

SOUTHEASTERN CONNECTICUT CULTURAL COALITION

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

DATE: February 18, 2021
TO: Appropriations Committee
FROM: Wendy Bury, Executive Director, Southeastern CT Cultural Coalition
RE: Governor's Proposed FY 2022-2023 Budget for Regulation and Protection Agencies

Dear Co-Chair Senator Osten, Co-Chair Representative Walker, and members of the Appropriations Committee,

My name is Wendy Bury and I am the Executive Director of the Southeastern CT Cultural Coalition, a nonprofit organization that serves more than 500 arts, cultural and creative businesses in eastern CT. I also serve on the board of directors of the CT Arts Alliance and as chair of its Policy & Issues Committee. In 2018, I served as Co-Chair of Governor Lamont's Transition Arts, Culture & Tourism Policy Committee. We support the Governor's Proposed FY 2022-2023 Budget with regards to the replenishment of the Tourism Fund to provide, at least, level funding and prevent further economic losses to the arts and cultural industry.

The hotel lodging tax revenue collected, and thus the Tourism Fund balance, has been drastically reduced due to the pandemic, which the Governor proposes to maintain by transferring \$12.9 million in resources from the General Fund to the Tourism Fund. Keep in mind that once the state begins to reopen and visitors begin to return safely, 69% of visitors will come here for arts and cultural offerings. Arts, culture and tourism entities help drive the revenue for the state. Investment in arts and cultural institutions is consistent asset development and statewide tourism marketing is promotion of those assets. Together, they will help bring life back to our cities and towns, attract and retain new residents and businesses, bring back foot traffic to our downtowns, and fill the restaurants and hotels. Further, arts and cultural organizations are major providers of arts education and enrichment programs for local schools, youth and children.

The return on investment to CT is 7:1 for arts and cultural and 3:1 for tourism.

The most recent economic data for CT provided by Americans for the Arts shows:

- \$2.4 Billion in lost revenue for creative economy businesses in 2020 in CT
- 56% unemployed – 33,258 creative workers made unemployed by covid-19 in CT
- 57% of creative workers have experienced a drastic decrease in work in CT

The CT Arts Alliance data shows at least \$400 million in losses to CT's arts and cultural nonprofits. And, here in southeastern CT, we estimate at least \$100 million in losses.

Additional opportunities for the Appropriations Committee to invest in arts, culture and tourism include a portion of other existing and new revenue streams to help diversify the funding source. As we have all clearly seen, the Tourism Fund's dependence on one revenue source – lodging receipts, which have been decimated - has led to an enormous deficit that the budget and legislators will now have to rectify to prevent further economic injury. Dedicating small portions of other revenue streams to the Tourism Fund will help protect the Fund and its investments from radical ups and downs and the need for legislators to provide unanticipated fixes.

The Cultural Coalition serves as the "voice" of the arts and cultural sector and the liaison between the sector and leadership entities invested in regional revitalization, and we provide core services to connect, strengthen, and advocate for the arts and cultural community. From sole proprietors, artists and small volunteer-run organizations, to historical societies and sites and professionally staffed museums, tourist attractions and arts

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centers, the Coalition serves 42 towns of eastern CT and includes a diverse cross section of nonprofit and for-profit individuals, businesses, groups and organizations.

Pre-pandemic, arts and culture represented 5% of CT's economy, generated \$9 billion annually, and supported 57,000 jobs. CT's nonprofit arts and cultural organizations generated \$800 million annually. Nonprofit arts and cultural economic activity in New London County alone, \$168 million, was 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.

Investment in the Tourism Fund represents recommendations from three years of thoughtful and collaborative discussion by arts, cultural and tourism industry leaders and community voices through a variety of public and private committees and panels, as well as conversations across the state and in local neighborhoods. From support from the Governor Lamont's Transition Arts, Culture & Tourism Policy Committee and the Speaker's Blue Ribbon Panel on Tourism to the CT Arts Alliance and the CT Tourism Coalition, the Governor's proposed budget includes much needed and deserved investment in arts, cultural and which was needed pre-pandemic, but with covid-19 is now essential.

Beyond their economic impact, arts and culture are central to the decision-making process for businesses, workers, families, and visitors. Investment in the creative sector is one of CT's best economic and community development tools. Vibrant communities attract and retain residents, businesses, employees and tourists. Investment in arts and culture supports workforce development, innovation through cultivation of creative thinking, strong communities, and a major contributor to our quality of life.

We urge the Appropriations Committee to support replenishment of the Tourism Fund and provide additional revenue streams to it. Thank you for your consideration.

Sincerely,



Wendy Bury
Executive Director

Our mission is to improve the economy, vitality and quality of life in Southeastern Connecticut by supporting the arts, cultural and creative community.