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**Senate Ways and Means Committee**  
**Senate Bill 187 Sponsor Testimony**  
**Create temporary tax credit - sound recording company investment**  
**October 21, 2025**

Chairman Blessing, Vice Chairman Roegner, Ranking Member DeMora and members of the Ways and Means Committee. Senator Schaffer and I greatly appreciate the opportunity to provide sponsor testimony in support of SB 187 which would create the Ohio Sound Recording Investor Tax Credit. My testimony includes an overview of the legislation and six brief reasons for its adoption.

The intended impact of the legislation can be found in lines 150-153 of the bill where it reads, the director shall consider “the impact of the production or project on the encouragement and development in this state of a strong capital and infrastructure base in order to achieve a more independent, self-supporting music and sound recording industry.”

The mechanics of the legislation are as follows: it would be limited to \$1 million dollars per tax year. It would provide a 25% credit on the cost of recording a piece of music or for sound studio improvements if the investment was over \$10,000. The credit would be capped at \$75,000 per project (which is \$300,000 in total project cost).

SB 187 is a small step to drive economic growth by making Ohio a destination for musicians, producers and industry professionals which will create jobs and strengthen our local economies.

Six quick reasons for the legislation are as follows:

**1. It’s a huge industry**

The Ohio Sound Recording Investor Tax Credit, or OhioSounds for short, will be a catalyst to attract more of the almost \$30 billion dollar industry to our state.

According to the Global Music Report released in March 2025 by the International Federation of the Phonographic Industry (IFPI), the global recorded music market grew by 4.8% in 2024, the tenth consecutive year of growth. IFPI’s Global Music Report showed total revenues for 2024 were (in US dollars) \$29.6 billion. Growth was driven by streaming, especially by paid subscription streaming revenues, which increased by 9.5%. Revenues from streaming services now account for 69% of global recorded music revenues.

Senate Bill 187 is designed to help Ohio get a larger share of 30 billion dollars in global revenues.

## **2. Local music matters to communities and our economy, as documented by two studies from 2010.**

OhioSounds (Senate Bill 187) could help reverse brain drain by making Ohio neighborhoods and communities more desirable. The Knight Foundation released a study in 2010 called “The Knight Soul of the Community – why People Love Where They Live and Why It Matters – a National Perspective.” They examined 26 cities across the United States for three years. They concluded that their “Study has found a positive correlation between community attachment and local GDP growth.” They said that “Community Attachment” had 3 major factors: 1. Aesthetics, 2. Openness and 3. Social Offerings. Social Offerings included two things: 1. Vibrant Nightlife and 2. The Availability of Arts and Cultural Opportunities.

This supports the premise that OhioSounds will create direct and indirect economic activity and therefore (as the Knight study concluded) spur state and local GDP growth.

In addition, the 2010 ReMix study by Cleveland State University supported the Knight Foundation analysis that the OhioSounds proposal would not just help Ohio’s music industry but also its broader economy.

The CSU study was an examination of the Northeast Ohio music industry and an analysis of scholarly research on the topic. In the report’s Executive Summary, the authors wrote, “There is a growing awareness of the economic impact that a creative and entrepreneurial workforce can have on economic outcomes. Art, in all its forms, can provide a region with a “sticky,” or long lasting, regional competitive advantage that is attractive to creative people.”

## **3. Ohio’s live music venues are adding to local GDP everywhere.**

Besides the two studies from 2010, this month, the National Independent Venue Association released their the State of Live report (October 2025). The report concluded that Ohio’s independent music small businesses contributed \$1.5 billion to Ohio’s GDP in 2024, and generated \$3 billion in total economic output, and served over 5 million fans. The industry directly employs over 10,000 people, and supports over 21,000 total jobs, generating over \$950 million in wages and benefits across the state. Ohio’s independent venues bring in \$190 million in direct off-site tourism dollars, and contribute over \$122 million in state and local taxes.

Ohio’s independent live sector ranks among the top ten states in terms of Contribution to GDP (10th), Economic Output (10th), Fans Served (9th), Jobs Supported (9th), Wages & Benefits (9th) and Industry Employees (7th). Ohio has 312 independent venues & festivals, which ranks (9th) nationally. This number includes 268 independent venues (10th) and 44 independent music festivals (7th).

**4. Ohio has several music industry assets already in place that can support the OhioSounds tax credit.**

SB 187 would build upon the considerable musical assets that already exist in Ohio which include a leading popular music publication Alternative Press Magazine, Gotta Groove Records, one of about 20 vinyl music pressing plants in the US, approximately 300 recording studio facilities, 16 regional orchestras, a multitude of higher education partnerships and the Rock and Roll Hall of Fame.

Let's be clear, 49 other states would love to have the Rock N Roll Hall of Fame: Since it opened September 1, 1995 (30 years ago), the Rock & Roll Hall of Fame has welcomed more than 15 million visitors from across the U.S. and around the globe generating a cumulative economic impact of more than \$2.5 billion for the State of Ohio.

Each year, the Museum, which originally cost \$92 million, welcomes more than half a million visitors creating an annual economic impact of \$242.3 million for the State of Ohio, supporting more than 1,925 Ohio jobs, generating direct spending of \$150.6 million to support Ohio businesses, and generating \$22.4 million in State/Local taxes. Seventy percent of Rock Hall visitors come from outside Ohio and in each of the last three years, the Rock Hall has welcomed visitors from all 50 states and over 85 countries.

**5. Ohio's diverse musical history.**

Ohio is the birthplace of legendary musicians, unforgettable songs and 'Rock N' Roll'. OhioSounds builds upon our proud history and works to cultivate our state's musical legacy moving forward.

Moving backwards chronologically, let me remind this Committee of some of the major events in Ohio's ground-breaking musical past.

Cleveland disc jockey Alan Freed hosted the first rock concert ever, the Moondog Coronation Ball on March 21, 1952, which was attended by 20,000. King Records was founded in Cincinnati in the 1940s.

The success of the Wings Over Jordan Choir in the 1930's. They became the first full-time professional black choir in America, performed worldwide to non-segregated audiences.

The Cleveland Orchestra was founded in 1918. It is seen as one of the greatest classical musical ensembles in the world.

**6. Ohio musical acts come from all across the state and perform every type of music.**

From Dean Martin to Devo to Doris Day to Dave Grohl to Dwight Yoakam to The Dazz Band. Ohio is the birthplace to legendary acts and this legislation will help launch other future chart-toppers.

Notable Ohio musical acts include:

98 Degrees (Cincinnati), The Black Keys (Akron), Bootsy Collins (Cincinnati), Dave Grohl (Warren), Dean Martin (Steubenville), Devo (Akron), Doris Day (Cincinnati), Foxy Shazam (Cincinnati), The Isley Brothers (Cincinnati), John Legend (Springfield), Kid Cudi (Cleveland), The O'Jays (Canton), The Pretenders (Akron), Rascal Flats (Columbus), Twenty One Pilots (Columbus), Joe Walsh (Kent), Nine Inch Nails (Cleveland), Angela Perly (Columbus), Guided By Voices (Dayton), Tracy Chapman (Cleveland), Foster The People (Chagrin Falls), Phil Keaggy (Youngstown), Ohio Players (Dayton), Macy Gray (Canton), Bone Thugs-n-Harmony (Cleveland), Jim Brickman (Cleveland), "Screamin'" Jay Hawkins (Cleveland), LA Reid (Cincinnati), Kim and Kelly Deal (Dayton), Robert Lockwood Jr. (Cleveland), Gerald Levert (Cleveland), Machine Gun Kelly (Cleveland), Johnny Paycheck (Greenfield), Dwight Yoakam (Columbus), Danny Thomas (Toledo), Boz Scaggs (Canton), The Dazz Band (Cleveland).

For the following reasons and many more, Mr. Chairman and members of the Committee, I think an investment in Ohio's music industry would be beneficial to Ohio's economy and the citizens we serve. For that reason, I would ask for thoughtful consideration of this legislation. Thank you for allowing Senator Schaffer and me the opportunity to present SB 187 before the Committee and we would be happy to answer any questions you all might have.