

Ohio House of Representatives | Committee on Ways and Means
Testimony in Support: HB 177

October 9, 2017

Dear Chairman Schaffer, Vice Chair Scherer, Ranking Member Rogers, and
Members of the Committee:

I am writing in support of HB 177 that would exempt nonprofit gym memberships from State of Ohio sales tax. As you may know, 45 states do not tax non-profit gym memberships. The Mandel Jewish Community Center in Cleveland which is similar in scope of service to JCCs in other Jewish communities in Ohio such as Akron, Columbus, Cincinnati and Youngstown, is a multi-service not-for-profit organization with a broad spectrum of programs and services that provide enrichment and enhance the quality of life for the Jewish and surrounding general community.

The Mandel JCC was founded initially as the Council Educational Alliance in 1899 as a settlement house in the heart of what was an immigrant Jewish community, its original purpose was to teach immigrants to speak the English language, job skills and about the American way of life. Its subsequent merger with three other agencies in the Jewish community resulted in the creation of the Jewish Community Center in 1948 with program offerings designed to engage all age groups in the Jewish and general communities.

Today, the Mandel JCC is much more than a fitness center, with a mission of building a strong and cohesive community through diverse program offerings noted for excellence that bring together and connect individuals and families of all ages. The concept of "community" is about individuals who come together for shared experiences around common interests, for support or to accomplish a common goal. These group experiences have a powerful impact on the individual and they encourage continued participation and deeper connections to the "greater" community. The following are examples of how we accomplish this:

- **Family Place** where mothers, fathers and caregivers with their young children meet and children have their first cooperative play experience.
- **Pre-school** for children 18 months to Pre-kindergarten with full and short-day programs that promote social, emotional and cognitive growth.
- **J-Day Camps** for children in kindergarten through grade 9 that offer swimming, sports, boating, arts and crafts, archery, campfires, singing, sports and campouts..
- **Playmakers Youth Theatre** for children and teens grades 2-12 that provides a dynamic theater experience that emphasizes self-confidence,

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Alan B. Semel
Board Chair
Michael G. Hyman
President & CEO



creativity, teamwork and an appreciation for the performing arts among its young performers.

- **Camp Wise**, an overnight camp experience for children in grades 2-11, that provides a unique environment where self-growth naturally occurs as a result of children becoming part of the camp community.
- **Sports, fitness, wellness and recreation for children, youth and adults** through a comprehensive approach including state-of-the-art fitness and aquatics facilities, group exercise, Pilates, yoga and indoor cycling classes.
- **Arts and Ideas** programs offer a wide array of dynamic recreational, social and educational programs; all designed to encourage adults to engage with the arts, and contemporary issues through classes, lectures and film.
- **Social service is a very important aspect of how the Mandel JCC has impact on the quality of life in our community:**
 - **Lunch Plus** where 6 days/week 300 different seniors are transported throughout the year to the program for socialization and a hot kosher lunch. For some of the participants, this lunch is their only nutritious hot meal of the day.
 - **Visually Impaired seniors-** participate in Lunch Plus programming with specialized supports.
 - **Special Needs:** Mandel JCC programs for individuals with special needs provide opportunities for children and adults with emotional, physical and developmental disabilities and their families to take full advantage of nearly all Mandel JCC programs and services. Other specialized programs include:
 - CEVEC- in cooperation with a consortium of local school districts, high school age students with developmental disabilities learn job skills at the Mandel JCC.
 - Partnership with Jewish Family Service Association for young adults and adults with developmental disabilities who participate in fitness related programs.
 - Camp for adults with developmental disabilities.
- **Financial Assistance-** Over \$425,000 of financial assistance was provided in 2016-17 to more than 400 in-need individuals and families. This assistance enabled them to access Mandel JCC membership and participate in J-Day Camp, Camp Wise and pre-school programs.
- **Serving the Community:** The Mandel JCC has had a long standing commitment to provide services to the entire community. Current information indicates that 65% of our members are from the Jewish community and 35% from the general community. Eighty percent of our members use fitness programming but frequently participate in or use other program services such as summer camp, preschool, and Arts & Ideas. It should also be noted that approximately 20% of our members join for reasons other than participating in fitness and recreation

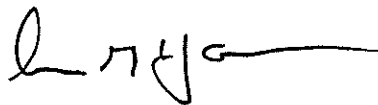
programs. For some of these members the sales tax is an additional unfair burden that should not be placed on their shoulders.

- **Broad Reach:** The Mandel JCC has a membership of 11,750 individuals which represents 4,875 households primarily on the eastside of Cleveland. In addition, services are provided to 10,000 children and adults who are not members of the Mandel JCC. The impact Mandel JCC programs and services have on the quality of life for all who participate is significant.

The Mandel JCC's scope of service speaks for itself. As previously stated, we are much more than any for-profit fitness center will ever be. While fitness is an important aspect of what we do, the business of fitness is the financial driver that supports many of our programs and services that cannot support themselves. These programs require supplemental funding—some of which is internally generated through fitness in addition to dedicated funding sources that we must seek each year through state grants, grants from supporting foundations and our generous donors. Each year it is necessary for us to secure over \$600,000 of supplemental funding to cover operating costs that are not covered by membership and program fees.

I urge the House Ways and Means Committee to give serious consideration to HB 177 which eliminates a barrier for some in the community who cannot afford membership even with financial assistance and strengthens the ability of the Mandel JCC and other JCCs in Ohio to fulfill our mission of building and strengthening community.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Hyman", with a long horizontal flourish extending to the right.

Michael G. Hyman
President and CEO