

THE STAGE ACT

Supporting Theater and the Arts to Galvanize the Economy (STAGE) Act

Introduced by Sens. Peter Welch (D-Vt.), John Fetterman (D-Pa.), Jack Reed (D-R.I.) & Rep. Suzanne Bonamici (OR-01)

Professional nonprofit theaters are critical to America's culture, communities, and economy. Unfortunately, this vital industry has experienced a lagging recovery from the COVID-19 pandemic. As a result, theaters have been forced to reduce staff and productions, and many have closed permanently.

The **Supporting Theater and the Arts to Galvanize the Economy (STAGE) Act of 2024** will provide critical funds needed for theaters and artists to continue to generate economic activity in our local communities, and ensure the show can go on.

The *STAGE Act* is co-sponsored by **U.S. Senators Peter Welch (D-Vt.) John Fetterman (D-Pa.), and Jack Reed (D-R.I.) Representative Suzanne Bonamici (OR-01)** introduced the *STAGE Act* in the House of Representatives.

Why We Need the *STAGE Act*:

Prior to the COVID-19 pandemic, the nonprofit theater sector added over \$2.8 billion to the U.S. economy through direct payments of goods and services, but its true economic impact was far greater. Productions draw audiences to our communities, and the arts support local restaurants, bars, small businesses, and hotels.

Investing in professional nonprofit theaters and artists is an investment in the community.

The economic impact of the performing arts is significant in both rural and urban communities. According to a recent analysis, whenever a tourist from outside the county attends an event, they spend \$60.57 per ticket in addition to the ticket cost. Locals spend an additional \$29.77. All of that adds up to a significant economic impact nationwide. The nonprofit arts sector generated \$151.7 billion in direct spending by arts organizations and event attendees in 2022 and supported 2.6 million jobs, generating \$29.1 billion in tax revenue.

Despite the extensive economic contributions, **this critical artform is struggling to survive in a post-pandemic world.** Theaters are closing. Across the industry, audiences are down 20-50% from pre-pandemic levels. Without robust national investment, more nonprofit theaters will close.

The federal aid provided during the pandemic through the Shuttered Venue Operators Grant (SVOG) program was transformative and kept many nonprofit theaters open. However, the industry is experiencing a lagging recovery, fueled by profound shifts in audience behavior, economic challenges like inflation, and now federal support is running dry. With a new infusion of federal assistance, nonprofit theaters will be able to keep the marquee lights burning bright for the next generation of theatergoers.

What the *STAGE Act* Does:

- **Establish a new *Professional Nonprofit Theater Grant Program* that would provide \$1 billion annually to support the industry.** This amount represents roughly 20% of eligible organizations' budgets. *STAGE Act* grants would be administered through the Department of Commerce's Economic Development Administration.
- The grants can be used to support activities to assist theaters in keeping their doors open, including:
 - paying rent and payroll, and employing artists and related or supporting professional personnel
 - attracting new audiences and expenses related to elements for a live theatrical production.
 - investing in industry workforce development.
- Most importantly, funds would ensure the survival of the professional nonprofit theater industry by directly supporting theaters and funding a study on sustaining the nonprofit arts sector.