Arts Action News

Americans for the Arts ACTION Fund The Quarterly Newsletter for the Americans for the Arts Action Fund Volume II, 2021

ArtsActionFund.org

A New Administration, New Congress, and New American Rescue Plan for the Arts



On March 18, 2021, the Arts Action Fund and Americans for the Arts hosted a webinar discussing federal funding opportunities for the arts, just days after passage of the American Rescue Plan. Watch the recording at **www.Facebook.com/ArtsActionFund/Videos**

Politically speaking, the first half of 2021 has been unlike any other. A new Biden Administration won the White House and a new Democratically-led Congress took control of both houses with a razor thin margin. All events happening during a once-ina-century public health pandemic triggering enormous economic and social injustice with 33 million Americans infected with COVID-19 and 590,000 lives lost.

Artists and arts groups experienced disproportionate impact during the economic shutdown. Congress stepped up with several economic relief programs. Most recently, the \$1.9 trillion "American Rescue Plan" continued eligibility of Pandemic Unemployment Assistance to gig workers and provided \$300 in supplemental weekly assistance, while also extending health insurance coverage and food and rent assistance. The plan also issued \$1,400/person in direct stimulus checks.

Shuttered Venues Operator Grants relief fund was increased to \$16.25 billion and the Paycheck Protection loan program created an opportunity for second draw loans. NEA and NEH each received an additional \$135 million and the Institute of Museum & Library Services received \$200 million to re-grant.

NATIONAL ARTS ACTION SUMMIT

The 2021 National Arts Action Summit took place April 5-9. In all, there were **17 virtual sessions** powered by **70 speakers**, providing guidance to **830 registrants**.

We were honored to have **nine key members of Congress** speak, including House Majority Leader Steny Hoyer (MD), Reps. Alma Adams (NC), Suzanne Bonamici (OR), Debbie Dingell (MI), Derek Kilmer (WA), Grace Meng (NY), Chellie Pingree (ME), and Sen. Susan Collins (ME) and Sen. Brian Schatz (HI).

Highlights from the five-day event include:

- Brian Stokes Mitchell performed an inspirational song for the COVID-19 Relief and Recovery Session;
- Rep. Derek Kilmer (WA) presented an <u>original</u> poem for the NEA panel session;
- White House Racial Justice and Equity Advisor
 Catherine Lhamon pledged to be a partner to the arts sector in advocacy and equity efforts;
- **Members of Congress** pledged to introduce artsspecific legislation, including the STAR Act, the CREATE Act, the PLACE Act, and the Arts Education for All Act.

Be sure to check out the <u>2021 Congressional Arts</u> <u>Handbook</u> to learn about current policy asks, as well as <u>state-specific data</u> to help make the case for the arts.



Message from Executive Director Nina Ozlu Tunceli

Dear Arts Action Fund Member,

When the pandemic shut the country down last year, we quickly began lobbying Congress to specifically include economic relief and eligibility support for gig artists, arts entrepreneurs, and nonprofit, governmental, and commercial arts groups. Here's a review of the current federal programs that we have provided technical assistance to our members through free webinars and my weekly <u>Zoom Office Hours with Nina</u>.

- **Paycheck Protection Program** expanded small business eligibility to gig workers for first & second draws to protect jobs.
- **COVID-19 EIDL Loans** provided easy access to low interest loans with 30-year terms and two-year deferment payment plans.
- **Targeted and Supplemental EIDL Advances** offered up to \$10,000 cash relief to all small businesses initially, but now limited to those located in low income neighborhoods.
- **Shuttered Venue Operator Grants** are now being awarded to performing arts venues and organizations, museums with fixed seating, movie theaters, talent representatives and producers.
- Pandemic Unemployment Assistance expanded eligibility to gig workers and provided extended and supplemental federal financial assistance to all unemployed workers.
- National Endowment for the Arts awarded COVID relief general operating support grants with no match requirements to thousands of nonprofit and government arts organizations.
- Federal COVID Relief Block Grants to State and Local Governments are being used by state and local officials to jumpstart local economies, including arts businesses.
- Federal Stimulus checks, tax provisions, rent, food, and health insurance subsidies are helping to keep families and businesses afloat.

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Top 10 Reasons to Support the Arts in 2021

blog.americansforthearts.org/10Reasons

Latest Economic Arts Industry Data



The coronavirus continues to have a devastating impact on America's arts sector. Even as arts organizations cautiously welcome back in-person ticket buyers, artists and creative workers remain among the most severely affected segment of the nation's workforce. 99% of producing and presenting organizations have cancelled events-a loss of 523 million cancelled ticketed admissions. Johns Hopkins University reports that as of March 2021, the percentage of job losses at *nonprofit* arts organizations is 5 times the average of all nonprofits, as a whole (-31.8% vs. -6.6%). Nationally, financial losses to nonprofit arts and culture organizations were an estimated **\$16.3 billion** at the end of April 2021.

While the news is troubling, new research by the **U.S. Bureau of Economic Analysis (BEA)** shows the economic promise that the arts bring to the nation. *Arts and culture contributed \$919.7 billion to the nation's economy* in 2019 (pre-pandemic). This represents *4.3 percent of the GDP*—a larger share of the economy than transportation, agriculture, and construction. In fact, the arts outperformed the entire U.S. economy between 2017 and 2019, and the arts boasted a *\$33 billion international trade surplus* in 2019.

In addition to being a formidable industry, the arts are economic catalysts that accelerate economic recovery. A growth in arts employment has a causal effect that grows overall employment.

See the new BEA numbers detailed for your state on our <u>Why The Arts Matter State</u> <u>Factsheets</u>.

Legislative Update

On May 28, 2021, **President Biden** released details of his first proposed federal budget to Congress for fiscal year 2022. There are several proposed increases to the nation's federal arts and culture grantmaking agencies (see chart below), including raising the annual budget of the **National Endowment for the Arts (NEA)** to \$201 million. Specifically, President Biden's proposed FY 2022 budget increase would bring the NEA to its highest funding level in the agency's 56-year history.

Leading up to the President's budget proposal, Americans for the Arts convened the National Arts Action Summit, which submitted several Issue Briefs to Congress and the White House that were developed in collaboration with dozens of national partners. Americans for the Arts' new President and CEO **Nolen Bivens** also submitted <u>testimony</u> to Congress to urge a substantial increase in funding to the NEA.

It is expected that the House will first review the appropriation bills at the committee level in June, with floor consideration scheduled for July. The U.S. Senate appropriations process will see activity in the fall.

Key Federally Funded Arts Program/Agency	Final FY 2021 Funding	President Biden's FY 2022 Budget Proposal	Proposed Increase Amount	Final FY 2022 Funding
National Endowment for the Arts (NEA)	\$167.5 million	\$201 million	\$33.5 million	TBD
National Endowment for the Humanities (NEH)	\$167.5 million	\$177.55 million	\$10 million	TBD
Institute of Museum and Library Services (IMLS)	\$257 million	\$265 million	\$8 million	TBD
Corporation for Public Broadcasting (CPB)	\$495 million	\$495 million (\$475m + \$20m)	level	TBD

SBA Awards First Round of SVOG Grants



In December of 2020, Congress appropriated \$15 billion for the **Small Business Administration (SBA)** to quickly award **Shuttered Venue Operator Grants (SVOG)** to live performing arts venues, performing arts organizations, museums with fixed seating, movie theaters, and talent representatives, agents, and producers. Then in March of 2021, Congress appropriated an additional \$1.5 billion, despite the SBA not having been able to award a single grant yet.

After a series of technical and programmatic errors, the SBA finally began awarding SVOG grants on May 26, 2021, six months after the program's enactment. Priority 1 awards will now be fully processed and awarded by June 9th; Priority 2 awards will be awarded by June 25th; and Priority 3 will be awarded by July 9th.

More than 12,000 applications have been submitted for approximately \$11 billion so far. There are still funds available. To apply, please visit <u>www.sba.gov/svog</u>.

State & Local Update: ARP Block Grants Can Help the Arts

On May 26, 2021, Americans for the Arts and the Arts Action Fund hosted a free, 90-minute webinar on how arts organizations can advocate to state and local governments to have some of the \$350 billion in **American Rescue Plan (ARP) State and Local Block Grants** be designated for the arts. The block grants are part of the larger \$1.9 trillion American Rescue Plan. The webinar featured six arts leaders at the local and state levels from across the country, who detailed how they are specifically working to designate block grant funds at the state, city, county, tribe, and U.S. territory levels to be used to support the creative sector. The panel also included an expert speaker from the International City/County Management Association, who spoke about the process from the local government perspective. The recorded video of the webinar, along with a variety of resources, is available on the **ArtsActionFund.org website**.



Americans for the Arts also announced the launch of an online Tracker of ARP State and Local Block Grant funds being used for the arts. Communities and organizations can fill in the information about their projects to share with the field in a simple **<u>Google Form</u>**.



Americans for the Arts Action Fund is a 501(c)(4) nonprofit membership organization affiliated with Americans for the Arts. The Arts Action Fund is the largest grassroots arts advocacy network in America advancing the arts on both the electoral and legislative landscapes to promote more vibrant and livable communities throughout the country. The Arts Action Fund's goal is to enlist and mobilize citizen activists that will help ensure that arts-friendly public policies are adopted at the federal, state, and local levels. <u>www.ArtsActionFund.org</u>.



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Visit our COVID-19 Arts Resources page at www.ArtsActionFund.org/COVID19Resources



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