



Testimony Presented Before the Appropriations Committee:

Submitted By: Julia Wilcox, Senior Public Policy Specialist, CT Nonprofits

Public Hearing Date: March 2, 2015

In Opposition- With Recommendations - Regarding:

H.B. No. 6824: The Governor's Proposed FY 2016-2017 Biennial Budget – Related to DECD

Good Evening, Senator Bye, Representative Walker and distinguished members of the Appropriations Committee: I appreciate the opportunity to provide testimony regarding the DECD Budget within HB No. 6824. My name is Julia Wilcox, Senior Public Policy Specialist for the Connecticut Association of Nonprofits (CT Nonprofits.) CT Nonprofits is a membership organization that represents more than 500 mission-based, nonprofit agencies. Approximately 300 of our member organizations contract with state government for a variety of human and social services. This testimony is presented on behalf of the Arts and Culture Division of CT Nonprofits which contract with the Department of Economic and Community Development (DECD) – and the thousands of individuals and families impacted by their programmatic contributions to the state.

CT Nonprofits stands in strong opposition to the proposed reductions to the Arts, Humanities & Tourism sector within the DECD Budget. We ask that you maintain your support of the Sector as an essential investment in the quality of life and economic growth of the State of Connecticut. As you are no doubt aware, the Governor's Proposed Budget ELIMINATES the Arts & Culture line items. While the proposal reallocates a portion of the funding to the Arts Commission, the substantial reduction & restructuring will have a devastating impact upon the sector at large.

Primary Areas of Concerns:

- **Budget Reductions:** By all accounts, the proposal includes a 14% cut specifically to the Arts sector. The impact is compounded by additional cuts to the Heritage sector, etc., which raises the reduction to 29.5% Finally, the sector is impacted by the elimination of Tourism Districts and reductions in Statewide Marketing - essential partners in the promotion and growth of the sector - bringing the anticipated total impact to 38%
- **Annualized Rescissions:** The cuts noted above would be imposed upon a sector which has already sustained a critical round of rescissions, slated to be annualized: (\$704,579) in both FY 16 & FY 17
- **Elimination of Arts & Culture Line Items:** Not only is the funding previously associated with these line items transferred at a substantially reduced rate, the loss of these designated accounts brings forth a myriad of challenges. First and foremost, it is not clear at this time how these funds would then be redistributed. In addition, there would be no assurance moving forward that the sector would receive the priority within the DECD that I so richly deserves. (Note: During her tenure, while Governor M. Jodi Rell eliminated funding to CT Tourism, she maintained the line items at \$1 to assure their sustainability.)

You will receive testimony this evening from many of CT Nonprofits' Arts & Culture member organizations. As always, they will speak to the significant impact that the Sector has upon the State of Connecticut:

- Economic Impact: An ongoing and substantiated return on state funding investment in terms of employment – full-time and seasonal, economic catalyst for spending (patrons, ticket/admissions, restaurants and local establishments, etc.) positive impact on economic value add to ALL Communities of CT. A 2012 report by the National Endowment for the Arts and U.S. Bureau of Economic Analysis indicates that the national Arts & Culture sector contributed more than \$698 billion to the economy. Statistics for the State of Connecticut indicate a \$653 million 'industry.' You need only to look at the proportionally small total Arts & Culture budget to understand the significant return on the state's investment in the Arts. *(Please refer to [National Governor's Association, New Engines of Growth: Five Roles for Arts, Culture and Design 2012 & API: Arts, culture provide \\$698 billion for U.S. economy, analysis shows](#) 1.12.15)*
- Enhancement of Quality of Life: It is well documented that the Arts & Culture sector provides an enormous impact on the quality of life for the communities of Connecticut. CT Nonprofits is uniquely positioned to observe this phenomenon on an ongoing basis. The Arts & Culture sector interfaces with each and every aspect of the populations represented and served by the nonprofit community. The collaborative nature of each organization contributes to an enhanced quality of life that can only be provided through their ongoing efforts and dedication to the communities they serve. *(Please refer also to National Endowment for the Arts: [Healing Properties: Art + Health](#) 2014)*

In closing, I urge you to consider the following recommendations, to maintain and build upon the achievements of this vital aspect of the DECD Budget:

1. Restore funding lost both through the proposed cuts and annualized rescissions.
2. Reinstate the previously dedicated line items within the Arts & Culture Budget moving forward.
3. Support the Office of the Arts in terms of resources and staffing capacity to adequately manage designated responsibilities which in turn, supports the sector at large..
4. Protect the Connecticut Arts Endowment Fund. Allocate the previously authorized investments into the fund, and return to investing annually at least \$500,000 a year. The last allocation to increase the fund was in 2003 in the amount of \$1 million. Change the Arts Endowment statute's definition of interest and the formula which it relies upon so that the fund can be more effective.

I thank you for your time and consideration of these critically important issues. As always, please do not hesitate to contact me at any time, with questions, or for additional information:

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