



Testimony of Andrew W. Herf
Executive Director, Ohio Association of Convention and Visitor Bureaus
before the Ohio Senate Finance Committee
on HB 96

Chair Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson and members of the Senate Finance Committee, thank you for the opportunity to testify. My name is Andy Herf, and I am here on behalf of the Ohio Association of Convention and Visitor Bureaus (OACVB). The OACVB is an organization made up of convention and visitors bureaus (CVBs) from across the state of Ohio; some large, some small, but all of them are funded with lodging taxes. We are concerned about a recent amendment that has been circulated that would allow county commissioners in a county with a population under 100,000 and a CVB that collects more than \$500,000 in lodging taxes to take 2/3 of the funding from the CVB for other uses in the county.

The OACVB's membership and other businesses and local groups around the state strongly oppose moving lodging taxes away from convention and visitors bureaus to county general funds.

While this concept is being driven by one specific county, the far-reaching effect of the language goes well beyond one county, and in fact, reaches roughly one quarter of the counties in Ohio – Ashtabula, Athens, Belmont, Clinton, Erie, Guernsey, Hancock, Hocking, Holmes, Ottawa and Tuscarawas. We believe there are other counties beyond this list as well.

Mandating a 2/3 reduction for any enterprise's budget is devastating. In our case many CVBs would lay off staff, sell buildings, cut executive director salaries and try to market regions with what's left. They will also have to break contracts. Many of those contracts will be enforced by their vendors, depleting any remaining funds. Given such, we believe a 2/3 reduction in CVB budgets would simply eliminate the CVBs affected.

With regard to Erie County specifically, the board of commissioners have other levies available they could use to raise funds. Furthermore, the maximum sales tax rate that may be levied in a county is 1.5%. The Erie County sales tax rate is currently at 1.0% and generates approximately \$21.6 million. If the county were to increase its sales tax rate by just .25%, it would generate an additional \$5.4 million which is more than would be taken from the local CVB.

On May 7, Erie County treasurer Caleb Stidham stated the county went through a real estate revaluation in 2024 before suspending the inside millage collection on its property tax. This return of more than \$7.5 million in property tax revenue represented roughly 20% of the general fund budget. Instead of asking to raise additional funding, Erie County is asking for permission to take existing funds being used responsibly that represent the main – and oftentimes only – source of revenue for CVBs.

Thank you for your time. I am happy to answer any questions.