

Vermont Humanities

House Commerce & Economic Development Committee Testimony 5/27/2020

Chairman Marcotte and member representatives, thank you so much for inviting us to speak today on the importance of Vermont's cultural sector. My name is Christopher Kaufman Ilstrup, and I am Karen's counterpart, the Executive Director at the Vermont Humanities Council.

Vermont Humanities is the state affiliate of the National Endowment for the Humanities and we have had the privilege of working in partnership with the Vermont Arts Council to distribute almost \$800,000 in CARES act funding from the NEH and the NEA. Vermont Humanities runs direct programming in schools, libraries, community centers, museums, and correctional facilities across Vermont and we support nonprofit humanities programming in the arts, history, philosophy, literature, civic engagement and more through a grant making program that is now in its 46th year.

And while we are thankful for the work of our congressional delegation in securing funding for the NEH and the NEA, it was apparent before we even began the grant process that this small amount of direct funding would be nowhere near enough to support this critical, indeed essential, and large, part of Vermont's economy.

As Karen and Jody noted, and I want to emphasize again, the cultural sector makes up 9% of Vermont's economy and almost 40,000 Vermonters make their living doing this work across all 14 counties.

Today, I would just like to give you a little more information from the humanities side of the story, as we see it from 40,000 feet, looking at hundreds of institutions across Vermont.

- Vermont's network of small, medium, and large museums and historic sites are a primary driver of our summer tourism industry. Sites like the Lake Champlain Maritime Museum in Ferrisburgh, the Old Stone House in Brownington, the American Precision Museum in Windsor, and the Calvin Coolidge Historic Site in Plymouth Notch, draw tens of thousands of people from out of state into Vermont's small downtowns and villages spending millions of dollars in lodging, meals, local products, and transportation along the way.
- Vermont has an increasingly well-developed and sophisticated marketing and tourism strategy to reach specific audiences interested in our historic sites and in our welcoming communities, including the Vermont African-American Heritage Trail, the Vermont Abenaki Artisans Association, and the Vermont Gay and Lesbian Tourism Association. These networks are largely run on a shoe-string by independent nonprofits and have not usually received state support.
- Our summer festival culture is second to none, presenting world class cultural offerings like the Lake Champlain Chamber Music Festival, the Burlington Discover Jazz Festival, Yellow Barn in Putney, Weston Playhouse, Dorset Theater Festival and more. Again, these festivals typically draw thousands of tourists and locals, and generate millions of dollars in economic activity.

All of this economic activity is in deep jeopardy. Indeed, the timing of the pandemic shutdown, as these cultural institutions were finalizing plans for their busy summer seasons could hardly be worse – most humanities organizations in Vermont see most of their revenue in the summer season from May-October. They are likely to experience a complete wipeout. Even our small public libraries, who operate on razor thin margins, do most of their fundraising in the summer when they can capture dollars from wealthier summer residents and tourists.

Although representing somewhat fewer dollars, many of these humanities organizations also rely heavily on school field trips to make ends meet in the shoulder seasons of April-May and October-November. With the schools shut down, all spring field trips were cancelled. Given the pandemic induced crisis in school funding, it seems unlikely that the 2020-21 school year will see much activity in this revenue bucket without external support.

Here are some additional numbers to add to those that Karen and Jody referenced before me:

- The Lake Champlain Maritime Museum, a key driver of tourism in Addison County, has cancelled its entire 2020 season. Their fixed monthly costs while closed are \$50,000 a month. That is a \$300,000 immediate loss over this season. In addition, because like many nonprofits they chose to self-insure for unemployment benefits, they will later be on the hook for all of these costs.
- The Fairbanks Museum in St. Johnsbury, a key resource for the Northeast Kingdom, predicts that it will lose more than \$200,000 this summer – and they are unable to run the Balch Nature Pre-School that provides early education and childcare for dozens of Caledonia County families.
- The Billings Farm and Museum in Woodstock will also remain closed throughout the summer season but they must continue to run a full-fledged dairy operation while generating no admissions revenue, with a predicted loss of over \$700,000.
- Many smaller institutions, with long histories of excellent community development work, are predicting the loss of virtually their entire revenue stream for the year. Organizations like the St. Albans Museum in Franklin County; Big Heavy World in Burlington; and the Main Street Museum, an eclectic cultural driver of White River Junction's renaissance, could vanish without a trace.
- Even our mega-institutions like the Shelburne Museum operate on much thinner margins than you might expect. The Shelburne may feel like an immovable force under the withering glare of the ghost of Mrs. Webb, but they predict a summer season loss of at least \$2.5 million.

So it's easy to see that the initial support provided through the CARES act grants from Vermont Humanities and Vermont Arts Council is simply not sufficient. For Vermont to weather this storm with its cultural identity intact, and contributing to our recovery in full force, there must be additional resources deployed in the sector.

At Vermont Humanities, we stand shoulder-to-shoulder with the Vermont Arts Council to state unambiguously that it is clear that our cultural institutions are suffering losses in the tens of millions of dollars, and that these losses pose an existential threat to lynchpin community institutions. Our hope is that you will work with us to identify CARES act resources to support this sector throughout their expected long recovery period. Again, we recommend:

- Providing grants, not loans, to cover 3-6 months of basic operating expenses for cultural organizations across Vermont.
- Including cultural sector businesses like galleries and craft centers in the "Retail" category of the Recovery Plan.
- Offering specific support to sustain lynchpin large performing arts venues like the Flynn Center, Paramount, Latchis, Barre Opera House, and the Chandler Center that are likely to remain closed well into 2021.
- Hiring Recovery Navigators for the creative sector to help them in this new landscape.
- Investing in recovery marketing and tourism support for the cultural sector.

It seems likely that a minimum of at least \$35-50 million will be necessary to maintain the cultural infrastructure that has been built up through decades of hard won community investment in this sector. Without support, we will lose many of the organizations that help to make Vermont unique and help our downtowns to thrive. Thank you so much for listening. We're happy to answer any questions the committee might have.