Interested Party Testimony for HB166

Senate Finance 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 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 200+ touring cities in North America. I am most appreciative of the opportunity to be here today to speak to you.

Indeed there are several programs in the proposed budget that advance the wide scope of needs throughout our State. However, the Ohio Motion Picture Tax Credit needs to be reinstated and increased to be competitive with other areas. It is urgent that this incentive program is a priority for you, our legislative leaders.

The positive impact of the Ohio Motion Picture Tax Credit on our economy has remained strong. According to the 2018 study from Cleveland State University, the economic impact of jobs across the State totals 5,043, generating $171.4 million in wages. This is an industry that continues to positively contribute jobs and economic activity across the State of Ohio.

With the accomplishments of this program, a comprehensive educational initiative has been established. In 2018, Ohio’s first stand-alone film school opened in Cleveland. This 39,000 square-foot state-of–the-art facility is providing a first rate education for students seeking a career in the motion picture industry.

In addition to the skilled labor force involved in the process of moviemaking are the legions of local businesses participating in this economic activity. The obvious ones include hotels and restaurants. Also included are small operations such as cleaning services, florists, trash services, car rentals, sound & lighting companies, fence companies and parking services. They are examples of a long list of locally owned livelihoods impacted by the broad reach when movies are filmed in 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. Presently, we are loosing the work to other regions.

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

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

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 make our State efficient for routing the tours.

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.

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

I urge you to reinstate and increase the cap for the Ohio Motion Picture Tax Credit, expand it to include theater and keep this growing enterprise on the forefront of our priorities in Ohio.

Thank you Mr. Chairman for the honor to speak to you today. I am available for any questions that you may have.