

June 16, 2020

Chairman Edward J. Kennedy Massachusetts State House 24 Beacon St, Room 513 Boston, MA 02133 Chairman Paul McMurtry Massachusetts State House 24 Beacon St, Room 171 Boston, MA 02133

Dear Chairman Kennedy and Chairman McMurtry:

I am writing on behalf of the Greater Boston Chamber of Commerce to support H.4755, *An Act establishing a COVID-19 nonprofit cultural organizations emergency relief fund.* The grants authorized by this bill will help institutions bring back employees, provide programs and experiences for the public, and revitalize our communities. Like many small businesses, nonprofit cultural institutions are dealing with significant revenue losses and, again similar to small businesses, preserving them is crucial.

The Commonwealth's nonprofit cultural institutions lost substantial revenue due to closures and are in desperate need of a financial infusion so they can continue to execute their important missions. The economic stability of nonprofit cultural institutions – and their employees – depends on revenue generated from in-person activities and visitors in the form of ticket fees, gift shop purchases, and similar sources. The months-long closures froze that revenue source for these institutions and now many have uncertain economic futures. Exacerbating the revenue losses from closures, these organizations project a decline in charitable contributions as donors reassess their capacity to give during a recession.

Investing in the long-term fiscal health of nonprofit cultural institutions is necessary not only because they enhance residents' quality of life but also because they play a role in local economies. In 2018, Massachusetts' approximately 3,800 arts, entertainment, and recreation establishments employed over 63,000 people on average each month.¹ These nonprofit cultural institutions attract visitors who often go on to patronize other local businesses, like retail and restaurants. According to the Massachusetts Cultural Council, cultural nonprofits generate \$2.3 billion in economic impact in Massachusetts each year between direct organizational spend and indirect visitor spending.²

Thank you for your consideration of this important infusion of financial support for our Commonwealth's cultural institutions. If you have any questions, please contact me or my staff.

Sincerely,

James E. Rooney
President & CEO
Greater Boston Chamber of Commerce

¹ Employment and Wages Report (ES-202), MA Executive Office of Labor and Workforce Development

² Massachusetts Cultural Council Legislative Case Statement 2020