

February 22, 2022

Honorable Senator Guy Guzzone, Chairman Senate Budget and Taxation Committee Miller Senate Office Building Annapolis MD 21401

Re: Senate Bill Number: SB597-2022

Dear Chairman Guzzone:

I am writing to express my full support of the Theatrical Production Tax Credit, Senate Bill 597-2022. As the home state to two of the top producers of touring Broadway productions - Networks Entertainment in Columbia Maryland and Troika Entertainment in Gaithersburg Maryland – Maryland should be the launching pad for every national Broadway tour that is produced by these two companies.

Launching a national Broadway tour is a herculean task that requires weeks of work by hundreds of talented people. Each production must be built by teams of talented carpenters and artists, transported to the theatre by drivers, assembled on the stage by dozens of union stagehands and wardrobe and wig technicians, technically rehearsed by engineers, and then finally put in front of a live audience. This all translates to hundreds of union jobs, thousands of work hours, hundreds of thousands of dollars in paid wages and benefits, and millions of dollars in economic impact. In FY2020, a year that was cut short by the COVID-19 pandemic, the indirect and induced impacts of the Hippodrome Theatre alone was estimated to generate \$17.4 million at the State level.

Right now states like Rhode Island and New York have the competitive advantage because they offer similar tax incentives. If Senate Bill 597-2022 is passed, Networks and Troika, as well as other producers, will be incentivized to launch their shows here on their home turf and all that economic impact will stay home, in Maryland.

This bill encourages the use of Maryland theatres, attracts new business such as theatrical equipment providers, helps combat retail vacancy in neighborhoods surrounding the theatre, and encourages Marylandbased tourism. National tours launching from Maryland will guarantee they play here before Washington DC, much like Providence Rhode Island attracts shows before their neighbors in Boston. This bill could make the State of Maryland the true Home of touring Broadway in the United States, something for the citizens of Maryland to be extremely proud of.

Thank you for your time and attention to this matter. I hope you will support this important piece of legislation. After a very difficult two years for the live entertainment industry with virtually no revenue, wages paid, or financial impact for the state from this major sector of the economy, we need this bill now more than ever so we can put our artists, stagehands, and technicians back to work and keep those wages here in Maryland.

Sincerely, Christopher Mahan Vice President Hippodrome Theatre