



Connecticut Arts Alliance (CAA) is a non-profit advocacy organization established in 2005. CAA is led by artists, educators, and arts executives from all over our state. Our unified voice promotes the importance of the arts in building healthy, vibrant, and connected communities. Learn more at CTArtsAlliance.org.

In the state of Connecticut, arts and culture is situated in the Department of Economic & Community Development and supported by the Office of the Arts

- Represents 5% of CT's economy, generates \$9 billion annually, and supports 57,000 jobs
- Improves quality of life and contributes to CT's economy
- Creates vibrant rural and urban communities
- Is integral to the tourism industry

LEGISLATIVE ACTIONS

PRIORITY – ADJUSTMENTS TO TOURISM FUND

Recommendations:

- Reallocate existing lodging tax revenue deposited into the Tourism Fund from the current 10% to 25%
- Define allocation of 40% for arts & culture-related investments and 60% for tourism-related investments
- Change the name of the fund to "Arts, Culture and Tourism Fund"
- Appropriate 100% of Tourism Fund to support arts, culture, and tourism annually

Governor's Budget:

- Maintains flat funding for arts, culture and tourism. Potentially increases revenue to Tourism Fund through a proposed lodging tax rate increase

Relevant bills to support, if modified as per the above recommendations:

- Died in Committee - H.B. No. 6842 — ~~An Act Increasing Occupancy Tax Deposits Into the Tourism Fund (Finance, Revenue and Bonding)~~
- Died in Committee - S.B. No. 193 — ~~An Act Concerning Tourism in Connecticut (Commerce)~~

Advocacy Tool: See attached *Arts, Culture and Tourism Fund Proposal* from CT Arts Alliance, CT Tourism Coalition, CT Humanities, CT Restaurant Association, CT Marine Trades Association

SUPPORT

H.B. 7307 – An Act Concerning Deposits to and Allocation of Funds in the Tourism Fund (previously An Act Requiring A Study on Tourism by the General Assembly)
Joint Favorable Substitute 3/19 (Commerce Committee)

S.B. 259 – An Act Concerning the Imposition of Sales and Use Taxes on Peer-to-Peer Hospitality Services and Property Rentals (*Finance, Revenue and Bonding*)

- Purpose: To establish parity in sales and use taxes on hospitality services and hotel or lodging house occupancy when such services or property rentals are provided on a peer-to-peer basis
- Notes: This bill would increase funding for arts and culture through the Tourism Fund

H.B. 5805 – An Act Concerning the Taxation of For-Profit Secondary Market Ticket Seller (*Finance, Revenue and Bonding*)

- Purpose: To require for-profit secondary market ticket sellers to be subject to a tax similar to the admissions tax, but specifically drafted to apply only to the sale of all secondary tickets, including the price of the ticket and all additional fees.
- Notes: This bill could increase funding for arts and culture if modified to reallocate this new revenue to the Tourism Fund

H.B. 6939 – An Act Concerning the Establishment of Municipal Cultural Districts (*Planning & Development*)

- Purpose: To increase visibility and awareness of municipal cultural institutions and encourage economic development
- Notes: This bill is budget neutral and would expand awareness of arts and culture

~~Died in Committee – H.B. 6806 – An Act Establishing A Connecticut Cultural Facilities Fund (*Commerce*)~~

- ~~• Purpose: To bolster the long-term viability of small and mid-sized cultural facilities in the state by providing an alternative to the traditional bonding process through the CT Cultural Facilities Fund~~
- ~~• Notes: This bill requires more time to implement effectively, particularly given the Governor's intention to reduce bonding~~

OPPOSE

~~Died in Committee - S.B. 601 – An Act Dedicating a Portion of the Occupancy Taxes to Municipal Tourism Incentive Grants (*Committee: Commerce*)~~

- ~~• Purpose: To provide municipal revenue and encourage municipal tourism efforts~~
- ~~• Notes: This bill is in direct conflict with our priority recommendation to adjust the Tourism Fund~~

~~Died in Committee - H.B. 6360 – An Act Establishing An Annual Tourism Incentive Grant (*Commerce*)~~

- ~~• Purpose: To establish an annual tourism incentive grant program~~
- ~~• Notes: This bill is in direct conflict with our priority recommendation to adjust the Tourism Fund~~

MONITORING & UPDATING AS NEEDED

H.B. 6267 – An Act Restoring the Film and Digital Media Tax Credit (*Finance, Revenue and Bonding*)

- Purpose: To restore the film and digital media tax credit program (remove moratorium)

S.B. 518 – An Act Concerning A Municipal Option For Property Tax Abatements For Arts and Culture (*Planning & Development*)

- Purpose: To encourage the advancement of the arts and culture by permitting municipalities to offer property tax abatements.

H.B. 5444 – An Act Requiring Licensure of Art Therapists (*Joint Committee on Public Health*)

- Purpose: Increases education requirement for art therapists and requires licensure

~~Died in Committee - S.B. 88 – An Act Reinstating Film and Digital Animation Production Tax Credits (*Finance, Revenue and Bonding*)~~

- ~~• Purpose: To reinstate film and digital animation production tax credits to attract new business in a growing sector to the state (remove moratorium)~~

~~Died in Committee - S.B. 551 – An Act Concerning the Establishment of Local Arts Districts (*Finance, Revenue and Bonding*)~~

- ~~• Purpose: To promote the growth of the arts by permitting municipalities to establish local arts districts in which the state sales tax is waived~~

~~Died in Committee H.B. No. 7012 – An Act Concerning A Study Of A Renaissance District Program~~

- ~~• Purpose: To require a study examining the feasibility of creating a renaissance district program that provides tax benefits to businesses locating in areas that include multiple arts and cultural sites~~

S.B. 191 – An Act Concerning State Tourism Funds (*Commerce*)

- Purpose: To provide opportunities for cost savings by minimizing duplication of services

ARTS + CULTURE ISSUES

Protection for Arts and Cultural Nonprofits' Property Tax Exemption

- Status: Some local tax assessors have denied nonprofits' property tax exemption
- Recommendation: Support the Nonprofit Alliance's position to clarify statutes to protect charitable property tax exemptions

Connecticut's Art in Public Spaces (AIPS) program

Managed by CT Office of the Arts and established by the General Assembly in 1978, the program requires that not less than 1% of the cost of construction or renovation of publicly accessible state buildings be allocated for the commission or purchase of artwork for that building. Nearly 400 installations of all sizes have been commissioned since the program's inception including sculptures, painted murals, and photographs.

- Status: In the FY18-19 state budget, funding for this program was removed
- Recommendation: Restore funding for 1% for Art through Connecticut's Art in Public Spaces program

Arts Education

Sequential arts education on all levels provides an education system for the whole child. Arts requirements at all levels, including for high school graduation, benefit students. Arts specialists at the State Department of Education are knowledgeable arts educators who have the qualifications to lead the arts educators across the state and are needed to fulfill state requirements most effectively and with maximum results.

- Status: State Visual Art Consultant and State Music Consultant positions are vacant
- Recommendation: Restore at least one of the two arts specialists at the State Department of Education

Leadership for CT Office of the Arts

The position of Arts and Culture Administrator, often referred to as Director of Culture, manages the Office of Arts and State Historic Preservation Office. Previously an appointment by the governor, this recently classified position requires an experienced expert in arts and culture.

- Status: Position has been vacant since 2018
- Recommendation: Have a dedicated, full time position of Director for the Office of the Arts

CT Arts Endowment Fund

The Connecticut Office of the State Treasurer manages the Fund and the Connecticut Office of the Arts administers the program. The interest earned on the Fund's principal is distributed annually in operating grants to eligible Connecticut arts organizations.

- Status: In 2017, Public Act 17-213 enabled the fund to operate more productively at no additional expense to the state budget
- Recommendation: Continue to assess and ensure CT Arts Endowment Fund operates effectively

CT Arts Council

The Connecticut Arts Council was established within the Department of Economic and Community Development (DECD) by Public Act 13-247. The Council members are appointed by the Governor and legislative leaders. The Council consists of thirteen (13) members; with the commissioner of the DECD serving in an ex officio, voting capacity; and one (1) member, a designated DECD staff person serving in an ex officio, non-voting capacity.

- Status: All recommended CT Office of the Arts grants are approved by the CT Arts Council, as required in order to qualify for Federal funding from the National Endowment for the Arts
- Recommendation: Maintain CT Arts Council