

Testimony of Fred Bidwell
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Ohio House Finance Committee
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Chairman Oelslager, Vice Chair Plummer, Ranking Member Crawley and Members of the House Finance Committee, thank you for the opportunity to testify today. My name is Fred Bidwell. I am the Executive Director of FRONT International, an international arts festival that rotates to different cities on a tri-annual basis. I also Serve on the Board of The Cleveland Foundation, the Cleveland Museum of Art and am the Founder of Transformer Station Gallery in Cleveland.

In 2006, the Ohio General Assembly passed legislation which authorized the voters of Cuyahoga County to approve a tax on cigarettes, with the proceeds going toward public funding for arts and cultural institutions in Cuyahoga County. Since that language was enacted, county voters have overwhelmingly approved this effort, most recently with over 75% of the vote.

Despite this support, the revenue collected has diminished by nearly 50% since the issue was originally passed. This is due to the fact that this revenue is limited to 30 cents per pack of cigarettes sold in Cuyahoga County, regardless of the price.

We are asking for your support to change this structure. Specifically, we have drafted an amendment to HB 110, which will make several changes to this section of the code.

First, our language will adjust the methodology of this tax from a per unit basis to a percentage basis. This shift will significantly mitigate the decline in revenue by aligning our receipts to the *price* of cigarettes rather than the *volume* of cigarettes. Second, we are asking you to pass language that will allow voters to dedicate a portion of *all* tobacco revenue, not just cigarettes, toward this public benefit. Finally, due to the overwhelming success of this effort in Cuyahoga County, we are asking you to permit voters in Ohio's 14 largest counties to vote on a similar measure. This change will allow all counties with at least 200,000 residents to put this issue before the voters in that county. Earlier today, we submitted a letter to the Chairman with the signatures of nearly 100 organizations in counties that would be eligible to submit this matter to the voters. We believe that this universal support demonstrates a widespread desire to codify this proposal.

Ohio's arts and cultural economy drives over \$40 billion annually toward our overall economy, employing hundreds of thousands of Ohioans. Unfortunately, this pandemic has devastated our ability to keep our doors open, which has resulted in major layoffs due to the inability to properly budget during these uncertain times. This proposal is not a full solution to our current challenges. However, the ability to know that this is a tool in our collective toolbox will go a very long way toward overcoming the challenges that these institutions face on a daily basis.

I know that you already know this, but I think it is critical to drive home this point. WE ARE NOT ASKING YOU TO RAISE TAXES. Rather, we are asking that you give voters in these counties the

ability to decide for themselves if this is an investment worth undertaking. If an eligible county chooses not to pursue this effort, nothing in this proposal requires them to do so. It is local control at its finest.

Mr. Chairman and Members of the committee, I thank you for your time today. We are hopeful that you agree with our position that supporting local arts and cultural institutions is a critical piece of Ohio's economic development strategy. I am happy to answer any questions that you may have.