



FINANCE COMMITTEE

WITNESS FORM

COMMITTEE DATE: May 23, 2019

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ORGANIZATION REPRESENTING: Hometown Media Productions

TESTIFYING ON BILL NUMBER: Sub. HB 166 / SB 37 reconciliation

TESTIMONY TYPE: Written

TESTIFYING AS: Proponent

FOR BUDGET TESTIMONY ONLY:

TESTIMONY TOPIC: General Government

TESTIFYING ON BUDGET ITEM(S): Ohio Motion Picture Tax Credit

DID YOU TESTIFY IN A SENATE SUBCOMMITTEE? NO

ARE YOU A REGISTERED LOBBYIST? NO

SPECIAL REQUESTS: I write to you today with a profound sense of urgency as a supporter of the Greater Cleveland Film Commission and Ohio's growing media production industry. It has come to my attention that the Ohio Motion Picture Tax Credit is in jeopardy of disappearing after the State

House voted to remove it from the new state budget, consequently pulling the plug on a successful industry poised for even greater growth.

The success of the Ohio Motion Picture Tax Credit is real and demonstrable. The Motion Picture Association of America (MPAA) recently reported that nearly 35,500 people are directly and indirectly (hotels, caterers, carpenters, dry cleaners, etc.) employed by the motion picture and television industries in Ohio, with total wages earned exceeding \$1.2 billion.

This is a successful program that is putting Ohioans to work and putting hundreds of millions of dollars into their pockets right now. These aren't just people working on movies and television shows, but also small business owners who have found a niche supporting this industry or whose businesses have found more paying customers from the growth of the industry in Ohio. Making media content is the manufacturing of the modern age, and it creates economic impact wherever it is fostered.

In 2008, Georgia passed a motion picture tax incentive that transformed their economy to the tune of \$9.5 billion of economic impact in 2017 alone and made them arguably the media production capital of the world. New Mexico has seen similar success with their incentive. Netflix recently bought Albuquerque Studios and plans to invest over \$1 billion in the state by driving production there.

I can personally attest to the incredible impact of this program. Dozens and dozens of my film students from CSU's new film school have already benefited from work due entirely to the existence of this incentive. If we want our best and brightest to remain in Ohio, the incentive is critical. Having already spent \$7.5 million on Ohio's first stand-alone film school already, Ohio would be committing a tragic mistake ending the incentive just as the film industry in our state is becoming a viable business. Please don't let shortsightedness undermine a terrific job creating program like this.

Growing this industry is a chance to grow something special in Ohio. This is a chance to stop our state from hemorrhaging bright, young people and keep them engaged – and employed – with an industry that's not only hip and exciting but expanding by the day and filled with tremendous opportunity. The new film school at Cleveland State University has been designed from the bottom up to be one of the best in the nation and attract, train and retain the brightest young talent not only in Ohio but across the country. This is also a chance to bring skilled tradespeople back to Ohio to live, work, support local economies and pay state taxes.

I strongly urge everyone in State government currently debating this issue to keep, and if possible enhance, the Ohio Motion Picture Tax Credit. To eliminate it would be a grave error that would do great damage to our economy and to so many Ohio taxpayers who either work in media production, run a business that works with the media production industry or perhaps dream of someday working in this industry right in their own backyard.

Let us continue to grow this industry and make Ohio a global production destination so that we can bring even more jobs and economic impact to our great state.

Respectfully,

John Vourlis
Hometown Media Productions
www.hometownmediaproductions.com

Written testimony is a public record and may be posted on the Ohio Senate's website.