



Arts Advocacy Week

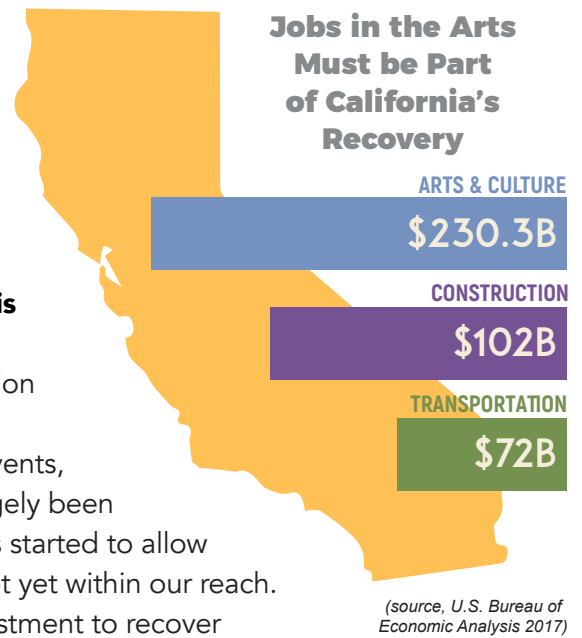


2021 LEGISLATIVE SUMMARY

The arts community is grateful to members of the California General Assembly for their leadership and service during the COVID 19 pandemic, including the allocation of relief grants for non-profit arts and culture organizations and creative businesses. The Legislature has a once in a lifetime opportunity to make a significant investment in California’s creative industries ecosystem from the artist to the live venue to the cultural institution and to uplift the diverse cultures who call the Golden State home. As we look to rebuild our local communities, we know arts, culture and creativity will be an essential industry to bring social cohesion, mental health support and wellness, jobs creation, and opportunities for our youth. Arts, culture, and creativity significantly impact other industries such as tourism and hospitality for our rural communities as much as our urban centers.

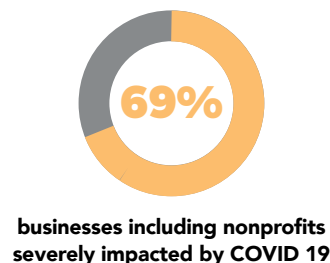
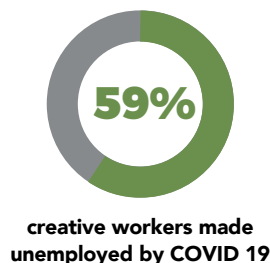
We look forward to working with the Legislature and the Administration to see California not just recover from the impact of COVID 19 but emerge in celebration of cultural equity and the recognition and investment towards one of California’s most important resources and export, the essential nature of arts workers and the creative industries.

The arts, culture and creative industries ecosystem in California is vast and impactful representing a \$230 billion creative economy which is over 8% of the GSP for the state, ahead of the construction and transportation industries, and employing over 750,000 workers. What binds the system together is a reliance on revenue from live events, indoor attractions, gatherings and group participation which has largely been shut down for over a year due to the risk of COVID 19. The state has started to allow very limited activity in our sector with a pathway to full reopening not yet within our reach. Even when we reach full capacity, the industry needs significant investment to recover from what may be close to 18 months of shutdown.



COVID has also exposed the inequities in the arts and culture ecosystem, with disproportionate impact and lack of access to funding and resources to rural communities and communities of color. All programs proposed would reach every corner of California and emphasize equity and investment in traditionally under resourced and marginalized communities and organizations.

The Impact of COVID 19 to the Creative Industries in CA



Estimated \$43.1 Billion revenue loss for creative industries in 2020

(source, Americans for the Arts)



Restart the Arts & Fuel the Recovery!

2021 - 2022 BUDGET REQUESTS

Stimulus Funds Request

Over four years, a \$1 billion investment to restore a healthy arts, culture & creative ecosystem to stimulate California's economic recovery

A broad coalition representing arts workers, cultural institutions, nonprofit organizations, museums, and independent venues have developed a proposal to provide much needed economic stimulus and investment into California's important arts, culture, and creative economy. Federal relief funds and windfall state tax receipts have given California a unique opportunity to make a substantial investment that could help stabilize the sector with several years of stimulus. This investment in California's arts, culture, and creativity industries will help overcome the challenges of state-imposed COVID 19 restrictions on our ability to operate. We propose to allocate the \$1 billion from Federal Stimulus funds in the 2021-2022 budget year but allow the funds to be spent over four years.

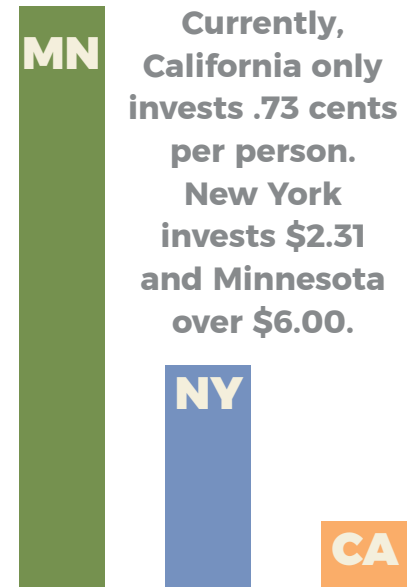
General Budget Request

End the historic under capitalization of public funding for the arts – **Increase funding to \$1 per capita for the Arts to the California Arts Council (CAC) and increase their budget from \$26 million to \$40 million in a one-time funding increase.** If California is truly going to be the creative state, we must demonstrate real commitment to its survival and sustainability. The historic peak for CAC funding was in 2000-01 at \$30.7 million. Factoring for inflation, we would need a total of \$44.7 million in ongoing general fund support to match the state's investment from two decades ago.

There is currently no statewide funder for the arts except for the CAC. Rural and traditionally economically under resourced communities, particularly communities of color are reliant on public funds to allow arts to be accessible for all Californians. In order to sustain our valuable arts nonprofit ecosystem in California and to build equitable access to funding for the arts, we must consider an increased investment in the CAC.

Support a one time \$15 million investment for CA Creative Corps Pilot Program

introduced by Governor Newsom in his January budget proposal to the Legislature. The intention of the pilot is to employ artists in local communities for effective culturally specific messaging to support healthy behaviors to combat crises such as COVID 19 and wildfires. This funding will require a dollar-for-dollar match. This program is not only essential for artists and creative workers to get back to work but also to aid in the renewal and recovery of California. There has never been a more critical time for hope, inspiration, healing and the mental health benefits that arts and artists can bring to our communities.



Legislation to Support



SB 628: California Creative Workforce Act

Introduced by Senator Ben Allen, Sponsored by California Arts Advocates & ArtsforLA

The California Creative Workforce Act represents an innovative solution to help build back the arts and creative industries workforce by offering jobs creation opportunities for the recently unemployed and workforce development for a new pipeline of creative workers. The bill would establish creative arts workforce development as a state priority, to promote employment and training for creative workers throughout the state, and to recognize creative workers across California as essential workers and contributors for overcoming California's greatest challenges. The bill would require the California Workforce Development Board to consult on the act's programs with the State Arts Agency in consultation with local governments, local arts agencies and community nonprofit organizations. The council shall specify and set aside a portion of program funds to be awarded to grantees to provide, either directly or through contract, earn and learn job training employment opportunities for students who have enrolled in or completed a program in the arts, low-income or unemployed creative workers, and others with a demonstrated interest in or commitment to creative work in their communities.

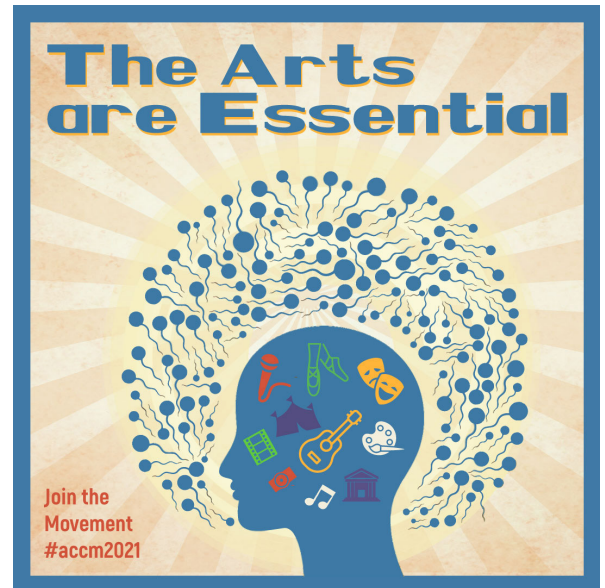
The program of workforce development prescribed by the bill would require that projects to be funded provide employment for a creative worker for a period of no less than 12, and no more than 24, months, in their communities and pay a living wage with employee protections. Employment shall support creative workers in diverse activities and projects, including, but not limited to, public artworks, musical and theatrical performances, and community documentation that lift up the voices of systemically marginalized populations and that reframe and reimagine the possibilities of defining a new California culture. The council shall specify and set aside a portion of program funds to be awarded to grantees to create equitable opportunities for career exploration and participation in creative work for individuals and communities who have faced barriers to participation and employment in creative work as a result of low levels of public and private investment in the arts, limited exposure to arts programming, or other social or economic barriers to participation and employment in creative work.



SB 805: Small Nonprofit Performing Arts Organizations

Introduced by Senator Susan Rubio,
Co-authored by Senator Ben Allen

SB 805 is focused on exploring solutions to help create and preserve opportunities for emerging artists, performers and people in the performing arts sector- particularly for workers from marginalized communities who are struggling to find work. Many small budget, culturally rooted and community performing arts organizations, who are often the onramp and incubator for new works and opportunities for emerging performers and people entering the creative performing arts industries, are reducing the number of people they hire, and the number of programs they can offer due to the increased costs of compliance with AB 5 and the historic under capitalization of community based arts. This is a cause of concern for the survival of this critical aspect of the arts ecosystem that SB 805 is trying to solve.



Arts are Education

Arts education is essential to a well-rounded education and successful students.

We urge the legislature to ensure that arts education is fully and fairly funded and not set aside for the remediation of other subjects. We also encourage the legislature to consider the demonstrated role of arts education in improving student social and emotional health outcomes in the ongoing recovery from the COVID 19 pandemic.



The American Rescue Plan & Creative Economy in California

The creative economy is big business in California, but due to the COVID 19 pandemic and economic crisis, the creative sector is among the most impacted industries nationally and in the state. Investment in the arts directly improves the health of the broader economy,¹ including boosting tourism, travel, and spending at hotels and restaurants. Without recovery investment, the creative engine and local economies will continue to struggle.²

The Creative Economy is Big Business in California

The US's Creative Economy		California's Creative Economy	
\$878 billion	generated annually in the US by the creative economy ⁱⁱ	\$230.3 billion	generated annually in CA by the creative economy ⁱⁱⁱ
4.5%	of GDP generated annually in the US by the creative economy ⁱⁱ	8.2%	of GSP generated annually in CA by the creative economy ⁱⁱⁱ
673,656	creative businesses in the US ^{iv}	103,191	creative businesses in CA ^{iv}
5.1 million	creative workers in the US ⁱⁱ	746,100	creative workers in CA ⁱⁱⁱ

Covid 19 Has Devastated California's Creative Economy

Right Now, in the US		Right Now, in California	
\$150 billion	lost revenue for creative economy businesses through July 2020 (est.) ^v	\$43.1 billion	lost revenue for creative economy businesses in 2020 in CA (est.) ^v
67%	creative businesses severely impacted by COVID 19 ^{vi}	69%	CA creative businesses severely impacted by COVID 19 ^{vi}
2.7 million (52% unemployed)	creative workers made unemployed by COVID 19 ^v	453,332 (59% unemployed)	CA creative workers severely impacted by COVID 19 ^{vi}
62%	of creative workers have experienced a drastic decrease in work ^{vii}	65%	of creative workers have experienced a drastic decrease in work ^{vii}
\$77.2 billion	total loss of revenue for creative workers in 2020 (est.) ^v	\$14.2 billion	total loss of revenue for creative workers in CA in 2020 (est.) ^v
\$15,140 (a 43% loss/person)	average loss of creative revenue per creative worker in 2020 ^v , ^{vii}	\$18,584 (a 37% loss/person)	average loss of creative revenue per creative worker in CA in 2020 ^v
55%	creative workers that now have no savings ^{vii}	60%	creatives in CA that now have no savings ^{vii}

¹ According to the [International Organization for Economic Co-operation and Development](#), as well as [Johns Hopkins University](#).

² **What is the creative economy?** An \$878 billion economic ecosystem of for-profit and nonprofit creative industries, artists, educators, entrepreneurs, vendors, policymakers and funders that produce and distribute creativity- and arts-based goods and services. They use their creativity to create jobs, revenue, community resources, and cultural engagement.

The Creative Sector Drives Travel, Tourism, & Hospitality

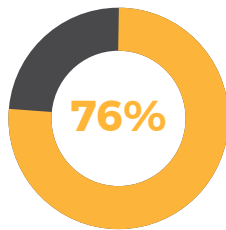
\$.83 of every dollar

invested in an artist is **reinvested in local economies** in the form of supplies, rentals, supplemental hiring, and other expenses that would not occur without that initial investment.^{viii}

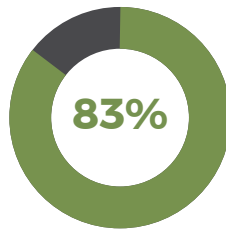
\$31.47

average amount each arts attendee spends beyond the ticket cost on meals, retail, parking, lodging, local transportation, childcare, and souvenirs. These dollars provide vital income to local merchants, energize the downtown, and pay salaries and wages in non-arts sectors. **That is over \$100 billion in ancillary spending in American communities directly because of cultural events.**^x

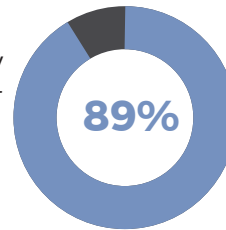
Creative Workers & Businesses Stand Ready to Aid Recovery



of artists have used their art to raise morale and create community cohesion during the pandemic.^{vii}



of creative workers are ready today to put their creative practice to use as part of the national recovery.^{vii}



of arts non-profits boosted morale through their art during the pandemic.^{vi}

The Creative Engine Can Power California's Economic Recovery

Any investment in infrastructure, community, and workforce recovery must include the creative economy.

As a highly impacted industry,

the creative sector must be included in state and local recovery funding alongside other impacted industries.

The American Rescue Plan authorizes states and localities to use funds to support nonprofits and impacted industries, such as the creative economy. It also authorizes supporting agencies suffering from reduced tax revenue, such as state and local arts agencies.

These recommendations are adapted from the Put Creative Workers to Work platform, which has been endorsed by over 2,300 creative businesses and workers in all 50 states.^{xi}

Provide Restart Funds & Hiring/Retention Incentives

Allocate funding toward financial runways to allow cash-strapped creative businesses to restart, produce new creative products, and rehire or retain creative workers. Over half of all creative workers now have no savings, and nearly half of all creative businesses have used reserves to survive the pandemic.

Improve Conditions for Independent Contractors

91% of all arts, culture, and recreation businesses are solo entrepreneurs, and millions of creative workers are independent workers.^{ix} Support to these groups, who have been locked out of many previous support efforts, is crucial to sustaining these businesses and livelihoods.

Invest in Local and State Creative Corps Programs

Artists and creative workers can improve communities, drive public health messaging, support education, address community trauma, and more through creative job corps programs. Putting creative workers to work for the public good makes sense. Example programs in various states and cities can provide the template.

Support Local and State Residencies, Commissions

Echoing previous federal works programs, invest in artist and creative worker residencies within state and local departments, direct commissioning of individual artists and cultural organizations, and the integration of creative workers into health, safety, education, and community development programs.

ⁱ Source: U.S. Bureau of Economic Analysis, 2020

ⁱⁱ Source: U.S. Bureau of Economic Analysis, 2017

ⁱⁱⁱ Source: U.S. Bureau of Economic Analysis, State Profiles, 2017

^{iv} Source: Americans for the Arts, Creative Industries, 2017

^v Source: Brookings Institution, Lost Art, 2020

^{vi} Source: Americans for the Arts, COVID-19 Impact on the Nonprofit Arts Sector, 2020, as of December 20, 2020

^{vii} Source: Americans for the Arts, COVID-19 Impact on Creative Workers, 2020, as of December 20, 2020

^{viii} Source: Creative MN, 2017. \$36,731 supports 1 artist job, artist re-spends \$30,000.

^{ix} Source: CERF+, Pandemic Assistance Falls Short for Self-Employed Workers, 2020

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