

Organization's Letterhead if appropriate

DATE

The Honorable Senator Richard D Roth
Chair of the Standing Senate Committee on Business, Professions and Economic Development
1021 O Street, Room 3320
Sacramento, CA 95814

RE: SB 1116 - The Performing Arts Equitable Payroll Fund (Portantino)

POSITION: Support

Dear Senator Roth,

I am writing to respectfully request your support for Senate Bill 1116 (Portantino), which creates the Equitable Payroll Fund (EPF), a grant program designed to support Small Nonprofit Performing Arts Organizations (SNPAOs) by providing substantial reimbursements of payroll expenses.

When properly funded, the live arts are an economic engine that drives spending in local communities and allows workers to prosper. Unfortunately, years of underinvestment has meant that most SNPAOs do not have the resources to support hourly wages – financially or administratively. The vast majority of SNPAOs in California have adjusted gross revenues below \$250K, which is not enough to offer living wages to the large numbers of creative workers required to produce a ballet, opera, symphony or play. Furthermore, the lion's share of any SNPAOs production costs are incurred during the rehearsal period when there is no revenue. This is why ticket revenue is never enough to cover operating costs, and why contributed revenue (grants, donations etc.) is essential. However, contributed revenue has never been distributed equitably in California, which makes operations especially challenging for SNPAOs when there is a funding shortage.

[INSERT ORGANIZATION'S/PERSON'S PERSONAL STORY]

The EPF, created by SB 1116, will provide the greatest percent reimbursement of payroll expenses to the smallest nonprofit performing arts organizations. That percentage will decrease as SNPAOs grow and are better able to sustain operations on their own. The EPF's investment in jobs will stabilize the sector and provide tens of thousands of seasonal opportunities each year. Furthermore, this stimulus will help the circulation of capital in local communities across the state, including many that are rural or significantly under resourced, contributing greatly to their economic development and long term health.

Sincerely,

Name

Title

Organization (if applicable)

cc. Members of the Senate Committee on Business, Professions and Economic Development