

Proponent Testimony for SB 37
Senate Ways and Means Committee
Gina Vernaci, President and COO, Playhouse Square
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Mr. Chairman and members of the Committee, my name is Gina Vernaci. I am President and COO of Playhouse Square, the not-for-profit performing arts center in Cleveland. In addition, I am the Road - Vice Chair for the Broadway League, the New York based trade association for Broadway producers and presenters as well as the co-presenter of the Tony Awards. The "Road" is the industry term that refers to the member cities across the United State for touring Broadway productions. I am here today to speak in support of House Bill 37 and the extension of the Ohio's Motion Picture Tax Credit to include theater.

Our great State of Ohio is perfectly positioned to become a national leader in launching the United States tours of Broadway musicals and plays. From one corner of the State to another are cities with well-managed venues, a skilled labor force and engaged audiences, which are the ingredients for a successful engagement. Our missing factor is a tax incentive.

As an example, I offer the 2017 engagement of *The Lion King* in Syracuse, New York. This city is normally a three-day stop for a tour and occasionally large shows such as *Les Miserables* may stay for a week. However, *The Lion King* selected Syracuse's Landmark Theatre to host the reworking of this beloved musical.

In the instance of this particular engagement of *The Lion King*, the touring company was in Syracuse for a total of eight weeks: five for rehearsing and reworking the technical aspects of the musical and three for performances. The positive impact to the community could be found in the 4,251 hotel nights occupied by the tour, as well as jobs for 163 stagehands that worked 21,000 hours over the eight weeks.

That engagement grossed \$4.1 million with 53,000 in attendance. The Broadway League's research reports that touring musicals and plays contribute an economic impact of 3.27 times the gross ticket sales to the local economy. For the City of Syracuse, that meant \$14 million in spending was seen from the hotel rooms, restaurants, parking facilities and other activities associated with the tour and its audiences.

And like the song made famous by *The Lion King*, this is *the circle of life* our communities are craving.

Why did *The Lion King* launch at the Landmark Theatre? New York has a tax credit for Broadway productions. That work could have easily occurred at any number of our theaters throughout Ohio.

By expanding the legislation to include live theater, we can continue to build on the resources available to attract Broadway producers to our State.

In October 2018, Playhouse Square is where the Broadway tour of *Hello, Dolly!* began its national tour. Because of the lack of a tax credit, we lost the opportunity to have the production rehearse here prior to our three-week engagement of this revered musical. What could have been seven weeks of employment was cut to three, as the show moved the four weeks of rehearsal to Utica, New York to utilize their tax credit for live theater.

And in the fall of 2019, we are again losing the three-week rehearsal period prior to the three-week engagement of the musical *Summer: The Donna Summer Musical* to Rochester, New York.

Senate Bill 37 would provide the tax credit producers are seeking so that Ohio can become a launch site for Pre-Broadway productions, national tours and the possibility of staying in our cities for longer runs. That will create jobs, extend the employment for our labor force and return dollars to our economy.

According the 2018 report by the Ohio Department of Transportation, our State has the country's fourth largest interstate system of 8,000 miles. Our centralized geographic location nationally makes our State efficient for routing the tours.

Let's leverage our assets and put our skilled labor force to work to keep our cities bustling with activity.

I ask you to please pass Senate Bill 37.

Thank you, Mr. Chairman and members of the committee for the opportunity to speak to you today. I am available to answer any questions you may have.