectors, the future of our arts and culture industries rests on how well public policy nurtures the assets that exist here today.

Respectfully submitted,



Megan Van Voorhis, president and CEO
Arts Cleveland
Cleveland, OH

Arts Cleveland is a data-driven nonprofit dedicated to advancing arts and culture in Cleveland and Cuyahoga County. Over the course of its 22-year history, the organization's work has yielded new and innovative policies in support of arts and culture, such as a dedicated public sector revenue stream for arts and culture, a scaled admissions tax for small live music clubs, and live/work overlay and percent for art ordinances. It has also driven change in the way the community interfaces with arts and culture through innovative cross-sector investigations and partnerships focused on business, neighborhood development and healthcare. Over the years, the organization has engaged in an array of field building activities such as programs that provided financial support to individual artists, business and advocacy training, conferences, and other marketing and intermediary services.

⁴ Greater Cleveland Film Commission. 2019. "Impact and results." Available at: <https://www.clevelandfilm.com/impact-and-results/>

⁵ For more information see: <https://www.csuohio.edu/class/film/film>