

SOUTHEASTERN CONNECTICUT CULTURAL COALITION

P.O. Box 95, New London, CT 06320 | (860) 448-5135 | info@CultureSECT.org | www.CultureSECT.org

DATE: February 27, 2019
TO: Appropriations Committee
FROM: Wendy Bury, Executive Director, Southeastern CT Cultural Coalition; Vice President, CT Arts Alliance; and Co-Chair, Lamont-Bysiewics Transition Arts, Culture and Tourism Policy Committee
RE: DECD

Senator Osten, Representative Walker, Senator Formica, Representative Lavielle and members of the Appropriations Committee,

On behalf of the Southeastern CT Cultural Coalition and the more than 500 partners we serve in New London County and its surrounding areas, we urge the Appropriations Committee to support an increased investment in arts and culture. Further, as Vice President of the CT Arts Alliance and co-chair of its Policy & Issues Committee, as well as, co-chair of the Lamont-Bysiewics Transition Arts, Culture and Tourism (ACT) Policy Committee, the Cultural Coalition supports the recommendations put forth by the ACT Transition policy committee. These recommendations are also supported by the CT Arts Alliance, CT Tourism Coalition, CT Humanities, CT Restaurant Association, among other statewide industry organizations.

Arts and culture represent 5% of CT's economy, generate \$9 billion annually, and supports 57,000 jobs. CT's nonprofit arts and cultural organizations generate \$800 million annually. Nonprofit arts and cultural economic activity in New London County alone, \$168 million, is greater than each of the following states: Vermont, Delaware and Maine (Arts & Economic Prosperity 5, Southeastern Connecticut, 2015). Our small corner of the state packs an enormous economic punch, and represents 1/5 of the CT's total nonprofit arts and cultural economic activity and attracts millions of visitors every year.

Beyond their economic impact, arts and culture are a major contributor to CT's quality of life and central to the decision-making process for businesses, workers and families looking for a home here. Arts and culture build state pride and our identity stems from our history, heritage and modern arts and cultural assets. From our Native American origins to our military history and maritime heritage, award winning performing arts centers, museums and some of the best artists in the nation, CT should leverage these assets every day. More important, these are revenue generators, not cost centers.

The newly established Tourism Fund (PA 17-2) was intended to provide a dedicated revenue source (a portion of the lodging tax revenue) to specifically fund arts, cultural and tourism programs in DECD, essentially a reinvestment of dividends.

We recommend the following adjustments to the Tourism Fund:

- 1) Currently, 10% (\$13 million) of the lodging tax revenue generated is diverted to the Tourism Fund. We recommend allocating 25% (\$32 million) of the revenue generated from the lodging tax into the Tourism Fund. While not this Committee's responsibility or purview, we include this

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information as it would affect the appropriations within the Tourism Fund and your work, if adjusted.

- 2) Clearly dedicate 60% of the Tourism Fund to tourism-related investment and 40% to arts and cultural-related investment. This 60/40 share of the Tourism Fund mirrors current allocations, and is a vital component moving forward ensuring fair investment that would remain consistent regardless of the size of the Fund. The Tourism Fund invests in statewide tourism marketing for statewide benefit, the Office of the Arts (aka "Arts Commission") and in local arts and cultural organizations for neighborhood, city/town and community vitality.
- 3) Change the name of the "Tourism Fund" to the "Arts, Culture and Tourism Fund." This clarification is important as the fund support arts, culture and tourism programs and the revised name would be an accurate representation of how the funds are used. Similarly, we support changing the name of the line item, "Statewide Marketing" to "Statewide Tourism Marketing" to reflect the purpose of those funds.
- 4) Appropriate 100% of the "Tourism Fund" (or "Arts, Culture and Tourism Fund") to support, arts, culture and tourism annually.

We ask the committee to support these recommendations that will generate jobs, spur economic activity, attract businesses, visitors and families to CT, and invest in community organizations that have neighborhood impact.

Thank you for your consideration.

Sincerely,



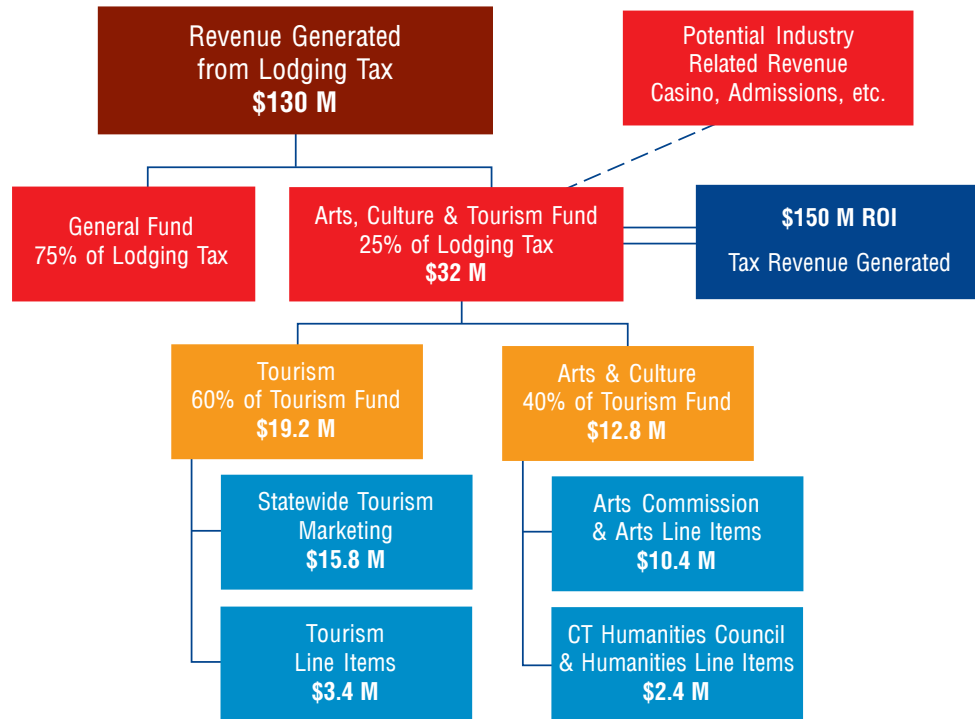
Wendy Bury
Executive Director

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ARTS, CULTURE & TOURISM FUND PROPOSAL



Legislative Action Required:

- 1) **Allocate 25% of existing Lodging Tax into the Tourism Fund¹**
An increase of ~ \$20M compared to current allocation of 10% (*this change does not impact lodging tax rates*)
- 2) **Dedicate 60% of fund to Tourism and 40% to Arts + Culture**
- 3) **Change names** of "Tourism Fund" to "Arts, Culture, and Tourism Fund" and "Statewide Marketing" budget line to "Statewide Tourism Marketing" to clarify intention of fund

Revenue generators, not cost centers:

- Tourism represents **10% of CT's economy, generates \$14.7 Billion annually**, and supports **122,000 jobs²**
- Arts and culture represents **5% of CT's economy, generates \$9 Billion annually³**, and supports **57,000 jobs**

CT can capitalize on arts, culture and tourism to:

- **Increase return on investment:** Tourism \$3 for every \$1 ROI and Arts & Culture \$7 for every \$1 ROI⁴
- **Generate** estimated \$150M in state tax revenue and **Increase Competitiveness** with our neighboring states
- **Restore** state pride for current residents and businesses, enhance experiences, improve our quality of life
- **Revitalize** our cities and towns, create vibrant communities and raise CT's profile
- **Attract** new visitors, talent, businesses and families

¹ Tourism Fund - PA 17-2 JSS (effective October 31, 2017)

² Connecticut Office of Tourism, Department of Economic & Community Development (2015)

³ U.S. Bureau of Economic Analysis, National Endowment for the Arts (2015)

⁴ Americans for the Arts, Arts and Economic Prosperity V (2017)

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Notes

- DECD currently designates and administers funds through the following categories and offices:
 - Tourism – CT Office of Tourism: Statewide Tourism Marketing, Stepping Stones Museum for Children, Nutmeg Games, Discovery Museum, CT Open, Beardsley Zoo, Maritime Center Authority, Mystic Aquarium, Connecticut Science Center, Northwestern Tourism, Eastern Tourism, Central Tourism, Op-Sail, Amistad Vessel
 - Arts & Culture – CT Office of the Arts: Arts Commission = CT Office of the Arts (services, programs and competitive grant program), Performing Arts Centers, New Haven Festival of Arts and Ideas, Performing Theaters Grant, Art Museum Consortium, CT Flagship Producing Theaters Grant, Hartford Urban Arts Grant, Neighborhood Music School, National Theatre of the Deaf, Greater Hartford Arts Council, New Haven Arts Council, Cultural Alliance of Fairfield, New Britain Arts Council, Litchfield Jazz Festival, Arte Inc., CT Virtuosi Orchestra, New Haven Symphony, CT Humanities Council, Twain/Stowe Homes, Amistad Committee for the Freedom Trail, Barnum Museum
- Increase to Tourism is allocated to Statewide Tourism Marketing; Tourism Line Items remain at current levels
- Increase to Arts Commission & Arts Line Items maintains current funding priorities
 - 80% for unrestricted general operating support for nonprofit arts organizations
 - 20% for restricted project grants for education, individual fellowships, and workforce development
- Funding to the Arts category is partially matched by National Endowment for the Arts (currently \$722K), which requires CT Office of the Arts to maintain a strategic plan

Sponsoring Organizations:



CONNECTICUT
ARTS ALLIANCE



cthumanities

CONNECTICUT
Restaurant
ASSOCIATION

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