



**Senate Ways and Means Committee
Testimony of Marty McGann – Senior Vice President, Advocacy
Greater Cleveland Partnership
May 9, 2017**

Chairman Eklund, Vice Chair Terhar, Ranking Member Williams, and members of committee, my name is Marty McGann and I am the Senior Vice President of Advocacy at the Greater Cleveland Partnership (GCP). GCP is the largest chamber of commerce in the State of Ohio representing 8,500 small, mid-market and large companies across Northeast Ohio. Our mission is to mobilize private sector leadership, expertise and resources to create jobs and leverage investment to improve the economic vitality of our region.

We do that in many ways, including leveraging essential federal and state development tools – New Market Tax Credits, Historic Preservation, and the Job Creation Tax Credit among others – to physically transform Greater Cleveland and retain, attract and grow businesses in Northeast Ohio. That is why we offer our support for Senate Bill 131, which would allow eligible employers applying for the Job Creation Tax Credit to count qualifying work from home employees in their job creation totals.

There are tax credit programs in Ohio that add significant economic value to local communities. The Job Creation Tax Credit is one of them. Based on data from the Ohio Development Services Agency, since 2008 the Job Creation Tax Credit has resulted in more than 10,000 new jobs, well over 14,000 retained jobs, and \$712 million in additional investment in Cuyahoga County alone. That leads to increased tax revenue, more investment in our local economy, and supports overall economic growth. The Administration has done tremendous work to ensure that the Job Creation Tax Credit is performance-based, efficient and incentivizes the creation of high wage jobs.

Through SB 131, giving the Ohio Tax Credit Authority the additional *discretion* to count qualifying work from home employees in an applicant's job creation totals (while still meeting the existing requirements of the Job Creation Tax Credit) is a step in the right direction. It allows the tax credit to stay current with growing trends in the workforce, where more employees are working from home or have a job that

allows them to telecommute at least 50% of the time. This creates benefit for the employer and employees by reducing costs, improving work/home life balance, and reducing traffic congestion. SB 131 ensures that even with this additional discretion, the benefit of an employer expanding in or locating in the state still has benefit to Ohio by specifying that the new employees must reside here, thereby adding to the state's tax base and creating new job opportunities for Ohioans.

For these reasons, we offer our support of SB 131. I am happy to answer any questions you may have. Thank you for your time.