Joint Legislative Fiscal Committees Budget Hearing

Testimony provided by: Erika Mallin, Executive Director New York State Council on the Arts

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Chairs Krueger and Pretlow, and members of the committees: thank you for the invitation to address you today. I am Erika Mallin, the Executive Director of the New York State Council on the Arts (NYSCA). It has been a profound honor to serve our State and our vibrant arts and culture sector in my first year as Executive Director.

On behalf of our Council, staff, and the vast cultural industries of New York, we thank Governor Hochul and the State Legislature for your continued investments in the arts in FY2025.

Throughout the past year, I have traveled across nearly every region of the state, witnessing firsthand the transformative impact of the arts.

- From anchors in their communities like **Flushing Town Hall in Queens, NYC,** a NYSCA regrant site whose "community first" arts programming model serves over 45,000 people across Queens including senior centers, health centers, and schools.
- To tourism drivers invigorating the local economy from the **Corning Museum of Glass**, which welcomes over 300,000 visitors each year, to the **Rochester Contemporary Art Center**, which welcomes over 14,000 visitors annually.
- And creating career pathways for young artists to stay in New York like Youth FX in Albany, a film program that nurtures young filmmakers and connects them to jobs in the film industry; and Assembly House 150 in Buffalo, an art and design incubator for young people that provides 17,000 hours of training and education in artisan crafts, from set building to historic restoration.

At every site visit and convening, one truth is clear: the arts are not a luxury, but a necessity. The arts fuel innovation, strengthen communities, and contribute directly to our state's economy and the well-being of all New Yorkers. Your investments make this possible.

NYSCA: A National Leader in Arts Funding

NYSCA is a national leader in arts funding and the driving force behind the success of New York's creative economy. We meet today's challenges and pave the way for future growth through:

• **General Operating Support (GOS):** Through a competitive application and peer review panel process, NYSCA is the only statewide provider of flexible, core operating funding that keeps organizations thriving.

- Increasing access to funds for all New Yorkers: This year alone, we saw a 40% surge in Operating Support applications, demonstrating both our outreach success and the urgent need for continued investment.
- Job creation & artist retention: NYSCA funding is an investment in workforce stability, ensuring New York remains a place where artists can live, work, and contribute.
- Advancing tourism and economic growth: Our funding seeds new organizations, expands artistic production, creates new destinations, and fuels the broader economy.
- **Global Recognition:** From local honors like the Bessie Awards for Dance to international awards, NYSCA grantees are shaping culture on every level. Examples for this year include:
 - Two FY25 grantees—So Percussion and individual artist Chandrika Tandon—won Grammy Awards.
 - More than half of last year's Tony award-winning productions were developed at NYSCA-supported non-profit theaters.
 - and *Sing Sing*, a film based on NYSCA grantee Rehabilitation Through the Arts, has been nominated for two Academy Awards.

NYSCA's Impact in FY2025

For over 60 years, NYSCA grants have been the stamp of approval for New York's arts organizations and artists, seeding their work and elevating the arts sector as a global influencer and economic powerhouse for New York State.

NYSCA's impact is far and wide. Annually, NYSCA grantmaking extends across all 10 regions of New York State and supports over 3,000 artists and nonprofit arts organizations. Our work ensures:

- That organizations of all budget sizes thrive, with half of our FY2025 grantees having budgets under \$500,000, and 84% under \$1 million.
- That support is broad and inclusive: Annually, NYSCA supports over 500 new artists across artistic disciplines, and in 2025, over 100 organizations were first time NYSCA grantees.
- That we are investing in our local communities: Our successful Statewide Community Regrant program expands NYSCA's reach, promotes local decision making, and empowers over 1,300 hyper-local artists and organizations.
- That we are developing new artistic work: NYSCA invested \$2 million to secure affordable rehearsal spaces across 61 sites, ensuring that artist have space to create and innovate.

NYSCA grantees also play an outsized role in their communities, providing both critical arts programming and vital social services, from childcare to mental health – to fully serve our communities and drive community growth. For example:

- **ARISE in Central NY,** provides visual arts and literature programming to individuals with disabilities and mental health diagnoses, while also running a mental health clinic and providing direct care services for seniors.
- The West Falls Center for the Arts in the Western New York Region is a performing arts center that nurtures collaboration between emerging and established artists. They also

offer programming for veterans to learn music and further connect with veteran's resources.

• **El Puente in the Bronx,** which supports professional paths in visual arts, theater, dance, photography, and more. They also host programs focused on after school homework help, technology, and leadership development.

NYSCA Capital Funding

Since the capital program began 2018, NYSCA has awarded over 300 capital project grants to organizations of all sizes. By being proactive in our field, we have made innovative changes to expand access to capital improvement grants and address every day, but critically needed, facilities improvements to keep doors open. This includes eliminating matching fund requirement for grants under \$99,000; and launching the first ever Mid-Stage Design category, to support an often overlooked but critical stage of a capital campaign. Our FY2025 capital awards will be announced in April.

I am proud to share recently completed projects, including:

- **The Corning Museum of Glass** opened their new Glass Studio in October 2024. The project received an FY2023 NYSCA Large Capital Grant of \$3.5 Million.
- **The Reg Lenna Center for the Arts in Jamestown, WNY** installed new sound, lighting, and rigging equipment. The project received an FY2022 NYSCA Capital Grant of \$88,000.
- **Historic Saranac Lake in North Country** reopened with upgrades and renovations to improve accessibility for the public. The project received an FY23 Mid-Size Capital Grant of \$400,000.
- And the **Studio Museum in New York City** is set to open their new facility this fall. The project received an FY2023 NYSCA Large Capital Grant of \$7.5 million.

The Arts: An Economic Powerhouse

As we know, the arts deliver a robust return in our investments. According to the latest NEA/BEA report (March 2024), New York's creative economy contributed over \$151 billion back to New York State—more than the retail, construction, agriculture, or transportation sectors—while supporting over 460,000 jobs.ⁱ

On a local level, three regional studies from Long Islandⁱⁱ, Westchesterⁱⁱⁱ, and Western New York^{iv} show that the nonprofit arts sector generates a combined \$900 million in those three regions alone. Also, attendees in those regions, on average, spend an additional \$30 per event beyond ticket prices, injecting revenue directly into local businesses.

Additionally, New York was named, once again, the most arts-vibrant state by SMU DataArts' annual report. This report analyzed every county in the nation, and five of our cities—New York City, Rochester, Ithaca, Syracuse, and Auburn—ranked among the top arts communities.^v

Looking Ahead: Strengthening Our Arts Ecosystem

Looking ahead, our focus is strengthening our arts ecosystem. While the arts sector has demonstrated remarkable resilience, organizations continue to navigate rising costs, revenue fluctuations, audience unpredictability, decline in private philanthropy, the sunsetting of federal recovery funding, and other factors. NYSCA is responding by:

- Launching a new stabilization initiative to help organizations create or build financial reserve funds to plan for future sustainability and resiliency and offering technical assistance in establishing and maintaining these funds.
- **Expanding technical assistance partnerships** to provide targeted support and capacitybuilding resources in areas like marketing, fundraising, board development, and more.
- Introducing the Governor's State of the Arts Fellowship and new public art initiatives to elevate creative leadership across the state.
- **Convening and engaging** with our field, other funders, and service organizations to be proactive, foster collaboration, and address emerging challenges, so that we can continue to drive innovation in our grantmaking. We hope to convene more in the coming year.

Through NYSCA grantmaking, we all give artists and arts organization the greatest gifts – support, space, and freedom to create. When we do this, we make history every day because when we invest in the arts, we invest in the future.

I look forward to working with you to ensure a thriving, sustainable arts sector for all New Yorkers. I now welcome your questions.

ⁱ National Association of State Arts Agencies. March 2023. *Creative Economy State Profiles*. Retrieved from: <u>https://nasaa-arts.org/nasaa_research/creative-economy-state-profiles/</u>

ⁱⁱ Americans for the Arts. October 2023. *Arts and Economic Prosperity 6: Long Island.* Long Island Arts Alliance. <u>https://longislandartsalliance.org/aep6/</u>

ⁱⁱⁱ Americans for the Arts. October 2023. *Arts and Economic Prosperity 6: Westchester County*. Arts Westchester. <u>https://artswestchester.org/wp-</u>

content/uploads/2023/10/NY WestchesterCounty AEP6 CustomizedFinalReport.pdf

^{iv} Americans for the Arts. February 2024. Arts and Economic Prosperity 6: Western New York. Arts Services Initiative of Western NY. <u>https://www.asiwny.org/arts-economic-prosperity-report/</u>

^{* &}quot;The report takes into account 13 unique measures which cover aspects of supply, demand, and public support for arts and culture, and are adjusted for cost of living and for population size." SMU Data Arts. Arts Vibrancy Index and Map. Retrieved from: <u>https://culturaldata.org/what-we-do/arts-vibrancy-index/</u>