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Sponsor Testimony
Senate Bill 271
Senate Finance Committee
April 10, 2018

Good afternoon Chairman Oelslager, Vice- Chair Manning, Ranking Member Skindell and members of the committee. Thank you for the opportunity to give sponsor testimony on Senate Bill 271.

Senate Bill 271, if enacted into law, would remove limitations on the amount of sports events grants that may be awarded in a fiscal year or for a specific grant, and would fund the Major Sporting Event Grant Program by diverting half of the increase in state sales tax receipts directly attributable to an event to a custodial fund administered by the Director of Development Services.

It is our legislative intent with Senate Bill 271 to create the Sports Event Grant Fund, which will become a permanent funding source for Ohio to attract major sporting events to our great state. Only counties, cities or local organizing committees – which must be a non-profit - are eligible to receive any portion of the grant funds. No professional sports team, organization or leagues are eligible to receive any funding from the program. The fund would allow local organizing committees to bid for major events with the knowledge that money will be there to cover expenses.

In 2009, the Ohio legislature created the Major Sporting Event Grant Program to assist local organizing committees in securing these very large sporting events for the economic benefit of our communities and the state. The program is established in O.R.C. 122.121 and administered by the Development Services Agency (DSA). To qualify, an event must be projected to generate at least \$250,000 in an incremental increase to the state sales tax, determined using a formula approved by DSA. Approved events qualify for a grant in an amount up to half of the estimated sales tax increase to help fulfill a portion of the obligations to a site selection organization under the games support contracts. Post-event reporting is due to the DSA following the event to confirm impact metrics were reached.

To date, \$2 million in state funding through the program has generated over \$104 million in direct economic activity and more than \$7 million in state sales tax. If enacted into law, Senate Bill 271 would ensure long-term funding for the program, which is extremely important as site selection RFPs are already out for events into 2024 and beyond.

Competition to host major sporting events, such as the NCAA Final Four Tournaments, Major League All Star Games, and national competitions such as the Transplant Games of America, continues to grow. In response to the increased competition to host these events that generate

millions in visitor spending, 34 states now offer some type of incentive designed to attract major events to their state. Many site selection RFPs now have a box that must be checked to indicate state support for hosting major events. Local organizing committees are already bidding on events into 2020, and continued state support is needed to allow Ohio entities to continue to bid on these events.

Chairman Oelslager, and members of the Senate Finance committee. Thank you for the opportunity to give sponsor testimony on Senate Bill 271. We are happy to answer any questions that the committee might have.