

New Yorkers for Culture & Arts

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NY4CA.org

To: NYS Legislature Hearing on Economic Development

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February 16, 2022

Dear Legislators,

Invest in culture, Invest in an equitable recovery.

New Yorkers for Culture & Arts is a cultural advocacy coalition of more than 250 cultural organizations, workers, and small businesses across NYC. We write today to make you aware of the critical need for relief and support for the arts and culture sector of NY State in the coming budget. In particular we ask that you increase funding for neighborhoods and organizations hardest hit and historically under-resourced so that every community can share in the state's recovery.

Cultural organizations and arts workers are the core of NY State's economy. For the past decade New York State's creative economy has contributed more than 7% to the GSP** annually, and in 2019-21 it generated 484,000 jobs and \$120 billion in economic activity— Or one in every eight dollars churning through New York's economy.*

Pre-pandemic, New York City's creative sector alone directly employed over 293,000 people, paying \$30.4 billion in wages, and providing tens of thousands of jobs* not just for artists and actors, but for museum administrators, security guards, sound technicians, costume creators, and the myriad other jobs that make up the creative economy.

New York's tourism industry** depends on a thriving creative sector. Culture taken as a whole is the number one driver of tourism in New York State. If we want the tourism industry to survive, we need to invest in the cultural sector that brings the visitors in the first place.

Federal relief funds, which helped many though not all of our organizations to survive, will run out in 2022 and there is widespread economic fragility in the cultural sector beyond that. BIPOC-led/serving cultural groups have received the least relief and are historically the most dependent

on public funding.*** New and targeted support must be forthcoming if we are to emerge as a more and not less equitable state.

Cultural and arts businesses are anchors for robust economic ecosystems in small towns and city neighborhoods. They drive street traffic to local businesses and restaurants, strengthen community, provide safe spaces and engaging programs for children and youth, safer streets through activity and foot traffic, and economic benefits to other local businesses.

Invest now in an equitable recovery by investing in culture for every New Yorker.

Pandemic Effects

In the first year of the pandemic, NYS's creative sector lost 280,000 jobs and \$27 billion in economic activity.*** This fall's attempted reopening meant further financial strain with reduced audience capacity and increased health and safety costs. Omicron has delivered another devastating blow to the cultural field. Theaters and museums are spending hundreds of thousands of dollars on test kits, HVAC improvements, extra staff to check vaccine status, and so much more. Freelance artists and culture workers, who experienced astronomical unemployment in 2020-21, are now laid off again as shows close and institutions retract.

A slower recovery for arts and culture will extend the length of recovery for the larger economy.

We ask that the legislature

- Fund the NY State Council on the Arts at a baseline of \$150M (including an increase in capital funding to \$30M) in order to fully support the thousands of arts organizations doing critical work across the state. In particular we ask that the increased funds be used to deliver support to BIPOC-led/serving organizations who have been historically underfunded and are at increased risk post-pandemic.
- Create a \$150 million, three-year post-COVID relief and stabilization fund, open to both for-profit and nonprofit live performing arts organizations and sole proprietors. This would provide urgently needed relief for large and small organizations and individual arts workers who continue to lose work due to the pandemic. This would be a relief fund delivered directly to the sector, on par with the program California is enacting.
- Open the existing Small Business Relief fund to nonprofit cultural organizations and sole proprietors. There are funds remaining in this program, which is currently open only to 'for profit' small businesses.

Thank you for this hearing and for all your work,

New Yorkers for Culture & Arts

Sources

*New York City Comptroller Scott Stringer's 2019 Creative Economy Report

** National Assembly of State Arts Agencies, Creative Economy State Profiles

*** Brookings, Lost Art: Measuring Covid-19's Devastating Impact on America's Creative Economy, August 2020

****Source: Americans for the Arts, Arts & Economic Prosperity 5, 2017

***** New York State Comptroller, New York City's Tourism Industry - Igniting the Return, April 2021