



Economic Recovery & the Arts

The arts mean jobs and tremendous economic activity in America and must be part of our country's economic recovery. Nationally, 100,000 nonprofit arts organizations are members of the business community—employing people locally, purchasing goods and services within the community, and involved in the marketing and promotion of their cities and communities. Nonprofit arts organizations and their audiences generate \$166.2 billion in economic activity every year, support 5.7 million jobs, and return nearly \$30 billion in government revenue every year—proving that the arts are an economic driver in their communities that support jobs and generate government revenue. Every \$1 billion in spending by nonprofit arts and culture organizations – and their audiences – results in almost 70,000 full-time-equivalent jobs.

By investing in the arts, we're supporting an industry that is built on innovation and creativity, economic development, and the revitalization of America's communities and downtowns. When we increase investment in the arts, we are generating tax revenues, jobs, and a creativity-based 21st century competitive economy.

With these facts in hand, Americans for the Arts calls on President-elect Obama and Congress to support the following nine federal programs and proposals in their consideration of an economic recovery package.

(1) Include Artists in Proposal for Unemployment & Healthcare Benefits for Part-Time Employees

The creative economy relies heavily on professionals that make a living from non-traditional employment structures. Artists are disproportionately self-employed, and many work multiple jobs in volatile, episodic patterns; the ability to have access to unemployment insurance and healthcare benefits would offer critical assistance to this population.

(2) Boost Arts Projects in Community Development Block Grants (CDBG)

Provided by the U.S. Department of Housing & Urban Development (HUD) to mayors' community development offices, the CDBG program provides "bricks & mortar" funding for a variety of state and municipal projects and is a primary government source for local arts institutions of all disciplines. Further streamlining of the application process would allow grant applicants to work more effectively with their mayor's community development office to better prioritize cultural projects. We join with the U.S. Conference of Mayors in their call for \$20 billion in CDBG funding and seek at least \$2 billion in arts-specific projects to modernize, rehabilitate, and construct our nation's cultural facilities.

(3) Provide Economic Recovery Support to Federal Cultural Agencies

Americans for the Arts calls for increasing FY 2010 annual support to the National Endowment for the Arts (NEA) to \$200 million, a similar amount for the National Endowment for the Humanities, and IMLS to \$269 million. All three agencies should receive economic recovery emergency funding to increase current grantee projects.

In terms of the economic recovery proposal, the NEA should be allocated at least \$1 billion for formula grants, based on population, to be administered through its current Local Arts Agency program to designated local arts agencies. LAAs are a unit of city or county government or designated to operate on behalf of its local government as defined in federal statute. Grants of this kind would be for the purposes of producing cultural and artistic programming and public art initiatives in 2009. These grants awarded to LAAs would a) speedily disburse local funding to all the arts disciplines; b) employ artists and the cultural workforce and c) serve to increase access to the arts in order to leverage spending by audiences.

(4) Include Cultural Planning Through Economic Development Administration (EDA)

Through the U.S. Department of Commerce, the Economic Development Administration's Research, National, and Local Technical Assistance grant programs are essential to a community's thoughtful planning and economic development investment process. These programs should meet the increasing need for local cultural district planning and assisting municipalities with developing the creative economy in their communities.

(5) Increase Cultural Facilities Support in Rural Development Program (USDA)

Through the U.S. Department of Agriculture, the Housing and Community Facilities program funds the construction, rehabilitation, or acquisition of "essential facilities" which includes cultural facilities. Since its inception, about nine percent of the Community Facilities funding has been directed to education and cultural facilities—an amount that should be increased to address the infrastructure needs of these rural cultural communities.

(6) Link Transportation Enhancements (TE Program) With State Arts Agencies

The U.S. Department of Transportation's Transportation Enhancement program funds 12 general transportation enhancement activities including pedestrian and bicycle facilities, historic preservation, and public art projects. This program, administered by state transportation departments, should receive an increase in funding and all projects should be developed and implemented in coordination with the state arts agency.

(7) Create the Artist Corps

President-Elect Obama's proposal of an "Artists Corps of young artists trained to work in low-income schools and their communities" is a proven strategy to provide jobs to artists seeking to share their skills, provide mentoring, and professional development to students and individuals seeking work in the creative economy. This proposal should be acted upon quickly to establish the Artists Corps as a national training initiative.

(8) Make Human Capital Investments in Arts Job Training

The National Governor's Association (NGA) has proposed a \$1.5 billion increase to the U.S. Department of Labor's Adult, Dislocated Worker and Youth Programs and Wagner-Peyser Act administered by the states to "help up-skill workers and provide employment services and supports that will increase worker employability and earning power." We support that effort with an interest in expanding the services available to workers in the creative sector and through arts institutions that can provide professional development training.

(9) Appoint a Senior-Level Administration Official with Arts Portfolio

The president should name a senior-level administration official in the Executive Office of the President to coordinate arts and cultural policy, guiding initiatives from federal agencies responsible for tourism, education, economic development, cultural exchange, intellectual property policy, broadband access, and other arts-related areas. The U.S. Conference of Mayors and others have made similar proposals.