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March 24, 2020

COMMITTEES:

COMMITTEE ON FINANCE
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JOINT COMMITTEE ON TAXATION

The Honorable Mitch McConnell
Majority Leader
United States Senate
317 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Charles Schumer
Minority Leader
United States Senate
322 Hart Senate Office Building
Washington, D.C. 20510

Dear Leader McConnell and Leader Schumer:

I write to request that the U.S. Senate include at least \$1 billion for the Institute for Museums and Library Services to administer for nonprofit museums in COVID-19 (coronavirus) economic relief legislation to provide emergency assistance through June. In addition, I encourage the inclusion of non-profits in programs designed to help businesses continue paying employees, such as payroll tax credits. Nationwide, the nation's museums are losing at least \$33 million a day due to closures as a result of COVID-19 and will be in desperate need of significant federal support to maintain jobs, secure our cultural heritage, help to rebuild our nation's tourism industry – and simply to survive the months to come.

The U.S. museum community is robust and diverse, including aquariums, arboreta, art museums, botanic gardens, children's museums, cultural museums, historic sites, history museums, maritime museums, military museums, natural history museums, planetariums, presidential libraries, public gardens, science and technology centers, and zoos. The related "museum economy" is significant and is facing an existential threat from the closures required to address the COVID-19 pandemic.

Museums are economic engines. Economic impact data compiled by the American Alliance of Museums and Oxford Economics shows that this museum economy contributes \$50 billion a year to the U.S. economy and generates \$12 billion in tax revenue to local, state, and federal governments. Museums also are vital local sources of employment, supporting 726,000 jobs annually. Museums play an essential role in the nation's educational infrastructure, spending more than \$2 billion a year on education. The destabilizing effects of the current crisis place the future of these contributions to the U.S. economy and education system at great risk. If these businesses fail during this crisis, then there will be no jobs to which many thousands of displaced workers can return.

At this moment, museums of all sizes are experiencing closures, attendance free-fall, canceled events, and actual layoffs. This will escalate, day-by-day, as closures and cancellations continue. Most of these are cash-based businesses; their economic lifeblood is people visiting. Declines in international and domestic tourism, declines in local attendance, and increases in social distancing will have a devastating impact on the nonprofit museum community, which operates on thin margins of financial sustainability, without large designated operational reserve funds or access to tax-relief benefits, and is often largely dependent on earned revenue from visitors passing through their doors. Over and above losses in earned revenue and unremitted expenses, museums are expecting lost charitable contributions as donors reassess their capacity to give due to the stock market's volatility. The American Alliance of Museums estimates as many as 30% of museums, mostly in small and

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rural communities, will not re-open without significant and immediate emergency financial assistance.

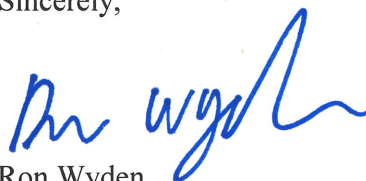
Initial furloughs and layoffs among museum personnel have already begun this week. There are field-wide concerns about large-scale layoffs, especially for the lowest paid and hourly staff as they will potentially be hit the hardest. As employers, museums care deeply about the welfare, health, and financial stability of hard-working staff, and are concerned that increasing unemployment among museum personnel may exacerbate broader community issues of lack of access to health care, food insecurity, and even homelessness that will make the COVID-19 response much more challenging. Any federal support that directly supports workers can offset personnel costs, which make up a significant proportion of the average museum's operating budget. I also encourage inclusion of small nonprofit businesses, including many museums, in any support programs designed to help small businesses continue paying employees.

Museums have impressive support from the public. According to a recent public opinion poll, 96% of Americans would think positively of their elected officials taking legislative action to support museums, regardless of political persuasion or community size. 97% of Americans believe that museums are educational assets, and 89% believe that museums contribute important economic benefits to their community. Museums are also one of the most trusted sources of information in America, rated higher than local papers, nonprofit researchers, the U.S. government, or academic researchers. Museums can leverage this high level of public trust to provide education on COVID-19 and fight misinformation about its spread. By empowering the public with the information they need to make informed decisions and lower their risk of contracting or spreading disease, museums can help sustain healthy communities, maintain calm, and reduce the chances for an increase in discrimination or xenophobia often created by global diseases.

Even now, while museums are experiencing closures and significant losses in revenue, and planning for staff reductions, they are still serving an increase in demand in communities across the United States by providing lesson plans, online learning opportunities, and "drop-off" learning kits to teachers and parents in areas where schools have closed; freely sharing virtual exhibitions and content accessible to those who are otherwise isolated; maintaining their outdoor spaces to provide quiet places to relieve stress during this time of high anxiety; and supporting the families of health care workers and first responders with access to child care and meals.

Museums are community anchors, addressing challenges in times of crisis like the one we are currently experiencing. Unfortunately, we expect hardships to be faced by increasing numbers of museums in communities across the country in the months ahead, underscoring the urgent need for museums to be included in economic stimulus relief.

Sincerely,



Ron Wyden
United States Senator