



**Written Testimony in Support of FY 2013 Appropriations for  
the National Endowment for the Arts**

Submitted by Robert L. Lynch, President and CEO of Americans for the Arts  
House Appropriations Subcommittee on Interior, Environment and Related Agencies  
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Americans for the Arts is pleased to submit written testimony to the House Appropriations Subcommittee on the Interior supporting FY 2013 funding for the National Endowment for the Arts (NEA) at a level of \$155 million, which aligns closely with President Obama's Fiscal 2013 Budget Request.

I would first like to thank Chairman Mike Simpson, Ranking Member Jim Moran, and fellow Subcommittee members for the opportunity to testify on behalf of the arts and culture this morning. We are especially grateful for your demonstrated leadership over the past year in protecting funding for the NEA. As you are well aware, two separate amendments were brought to the House Floor during the consideration of the Fiscal Year 2011 Continuing Resolution and again during last summer's Interior Appropriations Fiscal Year 2012 floor debate that threatened to impose further funding reductions for the NEA.

Thanks to the direct intervention of the Chairman and the Ranking Member, whose floor statements were instrumental in opposing further cuts, NEA funding was ultimately preserved. The arts community owes you and your colleagues a debt of gratitude for your public stance in support of the NEA's critical federal leveraging dollars. Those dollars help support creative sector jobs, improve community access to high quality artistic programming, spur innovation, and strengthen the country's nonprofit arts infrastructure. Thank you again for your unwavering support.

I want to take this opportunity this morning to mostly talk about an improving nonprofit arts landscape and the role the NEA plays in that improvement. This is not to say there are no challenges. According to our new 2012 *National Arts Index*, nonprofit arts organizations are still struggling to maintain their bottom lines as government and private-sector support for the arts decreases due to the economic downturn. Even as the country continues to move out of the worst of the recession, nonprofit arts organizations are not immune to the prevailing economic realities. 45 percent of them ended the year with a deficit in 2009—an increase from 36 percent in 2007. Our research shows that this closely mirrors the recession's impact on other types of nonprofit organizations.

But upon closer inspection of the nonprofit arts, a resilient industry built upon a solid foundation for future growth is revealed. Despite the current harsh economic landscape, the creative sector has maintained its well-earned reputation as one of the country's premier economic drivers. I come before you today with news that the nonprofit arts are playing a true leadership role in

restoring our economy. The arts are about jobs. The arts are about the revitalization of communities. The NEA is the signature federal resource that enables nonprofit arts organizations and institutions to leverage relatively modest federal seed money and maximize their influence.

You have heard me cite the numbers from our studies before, but they bear repeating. Especially as our elected officials are tasked with assessing what priorities to fund while the nation struggles to balance its books and still provide essential services. Our *Arts & Economic Prosperity III* study shows that the nonprofit arts industry generates \$166 billion in economic activity every year, supporting 5.7 million jobs in the United States and generates nearly \$30 billion in government revenue.

Since its creation in 1965, the NEA has grown the arts and culture sector significantly. The year of its founding, there were fewer than 7,000 nonprofit arts organizations; today there are 113,000. Five state arts agencies have blossomed to 50 and some 200 local arts agencies to 5,000. The NEA's one-to-one matching grant requirement has created a positive economic domino effect that promotes communities, businesses, and local government working in unison to deliver quality arts programming. And this creates jobs. Also since that time, the number of artists in the United States has grown from 560,000 to 2.2 million—now accounting for 1.5 percent of the total workforce.

And that is just the nonprofit side of the ledger. Our analysis of Dun & Bradstreet data shows that there are an additional 800,000 for-profit arts businesses such as film, design, and architecture firms with 3.3 million people on the payroll. Our 2012 *Creative Industries* study provides a research-based approach to understanding the scope and importance of the arts to the nation's economy. Arts-centric businesses from nonprofit museums, symphonies, and theaters to for-profit film, architecture, and advertising companies represent 4.25 percent of all businesses and 2.15 percent of all employees nationwide.

As of January 2012, Idaho's 2<sup>nd</sup> Congressional District is home to 2,133 arts-related businesses that employ 6,539 people. Virginia's 8<sup>th</sup> Congressional District is home to 2,842 arts-related businesses that employ 12,705 people. Nationally, there are 904,581 businesses in the United States involved in the creation or distribution of the arts. Arts are the cornerstone of tourism. Arts travelers are ideal tourists—they stay longer and spend more. The U.S. Department of Commerce reports that the percentage of international travelers who include arts and culture events during their stay has increased annually for the last six years. The arts industry generates \$150 billion annually in consumer spending domestically and the U.S. export of goods has increased to the point where it is running a \$41 billion trade surplus.

As you can see, the arts are big business. The NEA is helping lead the way for the nonprofit aspects of this business to continue aiding in our nation's recovery.

The creative community's rate of return to federal and state coffers would be the envy of any industry. Whether it is through supporting state arts agencies, Blue Star Museums, Art Works grants, the tried and true Mayors Institute on City Design (MICD), or the innovative Our Town initiative, the NEA is the nation's most recognized partnership between the government and culture and plays a crucial role in fostering a highly developed creative sector.

The NEA, under the leadership of Chairman Rocco Landesman, has fully grasped the challenges of its primary role of ensuring access to the arts to all Americans through their signature grants but also by providing a range of programming and research that addresses and measures changing audiences and artistic delivery. The cornerstone grant programs like Art Works, Challenge America Fast Track Grants, and Our Town continue to advance distinctive cultural art forms, promote artistic access across the country, and help revitalize communities. Some examples include:

- **Representative Tom Cole’s District (OK-4):** Midwest City, OK. A \$10,000 Challenge grant supported “Global Oklahoma,” a festival featuring different cultural traditions. “The festival brings together the cultures of the world to promote appreciation and understanding of the peoples of the world and Oklahoma’s rich and diverse heritage. This understanding is developed through exhibits, entertainment, food, school displays, and art.” Past artists have included vocalists Mihn Tuyet, Quynh Vi, and Quang Le, as well as violinist Kyle Dillingham and guitarist Edgar Cruz.
- **Representative Ken Calvert’s District (CA-44):** Riverside, CA. A \$15,000 Access grant in the presenting category supports the creation and presentation of a multidisciplinary work at the Culver Center for the Arts. Visual artist Lewis Desoto and mezzo-soprano Erin Neff will create a new work based on the local Native American story.
- **Representative Jose Serrano’s District (NY-16):** Bronx, NY. A \$25,000 Access grant to DreamYard’s Out of School Programs will support the largest arts education provider in the Bronx whose programs reach 8,500 K-12th grade students annually during in-school and out-of-school hours. The program aims to “empower all those who are a part of the work to be confident, creative leaders through rigorous artistic development, academic enrichment, and a commitment to social justice.”

The NEA continues to be pivotal for investments in local cultural programming. Chairman Landesman continues to build upon the proven successes of the NEA grants models with inventive agency initiatives that recognize the changing landscape and their unique position to help strengthen communities through partnerships with local and state governments, the business sector, and the nonprofit arts.

With these guiding principles in mind, the creative placemaking concept of Our Town was born. According to the NEA, “Communities across our nation are engaging design and leveraging the arts to create livable, sustainable neighborhoods with enhanced quality of life, increased creative activity, distinct identities, a sense of place, and vibrant local economies that capitalize on existing local assets.” A limited amount of grants ranging from \$25,000 to \$125,000 are made to improve quality of life, sustainability, and livability of communities with the arts as an anchor toward those goals.

Artists, designers, community organizations and government agencies work to together to systematically “Improve their quality of life; Encourage creative activity; Create community identity and a sense of place and Revitalize local economies.” Recent examples of these types of innovative grants include:

- **Representative Cynthia Lummis’ District (WY-At Large):** Casper, WY. A \$50,000 Our Town grant will support a pilot process by which public art is integrated into a low-

income housing community in Casper. An experienced artist will be selected to work with developers and residents to design and plan for public art and green space that will serve as a gathering place for residents of the housing complex and the local community.

- **Representative Mike Simpson's District (ID-2):** Boise, ID. A \$100,000 Our Town grant will support community engagement and outreach performances by Trey McIntyre Project (TMP). TMP will remain in its home base of Boise rather than tour in order to catalyze cross-cultural involvement with the arts and to collaborate with the City to bring dance performances into the everyday lives and environments of hospitals, schools, and public places.
- **Shreveport, LA:** A \$100,000 Our Town grant will support technical design for *Common Link*, an arts-based interactive transportation and information station in the new Shreveport Common cultural district which transforms a neglected, nine-block "square" in the western part of downtown Shreveport. The station will be a pilot for other future stations throughout Shreveport.

These are just a few of the locally valuable and forward-thinking projects that have been funded by the NEA recently. I want to acknowledge the work that Chairman Landesman and the agency have done to address the ever-changing arts landscape. Today, audiences are absorbing and participating in the arts in many different ways. The NEA is constantly evolving with the times while still ensuring quality arts programming reaches all our communities. We are excited that the administration has proposed doubling Our Town funding to \$10 million in grant funds.

I want to take a moment before I close to salute a true champion of the arts not only in his native Washington State and his beloved Bremerton, but nationally and in this subcommittee. Appropriations Ranking Member Norm Dicks has been invaluable as a Member of Congress. His retirement means that the nonprofit arts community is losing a friend and congressional cohort who was a tireless advocate for the NEA and all our federal cultural institutions. During his tenure as Chairman, Representative Dicks oversaw exponential increases in funding for NEA working alongside then Ranking Member Mike Simpson, and I want to express the deep sense of gratitude shared by all in the nonprofit creative sector for his service to our country and on behalf of the arts. Thank you again, to you and your staff for your devotion to our nation's cultural resources.

In conclusion, I respectfully request that the Subcommittee fund the National Endowment for the Arts at the President's Request of \$155million. Recent decreases in funding have led to fewer grants and less leveraging support that impact jobs in every state. Recent efforts by the agency to streamline the grants process and trim administrative costs have led to incremental boosts for all grant categories across the board. It is my profound hope that the Subcommittee can do even more for citizen participation in the arts by continuing to demonstrate leadership, believing in the nonprofit arts sector and by supporting the NEA.

The cultural community stands ready to assist you in supporting these fundamentally important programs and initiatives. Thank you for the honor of testifying before the Subcommittee today.