

NATIONAL ENDOWMENT FOR THE ARTS (NEA)

PROMOTING CREATIVITY AND PUBLIC ACCESS TO THE ARTS

ACTION NEEDED

We urge Congress:

- To support a budget of \$155 million for the National Endowment for the Arts (NEA) in the FY 2013 Interior Appropriations bill to preserve citizen access to the cultural, educational, and economic benefits of the arts and to advance creativity and innovation in communities across the United States.

NEA Annual Appropriations, FY 1992 to present (in millions of dollars)

FY	'92	'93	'94	'95	'96/ '97	'98/ '99	'00	'01	'02	'03	'04	'05	'06/ '07	'08	'09	'10	'11	'12
\$	176.0	174.5	170.2	162.3	99.5	98.0	97.6	104.8	115.2	115.7	121.0	121.3	124.4	144.7	155	167.5	155	146

Note: Figures above are not adjusted for inflation. Source: NEA

TALKING POINTS

The NEA budget has been reduced in previous years to a level that threatens the agency's ability to make grants in every congressional district.

- Restoring the NEA to \$155 million will help maintain grant support to arts organizations and partnerships in communities across the country.
- NEA funding results in direct benefits to communities nationwide. Due to recent congressional budget cuts, the NEA had to decrease funding to state arts agencies and cut over 175 direct grants to arts organizations.

The NEA improves access to the arts; supports artistic excellence; and fosters lifelong learning in the arts through grants, partnerships, research, and national initiatives.

- **NEA funds spread across the country and expand arts access.** Every U.S. congressional district benefits from an NEA grant, leveraging additional support from a diverse range of private sources to combine funding from government, business, foundation, and individual donors. The NEA awarded more than 2,400 grants in FY 2011, totaling more than \$124 million in appropriated funds. A listing of these grants is online at www.artsusa.org/go/NEAgrants.
- **State arts agencies extend the reach of federal arts dollars.** Forty percent of all NEA program funds—approximately \$50.2 million in FY 2011—are re-granted through state arts agencies. In partnership with the NEA, state arts agencies awarded more than 22,000 grants to organizations, schools, and artists in nearly 5,000 communities across the United States. (Source: National Assembly of State Arts Agencies, *Summary Report: 2011 Funding and Grant Making*, 2011)
- **NEA grants support a range of educational projects.** Arts education in school and participation in arts lessons are the most significant predictors of arts participation later in life. The NEA funds school- and community-based programs that help children and youth acquire knowledge and skills in the arts. The NEA also supports educational programs for adults, collaborations between state arts agencies and state education agencies, and partnerships between arts institutions and K-12 and college/university educators. (Source: NEA, *Arts Education in America: What the Declines Mean for Arts Participation*, 2011)
- **Federal funding for the arts leverages private funding.** The NEA requires at least a one-to-one match of federal funds from all grant recipients—a match far exceeded by most grantees. On average, each NEA grant leverages at least eight dollars from other state, local, and private sources. Private support cannot match the leveraging role of government cultural funding.
- **When public arts funding is lost, private dollars do not reliably pick up the slack.** Tough economic conditions mean less revenue from public, private, and corporate sources. Loss of support to arts organizations across the country during the recent recession has meant cuts in administrative costs and cuts to programs. Programs for lower-income populations and at-risk children are typically hit hard because a larger majority of their funding comes from public sources.

TALKING POINTS (CONT.)

The NEA contributes to the economic growth and development of communities nationwide.

- **The arts help communities prosper in a diversified 21st-century economy.** Nonprofit arts organizations, along with creative enterprises, contribute to state and local economies, generating employment and tax revenues and providing goods and services demanded by the public. The nonprofit arts industry generates \$166.2 billion annually in economic activity, supports 5.7 million full-time equivalent jobs in the arts and related industries, and returns \$12.6 billion in federal income taxes. (Source: Americans for the Arts, *Arts & Economic Prosperity III* study, 2007).
- **The arts are a business magnet.** A strong arts sector stimulates business activity, attracting companies that want to offer employees and clients a creative climate and a community with high amenity value. The arts are a successful strategy for revitalizing rural areas and inner cities. Arts organizations purchase goods and services that help local merchants thrive. Arts audiences spend money—more than \$100 billion—on admissions, transportation, food, lodging, and souvenirs that boost local economies. (Source: Americans for the Arts, *Arts & Economic Prosperity III* study, 2007).
- **The arts put people to work.** More than 904,000 U.S. businesses are involved in the creation or distribution of the arts, employing 3.34 million people: visual artists, performing artists, managers, marketers, technicians, teachers, designers, carpenters, and a variety of other trades and professions—jobs that pay mortgages and send children to college. Artists are a larger workforce group than the legal profession, medical doctors, or agricultural workers. (Sources: Americans for the Arts, *Creative Industries*, 2010; National Endowment for the Arts, *Artists in the Workforce*, 2008).
- **The arts attract tourism revenue.** Cultural tourism accounts for 78 percent of U.S. travelers—some 118 million tourists—who include arts and heritage in their trips each year. They stay longer and spend 36 percent more money than other kinds of travelers do, contributing more than \$192 billion annually to the U.S. economy. (Source: U.S. Cultural & Heritage Tourism Marketing Council, U.S. Department of Commerce, *Cultural and Heritage Traveler Research*, 2009.)

BACKGROUND

America's arts infrastructure, supported by a combination of government, business, foundation, and individual donors, is critical to the nation's well-being and economic vitality. In a striking example of federal/state partnership, the NEA distributes 40 percent of its program dollars to state arts agencies, with each state devoting its own appropriated funds to support arts programs throughout the state. This partnership ensures that each state has a stable source of arts funding and policy. These grants, combined with state legislative appropriations and other dollars, are distributed widely to strengthen arts infrastructures and ensure broad access to the arts.

For close to 50 years, the NEA has provided strategic leadership and investment in the arts through its core programs, including those for dance, design, folk and traditional arts, literature, local arts agencies, media arts, multidisciplinary arts, music, theater, visual arts, and other programs. Among the proudest accomplishments of the NEA is the growth of arts activity in areas of the nation that were previously underserved or not served at all, especially in rural and inner-city communities. Americans can now see professional productions and exhibitions of high quality in their own hometowns.

The president's budget request would increase current NEA support to \$154 million in 2013. Funding the NEA at \$155 million—the level approved in the Senate FY 2012 appropriations legislation—would provide support to help sustain a healthy nonprofit arts sector that can contribute fully to communities nationwide. Current funding amounts to just 47 cents per capita, as compared to 70 cents per capita in 1992.