

Rhode Island Convention Center Authority

May 15, 2025

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The Honorable Marvin L. Abney Chair, House Committee on Finance State of Rhode Island 82 Smith Street Providence, RI 02903

Dear Representative Abney,

We are writing on behalf of the Board of Commissioners of the Rhode Island Convention Center Authority to respectfully express <u>strong opposition</u> to proposed legislation H6334. This proposed legislation would impose a tax on each ticket sold in large venues throughout Rhode Island. This legislation, if enacted, would have a profound impact on the Authority's two main tenants, the Providence Bruins and Providence College Men's Basketball program. In addition, this proposed legislation would severely impact live entertainment programming such as concerts, family shows, and other sporting events which routinely occur in the Authority's facilities. Beyond our own facilities, bill H6334 impacts the broader entertainment economy in Providence and the State as a whole.

The Providence Bruins and Providence College Men's Basketball are cornerstones of Rhode Island's sports culture and economic vitality. These teams attract hundreds of thousands of attendees annually, bringing substantial direct and indirect revenue to local businesses, including restaurants, hotels, retail shops, and parking facilities. A tax on ticket admissions would raise the cost for fans, potentially reducing attendance and dampening the positive economic effect these events currently generate throughout the City of Providence and the State.

More specifically, our agreement with the Providence Bruins allows the organization to terminate its agreement with the Authority if an admission tax is passed by the State or City of Providence. In the unfortunate event the Providence Bruins elected to terminate its agreement, the Authority would be forced to consider absorbing this admission tax. This could easily amount to over a half a million dollars annually.

Across all our facilities, this legislation would significantly hinder our ability to attract and retain top-tier artists and entertainment acts. National touring artists and their agents evaluate the cost and profitability of playing in specific markets. A ticket tax would place Rhode Island at a competitive disadvantage. Neighboring Massachusetts does not impose a similar tax on event admissions, and it is highly likely that agents will choose venues in that state instead. This would clearly lead to lost opportunities and revenue for Rhode Island.

One LaSalle Square, Providence, RI 02903 (401) 351-4295 This legislation would ultimately result in fewer events, reduced tourism, job losses, and a diminished reputation for our state as an entertainment destination. We cannot urge you enough to forgo the passage of this proposed legislation. This bill, if passed, will have a seriously detrimental impact on our State's economy.

Thank you for your attention to this critical matter. We welcome the opportunity to discuss this further and work collaboratively toward policies that support Rhode Island's economic health.

Very truly yours,

Ernest A. Almonte

Chairman

Rhode Island Convention Center Authority

Daniel P. McConaghy

Executive Director

Rhode Island Convention Center Authority