

Proponent Testimony on House Bill 531
Senate Finance Committee
Robert H. Castellini, Chairman, Castellini Management Company/Owner, Cincinnati Reds
November 27, 2018

Chairman Oelslager, Vice-Chair Manning, Ranking Member Skindell and members of the Senate Finance Committee, thank you for the opportunity to offer written proponent testimony on House Bill 531 to create the Sports Event Grant Fund to make grants under Ohio's Major Sporting Event Grant Program.

The Reds were honored to host the 2015 Major League Baseball All-Star Game. The two weeks of the All-Star Game generated nearly \$70 million in economic impact, including nearly 131,000 fans over three days of events at Great American Ballpark for the Futures Game, Celebrity Softball Game, Home Run Derby and the All-Star Game, tens of thousands of visitors attending the weeklong FanFest at the Duke Energy Convention Center and 17,000 hotel room nights. Our Convention and Visitors Bureau estimated that a conservative estimate of 200,000 visitors to Cincinnati during those two weeks. In addition, the All-Star Game allowed us to promote Cincinnati to over 200 countries.

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. In fact, the program did not have funds in 2014 when Cincinnati was planning to host the All-Star Game the following year. While the State graciously allocated funds late that year, creating a long-term funding mechanism as proposed in HB 531 would provide the predictability that Major League Baseball demands when considering where to host the All-Star Game and the World Baseball Classic.

HB 531 would contribute half of the incremental state sales tax increase attributable to a qualifying event to the grant fund. Grants would then be made from the fund to fulfill a portion of the obligations required by a site selection organization. The legislation would ensure Ohio's competitiveness with the other 33 states that also offer incentives to attract major sporting events. It would also promote economic development opportunities for hotels, restaurants and bars and other local businesses who benefit from these major events taking place in their community.

Cincinnati went 27 years between hosting All-Star Games. HB 531 would play a part in us hopefully not having to wait until 2042.

Thank you again for the opportunity to provide testimony in support of HB 531. I encourage you to pass House Bill 531 prior to the end of this session.

Respectfully submitted,

Robert H. Castellini