

Testimony in Support of H.B. No. 6119
AN ACT CONCERNING ARTS, CULTURE AND TOURISM FUNDING

TO: Co-Chair Senator Hartley, Co-Chair Representative Simmons, Vice-Chair Senator Cohen, Vice-Chair Representative Rochelle, and members of the Commerce Committee,

My name is Brett Thompson and I live in the beautiful Connecticut river town of Deep River. I am also the Interim Executive Director of Connecticut Arts Alliance (also known as CAA) and am submitting this testimony on behalf of its members. We are a statewide nonprofit organization that advocates for the arts community, educates decision makers on the importance of the arts, and organizes the arts community into a strong, unified voice. We fully support H.B. 6119 and respectfully request that it be moved forward in the legislative process. We are confident that it will help protect jobs from further loss, prevent further economic injury, and accelerate recovery for the arts and adjacent industries, such as restaurants, hospitality, and hotels.

In normal times, Connecticut's arts and culture sector is a vital economic asset that generates significant tax revenue, employs a sizeable workforce and makes our state an attractive place to work and live. The many museums, performing venues, historic treasures, arts educators, artists and other creatives all comprise an economic engine that represents 5% of Connecticut's economy, generates \$9 billion in economic activity annually and supports 57,000 jobs. The nonprofit arts sector alone returns \$7 for every \$1 invested by the state.

As we know all too well, these are not normal times. Like all Connecticut industries, the pandemic has devastated the creative sector. Lost ticket sales, closed venues and other business impacts have resulted in unemployment for more than 33,000 creative sector workers, \$400 million in lost revenue for the nonprofit arts community, and an estimated \$2.4 billion in lost sales across the economy. State funding for the arts is also at risk. The Office of Policy and Management estimates that the Tourism Fund, which is funded by revenue from the hotel and lodging tax, will end the fiscal year with a \$13 million deficit without legislative action. These hardships are impacting an arts community that is still struggling with state funding cuts as a result of the 2008 recession. While progress has been made on that front in recent years, funding today still lags where it was more than a decade ago.

These short- and long-term funding issues are why H.B. 6119 is so important. Raising the percentage of the hotel and lodging tax to 25% will, in the short term, help ensure that the Tourism Fund is able to support the arts community at its 2019 level before the pandemic hit. While it is not a cure for the economic devastation of the pandemic, it is a necessary part. Once our state recovers from the pandemic, the economic picture brightens, and hotel and lodging tax revenue grows, the resulting boost to the Tourism Fund will move state support to and beyond its pre-recession level. The arts community will, at last, have resources that reflect its vital role in our state's economic and community life.

The arts community is important to Connecticut's economy, an integral part of its tourism industry and a major factor in our quality of life. Our state needs this community, and we can't recover from the pandemic without it.

We urge you to join us in helping to ensure our arts community survives and thrives by supporting H.B. 6119.

Thank you for your time and consideration.

A handwritten signature in black ink, appearing to read "Brett Thompson", with a long horizontal flourish extending to the right.

Brett Thompson
Interim Executive Director