

**Proponent Testimony on House Bill 531**  
**Senate Finance Committee**  
**Jeff Berding, President and General Manager, Futbol Club Cincinnati**  
**November 27, 2018**

Chairman Oelslager, Vice-Chair Manning, Ranking Member Skindell and members of the Senate Finance Committee, thank you for the opportunity to present proponent testimony on House Bill 531 to create the Sports Event Grant Fund to make grants under Ohio's Major Sporting Event Grant Program.

My name is Jeff Berding. I am President and General Manager of FC Cincinnati. I founded FC Cincinnati in 2015 along with our ownership group led by Carl H. Lindner III. Our club played 3 seasons in the United Soccer League and we were fortunate to be awarded a Major League Soccer franchise in May of this year. We will begin play in the MLS in 2019. First, I would be remiss if I did not extend our appreciation to this body for the state's support in the capital bill earlier this year as we pursued that MLS bid. When Carl Lindner III and I announced the formation of FC Cincinnati in August of 2015, we hoped to develop a club that could capture the interest of kids and families throughout Cincinnati who love soccer. Thanks to our fans, community and business partners, we have exceeded all expectations in a very short period of time, setting attendance records in our first two seasons including the single game attendance record for a soccer match in Ohio for our exhibition against Crystal Palace, an English Premier League club.

Due to the overwhelming support for soccer, Cincinnati has been short listed as one of the potential host cities in North America for the bid filed by the U.S., Canada and Mexico for the 2026 FIFA World Cup. FC Cincinnati, the Cincinnati USA Sports Commission and our community partners will form a local organizing committee as we continue to pursue this international opportunity.

Ohio established the Major Sporting Event Grant Program in 2009 to assist local organizing committees in securing very large competitively bid sporting events. To qualify, an event must be projected to generate at least \$250,000 in an incremental increase in the state sales tax. Historically, the program has been funded with General Revenue Funds on a biennial basis, which can be challenging because there is no assurance that the program will be funded in out-years.

HB 531 will allow Ohio organizations to remain competitive with other states across the country, of which 34 have existing state programs. HB 531 is modeled after Texas. I would note that Dallas and Houston are also finalists with Cincinnati for the 2026 FIFA World Cup, and both cities have hosted numerous Gold Cup tournaments. HB 531 would create the Sports Event Grant Fund, funded with half of the incremental increase in state sales tax attributable to a major sporting event that takes place in Ohio. Further, the state will continue to receive 50% of all incremental sales tax that is associated with these events. These funds are only transferred back to the local communities after the event concludes, so there is no risk assumed by the state.

HB 531 has the support of the hotel and lodging industry, which sees the strong economic impact that results from large scale sporting events across the state, as well as professional and collegiate sports teams throughout the state. The World Cup is the world's largest sporting event in terms of both attendance and viewership. HB 531 would be a valuable tool in Ohio's toolbox to compete against Texas, New York/New Jersey, Illinois, and Florida.

FIFA leadership will be in Cincinnati for a site visit in early 2019 to further assess our bid. A key component of their analysis will be our funding plan, which will include private philanthropy but we also know from our discussions to date that they will want to understand support from local and state government partners. It will be extremely important for us to be able to point to the passage of this legislation this year in order to remain competitive.

Thank you again for the opportunity to appear before you today in support of HB 531. I encourage you to pass House Bill 531 in the remaining weeks of this session and am happy to answer any questions you may have at this time.