

Proponent Testimony on House Bill 531
House Government Accountability and Oversight Committee
Jeff Berding, President and General Manager, Futbol Club Cincinnati
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Chairman Blessing, Vice-Chair Reineke, Ranking Member Clyde and members of the House Government Accountability and Oversight Committee, thank you for the opportunity to present proponent testimony on House Bill 531 to create the Sports Event Grant Fund to make grants under Ohio's Major Sporting Event Grant Program.

My name is Jeff Berding. I am President and General Manager of FC Cincinnati. FC Cincinnati is currently a member of the United Soccer League. First, I would be remiss if I did not extend our appreciation for the state's support in the capital bill as we pursue a Major League Soccer bid. When Carl Lindner III and I announced the formation of FC Cincinnati in August of 2015, we hoped to develop a club that could capture the interest of kids and families throughout Cincinnati who love soccer. Thanks to our fans, community and business partners, we have exceeded all expectations in a very short period of time, setting attendance records in our first two seasons including the single game attendance record for a soccer match in Ohio for our exhibition against Crystal Palace, an English Premier League club.

Due to the overwhelming support for soccer, Cincinnati has been short listed as one of the potential host cities in North America for the bid filed by the U.S., Canada and Mexico for the 2026 FIFA World Cup. FC Cincinnati, the Cincinnati USA Sports Commission and our community partners will form a local organizing committee as we continue to pursue this international opportunity. More immediately, Cincinnati is also a finalist for the 2019 Gold Cup. The Gold Cup is the premier soccer tournament for the North American region featuring 16 national teams from North America, Central America, and the Caribbean, including both the United States and Mexican national teams. The 2019 tournament will be the 15th edition of the event, which has continued to grow at stunning rates with international broadcasts garnering the attention of millions of viewers. FC Cincinnati, the Cincinnati USA Sports Commission, the University of Cincinnati and our local community partners will form a local organizing committee to help pursue this opportunity to bring exposure to our city.

Ohio established the Major Sporting Event Grant Program in 2009 to assist local organizing committees in securing very large competitively bid sporting events. To qualify, an event must be projected to generate at least \$250,000 in an incremental increase in the state sales tax. Historically, the program has been funded with General Revenue Funds on a biennial basis, which can be challenging because there is no assurance that the program will be funded in out-years.

HB 531 will allow Ohio organizations to remain competitive with other states across the country, of which 34 have existing state programs. HB 531 is modeled after Texas. I would note that Dallas and Houston are also finalists with Cincinnati for the 2026 FIFA World Cup, and both cities have hosted numerous Gold Cup tournaments. HB 531 would create the Sports Event Grant Fund, funded with half of the incremental increase in state sales tax attributable to a major sporting

event that takes place in Ohio. Further, the state will continue to receive 50% of all incremental sales tax that is associated with these events. These funds are only transferred back to the local communities after the event concludes, so there is no risk assumed by the state.

HB 531 has the support of the hotel and lodging industry, which sees the strong economic impact that results from large scale sporting events across the state, as well as professional and collegiate sports teams throughout the state. The World Cup is the world's largest sporting event in terms of both attendance and viewership. HB 531 would be a valuable tool in Ohio's toolbox to compete against Texas, New York/New Jersey, Illinois, and Florida.

Thank you again for the opportunity to appear before you today in support of HB 531. I encourage you to pass House Bill 531 and am happy to answer any questions you may have at this time.