March 26, 2021

The Honorable Gavin Newsom
Governor of California
State Capitol, First Floor
Sacramento, CA 95814

Dear Governor Newsom,

Thank you for your continued leadership as you continue to balance the needs for public health and safety with a commitment to keeping our creative economy flowing. The COVID-19 pandemic has exposed and heightened some of the ongoing issues for our California nonprofit arts and creative industries systemic undercapitalization that we have an opportunity to support now with additional resources and funding. We respectfully request that in the May Revise you increase the California Arts Council (CAC) budget from $26 million to $40 million in a one-time funding increase.

We need to increase funding for the CAC to at least $1 per capita per person. At the State’s current $26 million funding level, California only invests .73 cents per person. By comparison New York invests $2.31 and Minnesota over $7.00. 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.

Investing in the arts now is a high return investment for the state. It supports immediate social services in our most vulnerable communities and aids in our economic recovery. 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). California’s current budget surplus, this one time bonus of funds, should in part be dedicated to supporting the creative workforce and nonprofits that contribute to every community in California.

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.

Even before the devastating impact of COVID 19, CAC grants funds are consistently oversubscribed and although their grants program is committed to geographic and cultural diversity and a system to fund every county in California, the current funding of $26 million is simply not enough. There are an estimated 11,000 non-profit arts organizations in
California. In 2019 grants funding, CAC was only able to fund 12% of the total arts organizations in California.

The CAC programs have proven to be effective in solutions for trauma associated with Veterans, recidivism rates in our state prisons, as pipelines for creative sector jobs for our youth, and for building programs that contribute to local economies and tourism, such as the California Cultural Districts program, and to the social and emotional health of every community.

Most recently, the CAC prioritized grants for organizations with budget sizes of $250,000 and under. These represent grassroots community organizations, purposeful, with sustained commitment to fundamental values related to cultural responsibility, ethical practices and respectful relationships. They often work in partnerships that cross silos and sectors to connect art organically with other areas such as health, community development, humanities, and social justice. They are multilingual in more ways than just language, and their social networks run broad and deep. They require increased investment to continue to serve their communities and grow their capacity.

Thank you for considering our request. We look forward to working with you to help prioritize California’s arts and culture sector as the 2021-22 budget items are finalized.

Sincerely,

Julie Baker
Executive Director

Victoria L. Hamilton
President, Board of Directors