CULTURAL COALITION serving southeastern & northeastern CT

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

ARTS & CULTURE SECTOR IMPACT

- Massive economic setbacks. State of CT:
 - \$2.4 Billion in lost revenue.
 - 56% of creative workers became unemployed due to covid.
 - o CT 2021 Arts Facts, also attached
- Year-over-year employment decreased to a level not seen over the last three decades in the leisure and hospitality industry, which includes arts and culture
- 468% increase in initial unemployment claims for unemployment benefits for arts, entertainment and recreation sector's (2019 to 2020 comparison) CT OLR Report
- First to close, last to reopen.
- Have remained and are still active in communities. Ticket/earned revenues are nominal, financial liabilities remain.
- Even with reopening, financial projections will remain below pre-covid.
- Federal, state and local philanthropic support has helped.
- Needed 18 months for sustainability. 3-5 yrs. for recovery.
- Directly benefit the recovery of restaurants, lodging, tourism and hospitality industries
- This summer and fall are vital for reviving downtowns, restoring jobs, and sustainability
- Access to creative activities improves mental health and educational outcomes

LEGISLATIVE SESSION STATUS FOR ARTS & CULTURE

- <u>HB 6119 An Act Concerning Arts, Culture and Tourism Funding</u> To strengthen the arts, culture and tourism sector in the state by directing additional funds into the Tourism Fund, and renaming the fund to better represent the full scope of the sector.
 - o 100+ testimonies in support
 - 40+ legislator bill co-sponsors
 - Commerce Committee JF 22 Yea, 1 Nay; Reported Out LCO; Favorable Report, Tabled for the Calendar, House
 - Status: Died in committee when co-chairs of Finance, Revenue & Bonding refused to call bill for committee vote
- SB 146 An Act Concerning Revenue from Gaming Activities, Grants in Lieu of Taxes for Tribal Lands and Sale of Alcohol by Casino Permittees - To authorize sports wagering, online casino gaming, online lottery and online keno in this state.
 - Proposed bill- Proposed Bill Language: Dedicated 10% gross gaming revenue or \$20M, whichever is less to statewide tourism marketing account
 - Advocacy to amend
 - Amended bill Starting in FY24, deposits \$10M into Arts, Culture and Tourism Fund and \$20M into statewide tourism marketing
 - Status: A gaming bill passed with most revenue to go to General Fund, no support for arts & culture

CULTURAL COALITION RECOMMENDATIONS - RESTART THE ARTS

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- <u>State Budget</u> At the minimum, replenish the Tourism Fund to pre-covid amount (we support
 Appropriations budget) but request is to increase to \$20M to <u>Tourism Fund</u> to help sustain and
 recover
 - oTourism Fund Severely Impacted non-lapsing special fund, separate from the general fund, that is solely funded by a dedicated revenue source - 15% occupancy tax on hotel stays up to 30 days in length of which 10% of the total tax revenue collected by DRS is deposited into the TF after every quarter.
 - o Tourism Fund invests in CT Office of the Arts/DECD aka "Arts Commission"; CT Office of Tourism and "Statewide Marketing Tourism"; CT Humanities; Arts, Culture and Tourism direct line items; and Tourism Districts
- ARPA American Rescue Plan State of CT Budget \$20M to CT Office of the Arts/DECD (aka "Arts Commission") This number represents less than 1% of the \$2.647 billion in State Fiscal Relief Funds coming to our state and supports a 7:1 ROI for every dollar invested by the state. Distributing the funds through the CT Office of the Arts/DECD ensures they are directed to where they are needed most and reach all parts of the state.

The funding will ensure that arts and culture organizations will have the resources they need to be an essential part of CT's economic recovery and the return of community life.

We look to you, our representative in the legislature, to support this vital sector.

Additional Info and Data:

CT Office of Legislative Research - Impact of COVID-19 on the State's Leisure and Hospitality Industry

1% for Arts - Municipal ARPA Budget Recommendation

Red Alert - Covid 19 and the Creative Economy in CT

2021 Legislative Agenda - Cultural Coalition