July XX, 2020

The Honorable Nancy Pelosi, Speaker United States House of Representatives 1236 Longworth House Office Building Washington, D.C. 20510

The Honorable Kevin McCarthy, Leader United States House of Representatives 2468 Rayburn House Office Building Washington, D.C. 20510 The Honorable Mitch McConnell, Leader United States Senate 317 Russell Senate Office Building Washington, D.C. 20515

The Honorable Charles Schumer, Leader United States Senate 322 Hart Senate Office Building Washington, D.C. 20515

Dear Speaker Pelosi and Leaders McConnell, McCarthy, and Schumer:

Thank you for your leadership and continued work to protect Americans, stabilize the economy, and ensure the survival of key institutions and sectors during this challenging time. We represent a group of XX chambers of commerce from XX states working with employers and businesses of all sizes and industries to respond to our national public health crisis.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provided much-needed relief to many of our members, however, in practice, there are critical gaps in the CARES Act that fail to meet the needs of important organizations in our communities. An American Alliance of Museums survey found that nearly a third of museums surveyed fear possible permanent closure as soon as this Fall.¹ Americans for the Arts estimates the total economic impact on Arts & Culture organizations to be \$9.1 billion in losses to date, with an additional \$10.4 billion in event-related spending by arts consumers at local businesses (restaurants, lodging, retail) due to the loss of more than 327 million visitors since the start of the crisis.² If cultural institutions like aquariums, zoos, performance centers, and museums are to survive this crisis, we request that the U.S. Congress work swiftly to enact the following provisions:

- Increase the allocation to at least \$6 billion for the Institute of Museums and Library Services and the National Endowment for the Arts, and the National Endowment for the Humanities to provide direct economic relief for non-profit museums, aquariums, zoos and performing arts centers. This funding should be used to provide grants for operational support, distance learning, and pandemic recovery planning and implementation.
- Require the Federal Reserve to broaden their nonprofit lending facility under the Main Street Lending Program to specifically benefit mid-size nonprofits to those with more than 500 employees, and a loan forgiveness option.

¹ American Alliance of Museums: <u>United States May Lose One-Third of All Museums, Survey Shows</u>

² Americans for the Arts: Economic Impact of Coronavirus on the Arts and Culture Sector

- Increase and extend the Paycheck Protection Program and loan forgiveness provisions in the CARES Act by enabling a second round of funding for all non-profits including zoos, aquariums, museums, and performing arts centers with greater than 500 employees.
- Expand the universal charitable deduction provision by enacting the provisions of S. 4032/H.R. 7324 to increase the amount to one-third of the standard deduction, allow all taxpayers to claim the deduction on both 2019 and 2020 returns including through amended 2019 returns, and extend the charitable deduction provided by the CARES Act through 2021.

Collectively, the nation's performing arts centers, museums, zoos, and aquariums are losing nearly \$33 million dollars a day due to closures and are in desperate need of significant federal support to continue to employ many thousands of people, rebuild our nation's tourism industry, and simply survive the months to come.³ As cash-based businesses, their economic stability depends on revenue generated from visitors. To date, more than 62,000 employees have been laid off, nearly 50,000 furloughed and an addition 8,000 jobs remain unfilled due to hiring freezes in the arts and culture sector.⁴ Over and above losses in earned revenue and unremitted expenses, these organizations are projecting a decline in charitable contributions as donors reassess their capacity to give.

These institutions are important to every community, exposing residents to creativity and education and enhancing their quality of life. Critically, as they are often the destination for visitors from surrounding communities, these institutions also serve as economic drivers responsible for drawing patronage to surrounding small businesses.

Combined, the items listed above represent the minimum required support mechanisms to ensure that Americans still have these venerable and treasured places of learning, inspiration, and connection in our communities when better days return, and we are all able to leave our homes, travel to favorite destinations, and spend time with our family and friends.

Sincerely,

CHAMBERS WILL BE LISTED HERE

³ American Alliance of Museums: <u>Advocacy Alert</u>

⁴ <u>Americans for the Arts: The Economic Impact of Coronavirus on the Arts and Culture Sector</u>