

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Commerce and Economic Development to which was
3 referred House Bill No. 624 entitled “An act relating to supporting creative
4 sector businesses and cultural organizations” respectfully reports that it has
5 considered the same and recommends that the bill be amended by striking out
6 all after the enacting clause and inserting in lieu thereof the following:

7 Sec. 1. FINDINGS; PURPOSE

8 (a) Findings. The General Assembly finds:

9 (1) The COVID-19 pandemic has profoundly jeopardized the economic
10 viability of creative sector businesses, museums, theaters, galleries, studios,
11 performing arts venues, and other cultural organizations.

12 (2) Creative sector businesses and nonprofits are important to Vermont’s
13 economic growth and community vitality, attracting tourists, boosting local
14 sales, and generating more than nine percent of Vermont’s jobs.

15 (3) These businesses and organizations were among the first to close to
16 protect public health and are also among the last to fully reopen.

17 (4) Even as performances and cultural activities slowly return to
18 operation, they are often are not able to operate at pre-pandemic capacity, and
19 the public remains trepidatious to gather in close proximity with others, even if
20 masked.

1 (5) Past financial support for creative sector businesses, performing arts
2 venues, and other cultural organizations has provided a bridge to this point, but
3 these entities continue to have significant need until vaccinations and other
4 public health measures allow them to return to economic health.

5 (b) Purpose. The purpose of this act is to provide \$17.5 million in
6 additional financial assistance to creative sector businesses and cultural
7 organizations as follows:

8 (1) to provide direct financial assistance for COVID-19-safe equipment,
9 marketing and re-engaging audiences, and covering operating costs;

10 (2) to support statewide promotion and marketing of Vermont’s creative
11 economy;

12 (3) to provide funding for the Vermont Arts Council to implement the
13 CreateVT Action Plan; and

14 (4) to support both creative sector businesses and downtown growth and
15 revitalization by expanding access to affordable studio, housing, performance,
16 and exhibition space and opportunities for artists and other creative sector
17 businesses.

18 **Sec. 2. CREATIVE ECONOMY RECOVERY PROGRAM**

19 In fiscal year 2022, of the amounts remaining in the Economic Recovery
20 Grant Program, the Agency of Commerce and Community Development shall

1 subgrant the amount of \$17,500,000.00 to the Vermont Arts Council to
2 administer consistent with the provisions of this section.

3 (1) Creative economy grants. The Council shall allocate funding for
4 creative economy grants to theaters, community arts centers, galleries,
5 museums, dance studios, and similarly situated entities as follows:

6 (A) \$10,000,000.00 to cover a portion of monthly operating costs for
7 businesses and organizations that have sustained substantial losses due to the
8 pandemic, including rent, mortgage, utilities, and insurance;

9 (B) \$2,000,000.00 for public health-related business and
10 programming adaptations, including to purchase and implement touchless
11 ticketing, online sales platforms, and COVID-19-related health and safety
12 protocols; and

13 (C) \$4,000,000.00 for public health-related facility adaptations,
14 including the purchase of air purification systems, hand-sanitizer dispensers,
15 expanded outdoor seating, and HVAC assessments and upgrades.

16 (2) Statewide promotion and marketing of Vermont’s creative sector.
17 The Council shall allocate \$500,000.00 to support statewide and regional
18 marketing of arts and cultural events, venues, and creative sector businesses
19 that are essential to revive consumer confidence and spending.

20 (3) Vermont Creative Network Coordinator and network support. The
21 Council shall allocate \$250,000.00 to hire the Vermont Creative Network

1 Coordinator and Zone Leader positions for two years to implement the
2 CreateVT Action Plan.

3 (4) Creative sector space in vacant downtown storefronts. The Council
4 shall allocate \$750,000.00 for creative spaces grants to restore vitality to
5 vacant downtown buildings and other retail spaces and provide expanded
6 access to affordable studio, housing, exhibition, and performance space for the
7 creative sector.

8 (A) A creative sector business may apply for a grant to lease vacant
9 downtown retail space for not more than three years.

10 (B) A grantee may also use funds to lease residential space in the
11 same building.

12 (C) The Council shall pay grant funds directly to a landlord after the
13 execution of a lease agreement.

14 Sec. 3. EFFECTIVE DATE

15 This act shall take effect on passage.

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1 (Committee vote: _____)

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Representative _____

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FOR THE COMMITTEE