



To: North Carolina's Congressional Delegation

Senator Richard Burr

Senator Thom Tillis

Representative Alma Adams

Representative Dan Bishop

Representative Ted Budd

Representative GK Butterfield

Representative Madison Cawthorn

Representative Virginia Foxx

Representative Richard Hudson

Representative Kathy Manning

Representative Patrick McHenry

Representative Greg Murphy

Representative David Price

Representative Deborah Ross

Representative David Rouzer

The Arts Sector and COVID-19 Relief February 2021

Honorable Members of Congress,

The lost revenue from the creative economy in North Carolina due the pandemic is over \$3.4 billion, which includes nonprofit community arts organizations across the state. **Over 80,000 NC jobs have been lost**, and those jobless citizens are fearful as arts organizations remain shuttered statewide, and federal unemployment programs will expire soon, yet again.

Cultural events drive **hundreds of millions of dollars in spending in North Carolina** for other local industries, especially restaurants. The arts are essential to not only **build economies**, but to **build communities**, and we will need to do both as North Carolina **reopens and recovers** from the coronavirus.

As Congress and the Administration prepare additional forms of COVID-19 federal assistance, we call for relief that will sustain the arts sector's unique capacity to support the U.S. economy, uplift and heal the human spirit, address equity and justice, and provide lifelong learning. In the months and years to come, **the country will need the arts and culture sector to deliver on this unique mission and to catalyze economic activity**. The unexpected loss of revenue and employment are immediately damaging to arts organizations and individual livelihoods, and in order for workers and audiences to gather together safely again, many key forms of federal support are essential.

The arts sector serves artistic and educational missions through creative artists, writers, performers, and many other workers in full-time, part-time, hourly, seasonal, and freelance capacities. In March 2020, the Bureau of Economic Analysis reported that the arts and culture workforce contributed \$877.8 billion, or 4.5 percent, to the nation's gross domestic product (GDP) in 2017. The arts sector is an economic engine that—prior to the pandemic—directly employed more than 5 million workers and indirectly sustained millions more. The next COVID-19 federal relief effort should **support the arts workforce and arts sector continuity and recovery**.

The next Relief package should include these proposals:

- **Expand and recapitalize Small Business Administration programs, including:**
 - **Extend Paycheck Protection Program resources**, remove restrictions and burdens for self-employed applicants, eliminate the 500-employee cap, and provide dedicated funding for nonprofit organizations while removing restrictions based on gross receipts.
 - **Expand emergency grants to small businesses in the creative arts** through continued funding of the Economic Injury Disaster Loan (EIDL) and other expanded grant-making capabilities that can best target businesses with less than 10 employees (self-employed, sole proprietors, partnerships, freelancers, and LLCs) and those based in low income communities that have documented fixed business expenses such as rent/mortgage interest, utilities, business insurance, and debt service and are not adequately served by current programs.

- **Increase Shuttered Venue Operators (SVO) Grant program funding** to meet the demand for COVID-19 relief for performing arts and cultural venues, promoters, and artist representatives who are facing devastating losses during the prolonged duration of the coronavirus crisis.
- **As proposed in the American Rescue Plan (ARP), provide new small business grants and small business lending programs.** As the ARP notes, “Black- and Brown-owned small businesses, and those in hard-hit industries like restaurants, hotels, and the arts, have suffered disproportionately.” [emphasis added].
- **Expand and extend Unemployment Insurance programs** to meet the needs of the creative workforce for the duration of the pandemic. At a minimum, the PUA, PEUC, FPUC, and MEUC programs should be extended to September 30 to provide a safety net for self-employed artists, gig workers, and others in the creative arts. A robust expansion of weekly benefits, including restoring lost benefits for the FPUC and MEUC programs, would also help lessen the economic impact of the *more than 60%* of creative workers who are unemployed through no fault of their own.
- **Increase charitable giving** by expanding the universal charitable deduction tax incentive through significantly increasing the cap and extending the provision at least through 2022, allowing all taxpayers to be incentivized to give more, regardless whether they itemize their returns. Maintain the CARES Act removal of the Adjusted Gross Income limitation on deductibility of charitable gifts for 2022 and beyond.
- **As proposed in the American Rescue Plan, provide emergency funds for state, local, and territorial governments** to keep front line public workers on the job and paid, while also effectively distributing the vaccine, scaling testing, reopening schools, and maintaining other vital services.
- **Provide relief for schools to have the resources they need to reopen safely as proposed in the American Rescue Plan.** The COVID-19 pandemic disproportionately impacted the learning of Black and Hispanic students, as well as students with disabilities and English language learners. We call for relief funds to help ensure equitable access to arts education as part of a well-rounded education for all learners amidst the COVID-19 crisis and beyond.
- **Help nonprofit arts organizations retain employees, meet growing community needs, and support job creation**, through dedicated support as proposed in the WORK Now Act, which includes arts and culture organizations as eligible entities, alongside the broader nonprofit sector.
- **Provide single- and multi-employer pension relief** to protect retirement security for the arts workforce.

The federal government should support ongoing creative sector activity:

- **Approve *substantial* funding for the National Endowment for the Arts, National Endowment for the Humanities, Corporation for Public Broadcasting and Institute of Museum and Library Services** as they administer dedicated COVID-19 relief to address the unique needs of cultural organizations, artists, and arts workers. Make a new round of COVID-19 relief grants available to all eligible organizations as defined in the NEA’s authorization statute (20 U.S.C. §954), and provide support that is distributed to state and regional agencies per their funding formula, while empowering recipients to use funds to better meet the needs of the entire arts industry and communities that remain underserved.
- **Urge U.S. Citizenship and Immigration Services and the State Department to improve the artist visa process**, including offering flexibility in requesting rescheduled dates due to event cancellations caused by COVID-19. For guest artists from certain countries, U.S. petitioners also need a clearer process and recognition of the importance of National Interest Exceptions for immediate travel.
- **Ensure the arts are considered in business interruption insurance and liability policy discussions**, as the policy outcomes of both areas will influence reopening plans and the long-term viability of American arts and cultural organizations and small businesses.

The arts and the work of artists are integral to reimagining and reopening public gathering places and workspaces. **Support the arts in near-term policies that guide the ways we respond to the ongoing public health crisis:**

- **Preserve and expand healthcare and behavioral health coverage as proposed in the American Rescue Plan.** Subsidize continuation health coverage (COBRA) through the end of September. Expand and increase the value of the Premium Tax Credit to lower or eliminate health insurance premiums and ensure enrollees - including those who never had coverage through their jobs. Appropriate funding to enable the Substance Abuse and Mental Health Services Administration and the Health Resources and Services Administration to expand access to mental health and substance use disorder services.
- **Provide eligibility for arts facilities in relief provisions** to renovate and adapt to COVID-19 public health protocols and ensure vaccine availability, testing, money for PPE, and facilities improvements to enable them to create conditions for safe reopening and renew audience engagement. Provide clear and timely public health guidelines for safely reopening performance venues, arts festivals, arts and crafts schools and other arts events to allow for planning and decision making.
- **Include the arts sector in consideration of public health and workplace safety policies** to protect the health of arts workers, support the needs of arts venues, and ensure public confidence in gathering again.

The economic damage to the creative sector is immense. According to a Brookings study on the effects of COVID 19 on the creative economy, there was an estimated loss of \$150 billion between April 1 through July 31, 2020. An American for the Arts study indicates that nonprofit arts organizations have lost \$486 million in event admissions, which has resulted in a loss of \$15.4 billion in audience spending at local businesses (e.g. restaurants, lodging, retail). A Johns Hopkins University. study found “Arts, Culture, and Recreation” jobs were down 36.6% between February and December 2020.

Arts organizations, artists, and the broader creative workforce are vital contributors to the nation’s economy, vitality, and wellbeing of the communities they serve, and they must be supported in all forms of relief.

Signed (as of February 12, 2021),

Actor's Theatre of Charlotte
 African American Atelier, Inc.
 Alamance Arts
 American Dance Festival
 a/perture cinema
 Appalachian Mural Trail/Catch the Spirit of Appalachia
 Appalachian Theatre of the High Country
 Arrowhead Gallery and Studios
 Arts & Science Council
 Arts Council of Henderson County
 Arts Council of Lincoln County
 Arts Council of Wayne County
 Arts Council of Wilmington
 Arts Council of Wilson, Inc.
 Arts North Carolina
 Arts of the Albemarle
 Arts of the Pamlico
 Arts Together Inc
 ArtsGreensboro
 Artspace
 Asheville Area Arts Council
 Asheville Art Museum
 Asheville Community Theatre
 Attic Salt Theatre Company
 Barbershop Harmony Society, RTP Chapter
 Baroque & Beyond - North Carolina
 Bel Canto Company
 Blair
 Blowing Rock Art & History Museum
 The Burke Arts Council
 Burning Coal Theatre Company
 Cabarrus Arts Council

Cameron Art Museum
 Cape Fear Regional Theatre
 Carolina Concert Choir
 Carolina Theatre of Greensboro
 Center for Craft
 Chamber Music Raleigh
 Charlotte Ballet
 Charlotte Symphony Orchestra
 Chatham Arts Council
 Cherokee County Arts Council of NC
 Chowan Arts Council
 Columbus County Arts Council
 Community Council for the Arts
 Community Music School of Raleigh
 Craven Arts Council & Gallery
 Creative Aging Network-NC
 Cucalorus Film Foundation
 Dance Project Inc
 Dare County Arts Council, Inc.
 Dave's Arts Management Network
 Don and Catharine Bryan Cultural Series
 DREAMS Center for Arts Education
 Duke University String School
 Durham Arts Council
 Elizabeth R & Co.
 Fayetteville Symphony Orchestra
 Flat Rock Playhouse
 Friends Of John Coltrane Inc.
 Gaspard & Dancers
 GreenHill Center for NC Art
 Greensboro Symphony Orchestra
 Greenville Museum of Art

Hands On! Children's Museum
Haywood County Arts Council
Heart of Carolina Jazz Society
Hendersonville Community Theatre
Hendersonville Symphony Orchestra
Hiddenite Arts and Heritage Center
High Point Arts Council Inc
High Point Theatre
James C. Harper School of Performing Arts
John C. Campbell Folk School
Kidznotes
LEAF Global Arts
Little Theater of Gastonia
Louisburg College - Allen de Hart Concert Series
Loyd Artists
Madison County Arts Council
Mallarme Chamber Players
Matthew Zedler Fine Art
ML Performing Arts Center
Montford Park Players
Music for a Great Space
Musical Empowerment
Myriad Artists LLC
Natarpana School of Dance & Music LLC
North Carolina Arts in Action
North Carolina Glass Center
North Carolina Master Chorale
North Carolina Music Hall of Fame
North Carolina Presenters Consortium
North Carolina Stage Company
North Carolina Symphony
North Carolina Theatre
North Carolina Theatre Conference
North Carolina Writers' Network
Northampton County Cultural Arts Committee
Northwood High School Arts Education Foundation
Ol' Front Porch Music Festival, Inc.
Orange County Arts Commission
Pan Harmonia
Pawleys Island Festival of Music and Art
Performing Arts Live of Iredell
Perquimans Arts League
PineCone
Pitt County Arts Council
Pocosin Arts School of Fine Craft
Public Art Endowment
Puppet Show Incorporated
Quilt Alliance
Raleigh Little Theatre
RiverRun International Film Festival
Roanoke Island Historical Association
Rockingham County Arts Council
Royal Expressions Contemporary Ballet
Salem Band
Salisbury Symphony
Sampson Arts Council, Inc.
Sampson CenterStage Performing Arts Series
Siegel Artist Management, LLC
Smart Kinston City Project Foundation
Southeastern Center for Contemporary Art
St. Joseph's Historic Foundation
STEAP, Inc
Stecoah Valley Cultural Arts Center
Stokes County Arts Council
Swain Arts Center
TAB Arts Center
Temple Theatre
The Arts Council Fayetteville/Cumberland County
The Arts Council of Wilson, Inc
The Arts Council of Winston-Salem & Forsyth County
The Burke Arts Council
The Center for Art & Inspiration
The Chamber Orchestra of the Triangle
The Madison County Arts Council
The Music Academy of NC
The Outer Banks Forum for the Lively Arts
The Raleigh Ringers
The Vivaldi Project
theArtWorks™
Theatre Charlotte
Three Bone Theatre Inc
Toe River Arts
Touring Theatre of North Carolina
Transactors Improv Co.
Transylvania Community Arts Council
Triangle ArtWorks
Tryon Arts and Crafts School
Tryon Fine Arts Center
UNC Charlotte Department of Theatre
UNC Greensboro College of Visual & Performing Arts
Union County Community Arts Council
United Arts Council of Raleigh & Wake County
Van Dyke Performance Space
Violet Bell, LLC
Visual Art Exchange
Vollis Simpson Whirligig Park and Museum
Wakefield Theatre
Watauga County Arts Council
Waterworks Visual Arts Center
Weatherspoon Art Museum
Wilkes Art Gallery, inc
Winston-Salem Delta Fine Arts, Inc
Winston-Salem Symphony
Wortham Center for the Performing Arts