COVID 19 Impact to CA Arts & Culture Sector

Data as of 4/27/2020

www.californiansforthearts.org
The most important thing government is doing right now is **addressing public health and safety**. Concerns about the economic implications are important, but secondary.

This is a crisis across the entire population and your elected representatives are overwhelmed, as we all are. Be respectful of that in all communications.
We will all need to be working with federal, state, and local governments for a very long time to address these issues.

We are working with our lobbyists as well as other statewide and national partners to make sure the arts and culture sector delivers the right message at the right time.
COVID-19 Advocacy Priorities

That all nonprofit organizations including the arts, are included in all government stimulus, emergency grant and loan programs, and economic recovery efforts and initiatives in order to sustain and reignite the creative and economic engines of the arts.

That there be consideration of increasing and expanding unemployment insurance benefits, including self-employed and “gig” workers which include many individual artists and performance/event workers. Now that 36% of Americans participate in the “gig economy” in some way, we must make sure our employment security systems are built for today’s workforce.

That charitable giving is incentivized through tax policy whenever possible.
COVID-19 Arts Impact

Cancellations and Revenue Loss:
Concerts, performances, conferences, and instructional and youth programming of all kinds were cancelled in the spring. A second wave of cancellations are happening for summer events. Some reports are suggesting Fall 2021 before concerts/events return.

Further Uncertainty for the Fall and Beyond:
Subscription and advance sales have all but ceased. Economic uncertainty and fears about public assembly that may extend for years as a result of COVID-19 are having a severe impact. Loss of TOT tax, city, county and State budgets shrinking.
COVID-19 Arts Impact

Donations in Jeopardy:

The stalled economy and financial losses will drastically impact donations. Individuals and foundations who significantly support the arts have lost 25% of their wealth in a single month. With unemployment projected to go as high as 30%, contributed revenue will decrease dramatically.

“Things will not go back to “normal” right away. As public health experts have said, we should expect activity to return gradually, with sites like offices and stores reopening before arenas and theaters.” Joe Biden, Op-ed, NYT April 13, 2020
California Arts Council Early Impact Survey results:

- Organizations estimated an average revenue loss of $193,642 each
- Individuals estimated an average personal income loss of $23,857 each
- 66 percent of organizations have had to cancel events that cannot be rescheduled
- 85 percent of individual artists and cultural workers have had work cancelled such as gigs/appearances/shows
COVID-19 PANDEMIC IMPACT REPORT on CA Americans for the Arts (as of 4/27/2020)

Total Financial Impact to Date: -$35,696,949
Median Financial Impact per Organization: -$30,000
Total Respondents: 707

Financial

Total Financial Loss (Admissions & Non-Admissions Related Losses): -$27,925,894
(Median of $30,000 per Organization)

Total Unanticipated Expenses: -$1,282,090
(Median of $3,000 per Organization)

How severe do you expect the overall financial impact of the coronavirus to be on your organization?

1—Not Severe At All
2
3
4
5—Extremely Severe

2%
9%
19%
38%
32%
COVID-19 Impact on CA organizations

11,000 average arts non-profits in CA, estimated average loss of $30,000 per org. over 6 weeks is $330 million loss to date.

For all types of CA museums the average loss is $22 million per day based on 125 respondents and past research that there are over 1,500 museums in the state
That the budget for the State Arts Agency, California Arts Council, remains at current levels of $26 million and if cuts are made across all state agencies, the arts are not cut any greater percentage than other agency.

That cities and counties prioritize arts funding to activate local economies post crisis look at CDBG for example.

That public and private funders loosen their grant restrictions and work on rapid distribution of general operating funds into the field.

That artists and arts organizations are viewed as essential workers and valuable small businesses during the crisis and post crisis for economic revitalization.
From 2003-2014, funding for the CAC was $1 million.

Over the last 6 years, our advocacy efforts have helped to increase funding in California by over eight hundred percent.

2019-2020 CA receives largest increase in state arts funding in 20 years, $10 Million ongoing increase to $26 million plus $27.5 in one time capital grants.

ADVOCACY WORKS!
CFTA Ongoing Advocacy Goals

Increased private & public investment in order for arts and arts education to be accessible for all Californians and to build systems for a sustainable, supported and prospering industry.

Artists to be valued for their work and for there to be a paradigm shift from starving artist to thriving artist.

Legislation and policies to protect and support the arts, culture & creative sectors.
U.S. Bureau of Economic Analysis reports that in 2017, the arts and culture sector contributed $230.3 billion to California’s economy, representing 8.2% of the state’s GDP — a larger share of the state’s economy than Construction ($102 billion), or Transportation ($72 billion).

2020 Otis Report on the Creative economy states **15.4% of all jobs** (2.7 million) in California are in the creative industries, generating $650.3 billion in total annual output per year.
California currently ranks 26th among the states in per capita ongoing general fund support for the arts with .71 cents per capita in spending, according to the National Assembly of State Arts Agencies.

There are over 11,000 non-profit arts organizations in CA. CAC was only able to fund 12% of the total arts organizations in California by June of 2019. According to Cal Nonprofits, more than 50% of non-profit arts organizations have annual revenue below $106,500.
NATIONAL & STATEWIDE ADVOCACY ORGS RESOURCES

AMERICANS FOR THE ARTS

ASSOCIATION OF CALIFORNIA SYMPHONY ORCHESTRA

CALIFORNIA ALLIANCE FOR ARTS EDUCATION

CALIFORNIA ASSOCIATION OF MUSEUMS

CALIFORNIA PRESENTERS

CREATECA

NATIONAL ASSEMBLY OF STATE ARTS AGENCIES