

Testimony of Robin Bronk, CEO of The Creative Coalition

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Subcommittee on Interior, Environment, and Related Agencies

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Chairman Calvert, Ranking Member McCollum and members of the Subcommittee, thank you for the opportunity to submit written testimony regarding the Fiscal Year (FY) 2016 funding level for the National Endowment for the Arts (NEA). I am writing on behalf of The Creative Coalition, the 501(c)3, non-profit, non-partisan public advocacy organization of the arts and entertainment community, to urge Congress to provide \$155 million for NEA in the FY 2016 Interior, Environment, and Related Agencies Appropriations bill.

In 1989, actors Ron Silver, Christopher Reeve, Susan Sarandon, Alec Baldwin and others established The Creative Coalition to galvanize support for the arts and arts education. The Creative Coalition's membership includes actors, directors, producers, writers, entertainment industry executives, and others who make their living in theater, film, arts, letters and television. We take our roles as citizens very seriously and appreciate the opportunity to express our views on the importance of sufficient funding for the arts.

For the last four years, Congress has funded NEA at \$146 million, which, in real dollars, is less than the \$162 million provided for the Agency twenty years ago. Adjusted for inflation, NEA's funding is more than \$100 million lower each year than it was two decades ago, providing less than 50 cents per capita currently versus 70 cents per capita in 1992. While we recognize the FY 2016 request of \$155 million for NEA is a slight increase over President Obama's proposed level of funding of \$148 million, \$155 million is a level that has been supported in recent fiscal years by both the President and at the Committee level. The requested level of funding would better leverage growing state, local and private arts funding and help to restore critical federal arts programming -- which supports creativity and innovation, and provides measured cultural, educational and economic benefits.

Federal funding of the arts is a wise investment and should be viewed as a genuine public-private partnership due to the significant private philanthropic support that federal funds are leveraged against. Without federal support, we would struggle to share the richness of our culture, our history and our legacy, which is a national treasure and should be buoyed with federal resources so that **all** may enjoy it. The \$155 million request for NEA is a small investment when compared to the enormous impact it will have on the programs it supports and in the communities where it makes the arts come to life.

I speak from the heart and from my own experience. I grew up in a small, rural town in South Carolina. The arts were the lifeblood of the community both economically, culturally and spiritually. I grew up in a town where the prom was in the high school gym; folks bought their clothes in a general store; and the newspaper came out once a week. I also grew up in a town that invested in and revered the arts; world history came alive in high school plays and in

community theatre productions; learning discipline, team work and strategic planning were the offshoot lessons of the school band; and mathematical skills were honed in design classes.

Speak to anyone of note in the areas of politics, business, media, community leadership and the entertainment industry, and you will find individuals who were drawn into the arts as young people. They were acting in community theater productions and school plays, playing in bands, spending their afternoons and weekends at local dance companies. The non-profit arts ecosystem nurtured them into the thought and idea leaders we know today.

I. The Positive Impact of Arts on the American Economy

Entertainment is a national commodity with international reach and revenue. Our nation's entertainment industry and non-profit arts pipeline are American success stories in productivity and innovation. To maintain the nation's leadership, we must sustain strong support for the arts as an industry, and as an educational investment.

According to statistics compiled by the Motion Picture Association of America, in 2013, the motion picture and television industry supported 1.9 million jobs and \$113 billion in total wages. In 2013, we had \$15.8 billion in film and television exports, with a trade surplus of \$13.4 billion, equal to 6 percent of the total U.S. private-sector trade surplus in services. This trade surplus for the industry is greater than the surpluses in the advertising, mining, telecommunications, management consulting, legal, computer, health related and insurance services sectors.

The economic impact of the entertainment industry extends far beyond those who appear in front of the camera. A single television series or a movie is a vast and profitable enterprise. A series can employ hundreds of people in high quality, high paying jobs. In addition, filming provides huge support to local businesses (*i.e.* caterers, dry cleaners, hotels, florists, hardware, lumberyards, software, and digital equipment suppliers) as well as jobs in other companies doing business with consumers, such as DVD and Blu-ray retailers, theme parks and tourist attractions. And, this economic activity takes place all across the country, not just in Hollywood or New York. Those who make their livings from the entertainment industry can just as likely be found shooting in New Mexico, North Carolina, or Michigan.

Statistics show that non-profit arts and culture organizations generate \$135 billion in annual economic activity, support more than four million full-time jobs and return nearly \$10 billion in federal taxes.ⁱ

According to the U.S. Bureau of Economic Analysis, arts and cultural production contributed \$699 billion, or 4.3 percent, to the nation's economy in 2012. This percentage represents a larger share of the economy than transportation, tourism and agriculture, and is larger than 45 states' individual contributions to the GDP. While the economy grew at a rate of 2.3 percent per year from 2007-2012, the category identified as Independent Artists, Writers and Performers' contribution to the economy was almost double at 4.4 percent.

With this rate of return, it should be clear that increasing federal funding for non-profit arts organizations and events like those the National Endowment for the Arts supports, is a sound, positive investment. Community theaters, children's theaters, symphonies, arts centers, dance troupes, etc. are the R&D of America's vibrant arts economy. In 2014, the Sundance Film

Festival, which started with the support of an NEA grant, generated over \$86 million for the state of Utah over an eleven day period. The NEA historically supports significant artistic outlets such as the Vietnam Veterans Memorial design competition, Spoleto Festival USA and PBS' "Great Performances." These are just a few examples which demonstrate how the arts empower our veterans and support our military, and establish the U.S. as an incubator for globally acclaimed performing artists. In the case of "Great Performances", a television program originally initiated with federal funding, it is now sustained by private funding and continues to expose the American television audience to the finest in performing arts to which they may otherwise lack access.

The National Endowment for the Arts also provides desperately needed funding to smaller community arts efforts in cities and towns across America. NEA grants are intrinsic to communities building strong enterprise zones. Communities that are fortunate enough to receive a grant award from the NEA often see increased business activity as companies are able to offer employees and clients creative climates and more vibrant opportunities, which attracts and – most importantly – retains talent. Arts is indisputably revitalizing both rural and urban areas.

II. Fostering Americans' Access to the Arts

Every American, young and old, deserves to have access to the arts. It is the federal investment in the National Endowment for the Arts that brings the arts into so many of our communities. According to its most recent annual report, the NEA awarded 2,276 grants in nearly 16,000 communities across the country. More than 38 million Americans, including seven million children and youth, attended a live arts event supported by the NEA. These events included approximately 70,000 concerts, readings, and performances and 1,600 exhibitions. As a recipient of a grant from the National Endowment for the Arts, organizations are able to leverage these dollars from a wide variety of private sources. For every grant dollar awarded, the recipient leverages at least \$9 dollars from other sources greatly multiplying the impact of the federal government's investment.

In addition to these live arts events, NEA grants support school-based arts programs that illustrate how arts education and arts in schools benefits students and prepares them for future success. Data shows that students with four years of arts education score roughly 100 points higher on their SATs. Despite the academic benefits of exposure to the arts, we are seeing a rising trend of eliminating arts programs when local school districts are forced to make cuts.

Bottom line: Without the support of NEA grants for arts education, fewer students would have the opportunity to participate in the arts and develop the creative skills that often lead to future success.

As a strong supporter of military families, The Creative Coalition is proud to be a partner with Blue Star Families to bring awareness to challenges facing our active-duty military families. Through our partnership with this outstanding organization, we have learned that military families often struggle to establish roots and make connections in their community as they move from base to base. As a result of a grant from the National Endowment for the Arts, our nation's active-duty military personnel and their families, including National Guard and Reserve, are able to access more than 2,000 museums across America for free. Not only are these families able to

access some of America's great cultural institutions, this program often allows them to better connect with their new communities by learning about local history, local artists and local traditions.

Federal funding for the NEA is critical to sustain many of the programs providing access to the arts for so many Americans. When public dollars for the arts are cut, we often see reductions in private funding as well. During the most recent economic downturn, we saw significant cuts in funding from philanthropic, corporate and private sources of funding for the arts. Sadly, when we reduce funding for the arts, the programs hardest hit are often ones for lower-income populations, rural communities and at-risk populations. Sufficient funding for the National Endowment for the Arts is the best way to ensure that all Americans will continue to have access to the arts in their communities.

Conclusion

The evidence is strong that the arts play an important role in our economy, our schools and our overall quality of life. The contributions of painters, musicians, poets and actors have greatly enriched our American culture and American artists have been a driving force in the world's largest economy. If we are to maintain our vital arts economy and ensure continued American competitiveness in a global market that increasingly values creativity, today, we must adequately invest in the arts and in the development of future American artists. As a result, The Creative Coalition urges the Committee to increase the funding level for the National Endowment of the Arts to \$155 million in Fiscal Year 2016.

Thank you for your consideration.

ⁱ Americans for the Arts, AEP IV study