

**Proponent Testimony for Substitute Senate Bill 4**  
**Senate Ways and Means Committee**  
**Kristen Schlotman, Executive Director, Film Cincinnati**  
**May 17, 2023**

Chairman Blessing, Vice Chair Roegner, Ranking Member Smith and members of the Senate Ways and Means Committee, thank you for the opportunity to appear before you today to speak in favor of Substitute Senate Bill 4 regarding Ohio's Motion Picture Tax Credit. My name is Kristen Schlotman and I am honored to serve as the Executive Director of Film Cincinnati.

Film Cincinnati was created in 1987 to attract, promote and cultivate film, television and commercial production throughout Greater Cincinnati. Since our inception, we have brought thousands of films, commercials, music videos, documentaries, and industrial videos to the region.

Ohio's Motion Picture Tax Credit has promoted significant economic development since its inception in 2009 and the program continues to improve thanks to the leadership of the General Assembly and the Department of Development. Over the years, the General Assembly has wisely focused on job training and establishing a trained workforce in the film industry to help attract investment. In Cincinnati, we have resident production professionals who have moved to Ohio from Florida and other states because of the growing film industry and increased economic opportunities in the industry here.

As with any business, we constantly strive at Film Cincinnati to have return customers. We work incredibly hard to make sure that the experience in Ohio is a positive one so producers will immediately consider us when they are putting together their next project. We have been fortunate to have repeat business in Cincinnati because of how the community has embraced the industry – from the hotels, restaurants and bars to the visitors bureaus and tourism networks to the IATSE Local 209.

I'm often asked why there is a Georgia peach at the end of each program people are streaming or watching on tv. The reason is Georgia has unlimited tax credits. What Georgia doesn't have are the incredible landscapes, topography, and diverse architecture richly embedded in Ohio. We are losing business to Georgia, Kentucky, Pennsylvania. They call Ohio because they want to continue to do business here but we have to turn them away because we are out of credits and do not provide a rolling application process. SB4 alleviates this runaway business and helps anchor these jobs and dollars right here in Ohio.

The film industry is increasingly competitive both domestically and internationally. The streaming wars, the unquenchable thirst for content, means production growth is accelerating unlike any other time in the industry. We want to take advantage of the \$220.2 billion in direct production spending worldwide and bring as much of that job creation and investment here. If we don't act to strengthen the Ohio motion picture tax credit, this enormous opportunity and the jobs that come with it will go elsewhere. Because of Ohio's incentive cap, we lost \$224.5 million of total production spending that wanted to come to Ohio in 2021. This year we lost 165.3 million to Pennsylvania, Kentucky, West Virginia, and Louisiana. Those states, and many more, are beating us to the punch. Every state that borders Ohio has substantially increased or launched brand new motion picture tax credit programs in the last 2 years. Producers and directors want to work in Ohio. We will make sure they do, but we need your help.

I strongly believe that the process modifications and the demonstration project outlined in Substitute Senate Bill 4 will provide additional predictability and reliability for the program to prove that the program is good for both businesses and taxpayers.

I want to thank the General Assembly and the DeWine Administration for your commitment to fostering the creation and retention of jobs and capital investment in Ohio. Please expand the current motion picture tax credit program with this legislation so we can recapture the hundreds of millions of dollars in business that wants to come here.

Thank you again for your attention to this important economic development issue. I would be happy to answer any questions you may have.