

UNOFFICIAL DRAFT SUBJECT TO APPROVAL BY THE COMMITTEE AT ITS NEXT MEETING

MINUTES OF THE MEETING

**MASS CULTURAL COUNCIL
ADVOCACY COMMITTEE**

TUESDAY, FEBRUARY 15, 2022

ONLINE MEETING

Committee Members Present were

Troy Siebels, Co-Chair
Sherry Dong, Co-Chair
Nina Fialkow
Marc Carroll
Simone Early
Ann Murphy

Staff Members and Partners Present were

Michael Bobbitt, Executive Director
David Slatery, Deputy Director
Catherine Cheng-Anderson, Director of People & Culture
Jen Lawless, Operations Director
Bethann Steiner, Public Affairs Director
Ann Petruccelli Moon, Special Assistant to the Executive Director & Leadership Team
Carmen Plazas, Communications Manager
Brian Boyles, Executive Director, Mass Humanities
Kara Elliott-Ortega, Board Chair, MassCreative
Emily Ruddock, Executive Director, MassCreative

Committee Co-Chair Troy Siebels called the meeting to order at 2:32pm and asked Deputy Director David Slatery to read the Open Meeting Law statement:

Please note that this meeting is an open meeting of a public body subject to the Massachusetts Open Meeting Law. A notice of this meeting together with the agenda was posted on Mass Cultural Council's website 48 or more hours ago (excluding weekends and holidays).

This meeting shall be open and accessible to all members of the public except

at such times when this body has voted to go into closed executive session under the Open Meeting Law.

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This meeting is not a public hearing and public testimony will not be taken. Individuals may not address the meeting without permission of the Chair.

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Draft minutes of the open session of this meeting shall be kept and shall be posted on Mass Cultural Council's website no later than 30 days after the meeting provided that such minutes shall not be considered official until they have been approved by this body in open session. Individuals asserting a violation of the Open Meeting Law may file a complaint with this body within 30 days or with the Attorney General's office thereafter.

Troy then asked if Committee Members had reviewed the minutes from their last meeting held on March 5, 2021 and stated that if there weren't any changes or notes he'd entertain a motion to approve them. Committee Co-Chair Sherry Dong moved to approve the minutes. Council Vice Chair Marc Carroll seconded the motion. By roll call vote, and noting that Allyce Najimy and Matthew Keator were absent, all were in favor, and it was

RESOLVED: that the Advocacy Committee approves the minutes of their March 5, 2021 meeting in the form presented today.

Troy began by asking Co-Chair Sherry Dong if she had any thoughts to share as part of Co-Chairs' report and she did not. Troy stated that the Agency finds itself in a great place relative to past years with the Governor's H2 budget proposal funding Mass Cultural Council at \$20,382,378 – a small increase over level funding. The Agency also has \$60.1 million in ARPA COVID relief funding which is one-time, not operational, but nonetheless part of the puzzle. Troy is wondering if the Agency wants to request another measured increase of \$1 million or \$2 million for FY23, or if it would be better to accept the Governor's number, or if we should lay out a multiyear plan to reach a certain amount of funding. Troy is concerned if the Agency asks for another \$1 million or \$2 million it will be seen as "just what they do" and might be seen solely as a desire to have more money when we all know there is need. Troy is also wondering if there is fatigue within the cultural sector when it comes to advocacy in light of the past two difficult years. He then asked MassCreative Executive Director Emily Ruddock and Mass Humanities Executive Director Brian Boyles for their thoughts.

Emily stated that the cultural sector has gone through two full years of extreme disruption and economic hardship. Jobs are not returning, organizations are not staffed up, a lot of people are out of work and were dissatisfied with the \$60.1 million in ARPA funding the Agency received after anticipating much more in earlier drafts of the bill. Emily feels members of the cultural sector will be confused if the state arts agency doesn't request more money to fulfill the need that is out there but agreed that requesting only a \$2 million increase might be confusing when every week there is news of tax revenues breaking records. Emily believes the Agency should ask for a more significant increase and that there is energy in the field to support that ask.

Executive Director Michael Bobbitt stated that he believes a multiyear funding campaign is the best solution based on the need within the field. Also, another \$2 million ask may fatigue legislators. Michael wonders what information or data we will need to determine the goal of a longer-term campaign. If we look back at 1988 and the \$27 million the agency's predecessors received then, how much did we contribute to the GDP at that point, how many organizations are we funding now and how much are we contributing now, how many nonprofit organizations in MA aren't yet in our portfolio. Michael is in favor of asking for more funding if there is a strategy behind it.

Brian Boyles agreed with Emily. He hears how bad things are within the sector and that they are not getting better. A small approach will not be enough, and a strategic, multiyear ask would be the best bet in his opinion. The field needs it, and they are ready to advocate for it.

Committee Member Simone Early asked if the Agency had collected any data from the field recently about lost revenue or the number of jobs lost as she recalled having that information last year. Public Affairs Director Bethann Steiner replied that the Agency had not conducted a survey recently. Simone feels there are two avenues to think about: recovery from the impacts of the pandemic and the status quo as an Agency which would necessitate a different kind of study. Simone asked if staff would consider doing a new survey. Michael responded that staff had not considered a new survey as the need for recovery funding is a bottomless bucket and would call for millions and millions of dollars for the next five years. Troy added that there is something like \$500 million in need and we were allocated \$60.1M, it might be difficult to justify another study.

Simone asked if there was some way to figure out the timeframe under which the sector would be recovered, and Michael responded that the sector has changed a good deal. People are consuming more digital art, it's really an unknown number. If we have Cultural Facilities Fund allocation, \$60.1 million in ARPA funding, and Gaming funds we are talking about \$94 million that we need to get out into the field in the next year. As Troy mentioned, the legislature will look at the number as a whole, so if we go in with an ask it should be part of a larger campaign.

Brian asked about Gaming funds. David responded that while the revenue was not as high recent months, about \$360K came in and casinos have been doing robust business through the second half of 2021 and the Agency is in line with the \$4 million to \$5 million per year as projected. Troy added that in the past the Agency has done a good job making the case that the Gaming Funds are for specific legislatively-mandated programs and not part of the annual budget.

Public Affairs Director Bethann Steiner was recognized by the Co-Chair and expressed that she'd like to "set the table" for further discussion. She believes that everything that has been said to this point is true: there is bottomless need, we have \$60.1 million in ARPA funds to grant out as a one-time action, there are operating dollars we need to request and testify on in two weeks and a vision to describe and execute a multiyear strategy that has an end goal. It would be useful for the Agency to develop programs and spend those \$60.1 million in ARPA funds to inform our end goal. This \$90 million Michael identified for this year is likely to not exist again, if we can adequately distribute that money in the next 12 months and still inform the legislature that there was unmet need, that will inform a multiyear strategy. Bethann suggests thinking about what this means for FY23 versus FY24 and beyond. Troy was right, we are fortunate that we are sitting in a good spot with the Governor's H2 budget proposal, we are not starting from behind. We still need to figure out our strategy for the March 1st Ways & Means Hearing.

Michael asked when the Cultural Data Project (CDP) last pulled names of nonprofit organizations in Massachusetts. The Agency's Cultural Investment Portfolio (CIP) only funds 340 organizations. We know the need is great, but we haven't been able to pull a list of people who filed taxes as cultural workers. Michael is sure the list is much bigger than what the Agency currently funds and wonders how we can determine the actual unmet need.

Emily stated that strategically, MassCreative is ready for a multiyear campaign not exclusively focused on the state budget, but also thinking about multiple streams of funding. Emily noted that she has peers in other states who were astounded that her state arts agency collected COVID impact data and shared it so quickly, kudos to the staff for that data collection. Emily also wanted to voice her concern that if we do not begin a campaign this year, we might not be in a strong position next year. State budgets can be volatile, none of us can predict the future. Emily is all in for a multiyear campaign and thinks it should start soon and incorporate FY23.

Troy asked how we could determine an end point for a campaign. We know we are in a landscape where the arts aren't supported as strongly in terms of funding as we'd like. If we went in with a 5-year plan working towards \$90 million that would feel too ambitious. What is aggressive versus attainable?

Michael stated that he is thinking about the Agency's 1988 allocation mentioned earlier

in the meeting. Troy asked what that allocation was, and Bethann responded that it was a substantially earmarked \$27-28 million. Nina asked how much of the allocation was earmarked and David said he would need to research it but believed it was substantial (NOTE there were at least \$10.3 Million in earmarks). Bethann cautioned Committee Members and her colleagues that in her experience when an account seems to be growing more than usual, it becomes ripe for earmarks. Emily expressed that to combat that the team will need a concentrated campaign with the legislature to help them understand that it's necessary to hold off on earmarks. The housing and education sectors have done this successfully.

Simone asked what percent of the Agency's current budget was earmarked. David responded that roughly 6% of the state budget line item is earmarked. Bethann added that the budget currently has eight earmarks totaling \$1.375 million. One million was for a specific program, another seven directed earmarks totaled \$375,000. Traditionally most legislative earmarks for arts and culture show up in another account that isn't administered by us but by MOTT or EOHEd.

Michael asked what legislators might respond to more: per capita or unmet need? Bethann responded that all together the data makes a compelling story. The Agency benefits from support in both chambers and if there is a goal to reach, we can build the case based on that data. Emily referenced a document from the National Assembly of State Arts Agencies (NASAA) which placed MA at #8 with \$4.91 per capita. Connecticut is highest and MN is at \$7.37 in third place; Connecticut's ranking had to do with earmarks. Operations Director Jen Lawless mentioned that she doesn't believe NASAA includes CFF, so the near \$10 million is not included in NASAA's per capita number.

Michael wondered if the strategy should be per capita or back to 1988 and, how many years might the campaign be. Bethann stated that \$27-28 million (1988) represents only an \$7-8 million jump and the Agency could request that for the next fiscal year or over a couple of years. There is a lot to be said for having a realistic ask so that we can celebrate at the end. Seven million in one year or even around \$4 million each year for the next two years in this climate doesn't seem unattainable. Bethann also mentioned that it's important to note next year there will be a new Governor and a new administration. Most of the legislature will return and the Agency enjoys a lot of support and partnership there.

Emily pointed out that the Agency has consistently delivered dollars to every district and the use of per capita enforces that, so perhaps it's not to get us back to 1988, it's to get us that figure so that everyone per capita will receive an increase. Brian agreed that he liked the 1988 idea as well. It makes sense and would make for a great campaign; it's also important as funds go out to show that it is just meeting a need and will need to be sustained.

Simone asked if after a campaign to get to \$27-28 million, the Agency would seek to stay in some way level funded thereafter. She'd like to know what would happen after three years if that was how long it took. Bethann explained that it might not bode well for the Agency to put effort into getting to a certain figure, get there, and then ask for more. We'd need a good faith statement. David added that we could make a good faith statement of where we expect or want to be, but state economies go up and down and whatever we decide today could be meaningless next year-stating that he

did not imagine many people remembered what the agency's campaign was 3 years ago.

Michael stated that he was thinking this might be a five-to-10-year campaign where we looked at our best year and added on inflation which would justify why we were asking for more. Might that be more appealing than a two- or three-year campaign? Jen reminded the group that \$28 million in 1988 is equivalent to \$65 million today.

Emily stated that she would like to echo the need for a strong data argument. Having some annual census of the sector to get a better handle on things would be very helpful in building arguments. Emily doesn't expect us to get to \$65 million over three years but thinking strategically around funding streams and thinking about how we make a case over a number of years would be a smart shift for the cultural sector.

Michael added that showing the legislature what inflation would look like and where we would be today could make for a strong argument, it shows the Agency has received less over the years. David cautioned the group from looking at funding that way as the Agency was at \$28 million in 1988 and at \$2 million in 1992. Jen noted that when we say we are at \$21 million we are leaving the Cultural Facilities Fund out, so we are actually at \$30 million and there are \$4-5 million in Gaming funds as well.

Nina asked if there might be confusion with Gaming funds, are legislators clear on that? Michael responded that when the Agency testifies staff is very transparent that we are really talking about one line item. David added that we state that our line item is for core programs and infrastructure and Gaming funds and other sources are for very specific programs which have been mandated by the legislature (and would not otherwise occur without dedicated funding).

Troy asked if we are talking about up to a three-year plan adding that he prefers longer and more aggressive rather than shorter and smaller, even though \$8 Million isn't divisible by three. Bethann responded that she likes the idea of coming in with a clear goal and talking with legislators about how to get there. This includes the strategy of asking for all \$8 million in FY 23 and they negotiating to a longer-term deal if that is more amenable to the body.

Michael suggested perhaps a 2030 campaign focused on where the Agency would like its line item to be by then. David expressed again that the most important part of a long-term strategy is the first year as things will change. It's hard to sustain a long-term vision in state government as decisions get made each year on the things that are in issue then. Michael then suggested the idea of finding the exact allocation in 1988, adding on inflation and looking at the GDP from 1988 to today to come up with a number and creating bullets to support it.

Emily asked for more information about the 1988 number and whether it was considered an adequate investment at that time. David clarified that this was, in fact, a very large investment. The Senate President in 1988 was a huge arts supporter as was the First Lady. Nina asked how the allocation went from \$28 million to \$2 million in 1992. David stated this was likely due to the 1992 recession. Bethann added that if substantial part of the budget was earmarked in 1988, the Agency only had a lesser amount for operational services.

Nina stated that it would be helpful to know how communities benefitted from that tremendous influx of funding and to have stories to share with legislators explaining its impacts.

Simone stated that having a much smaller amount of funds available for operational services Bethann pointed out shifts the perspective and Nina agreed that the inclusion of earmarks was not a good model. Troy asked if staff had the tools, they needed to pull data together and Michael responded that it will take some work. He would like to know the number of artists in MA who file their taxes, staff can go back to the CDP to get the number of organizations, and Michael is assuming that somewhere in our records we can learn how many organizations the Agency funded in 1988. Jen stated that in the past 15 years the Agency has funded more than it ever has; more grants to more entities. Jen can ask Scott Hufford to pull data back to the 90s.

Troy stated that the Committee is here to support the staff and willing to come back together again to discuss the strategy if necessary. Michael reminded Committee Members that the Agency would testify before the Joint Committee on Ways & Means on March 1st and Bethann would provide updates as they happen.

Emily then gave a brief update from MassCreative about new legislation they are working on, a proposal to ensure that a portion of tax revenue from online sports betting would be directed to the cultural sector. There is a precedent about a portion of state revenue collected by legal gambling and so MassCreative will shop a late file bill within the House to say that 2% of revenue from this would go to a fund that supports capacity building initiatives for organizations. The House has already passed their version of the sports betting bill, it remains to be seen if the Senate will but it seems like a high priority for the Speaker. As we are looking at the end of the two-year session, we don't want to miss this opportunity.

Michael asked if Bethann would like to give an update on the Local Cultural Council (LCC) bill. The bill is focused on a technical correction that expands who is eligible to be appointed to serve on an LCC. Currently those who hold any elected position are not eligible to serve on their LCC, this would change that which would be helpful especially in smaller communities. State Representative Ken Gordon is the lead in the House and Senator Adam Hinds is the lead in the Senate. So far, the bill has received a positive recommendation. Staff will continue to work with sponsors to move it forward as a standalone bill or tack it onto a moving vehicle.

At that point there was no further business. Bethann and staff thanked the meeting for their feedback, which will inform the Agency's FY23 funding request and testimony. Troy, as Co-Chair, adjourned the meeting at 3:34pm.