

July 10, 2020



TEXANS FOR THE ARTS

To: Texas congressional representatives

Sen. John Cornyn
Sen. Ted Cruz
Rep. Colin Z. Allred, District 26
Rep. Jodey C. Arrington, District 19
Rep. Brian Babin, District 36
Rep. Kevin Brady, District 8
Rep. Michael C. Burgess, District 26
Rep. John R. Carter, District 31
Rep. Joaquin Castro, District 20
Rep. Michael Cloud, District 27
Rep. K. Michael Conaway, District 11
Rep. Dan Crenshaw, District 2
Rep. Henry Cuellar, District 28
Rep. Lloyd Doggett, District 35
Rep. Veronica Escobar, District 16
Rep. Lizzie Fletcher, District 7
Rep. Bill Flores, District 17
Rep. Sylvia R. Garcia, District 29
Rep. Louie Gohmert, District 1

Rep. Vicente Gonzalez, District 15
Rep. Lance Gooden, District 5
Rep. Kay Granger, District 12
Rep. Al Green, District 9
Rep. Will Hurd, District 23
Rep. Sheila Jackson Lee, District 18
Rep. Eddie Bernice Johnson, District 30
Rep. Kenny Marchant, District 24
Rep. Michael T. McCaul, District 10
Rep. Pete Olson, District 22
Rep. Chip Roy, District 21
Rep. Van Taylor, District 3
Rep. Mac Thornberry, District 13
Rep. Marc A. Veasey, District 33
Rep. Filemon Vela, District 34
Rep. Randy K. Weber, Sr. District 14
Rep. Roger Williams, District 25
Rep. Ron Wright, District 6

From: Texas creative sector organizations and businesses (list below)

Re: Please support, recovery, revitalization, and investment in Texas' creative businesses and workers.

The Arts Sector and COVID-19 Relief

July 2020

The United States is navigating unprecedented economic and civic uncertainty due to the spread of COVID-19. As Congress and the Administration plan federal assistance addressing the effects of the ongoing pandemic, we have come together to ask for further investment in Texas' creative businesses to sustain and strengthen the industry. This is essential to grow the 21st century local and statewide economy, uphold the human spirit, animate the issues of our time and bring together people and our communities.

This letter is signed by over 200 arts organizations and businesses representing over 50 communities across Texas. Together, we ask you to recognize and champion the economic contributions of the arts and creativity to Texas, its people, and its communities. The pandemic has shuttered creative sector businesses—theaters, concert halls, museums, studios, festivals, symphonies, film and production companies, and galleries—in Texas and throughout the country. The unexpected loss of revenue and the declines in charitable contributions are immediately damaging arts businesses and individual livelihoods, and are worsening over time.

Many creative people and creative businesses have jumped into doing what they do: innovating through online arts experiences and distance learning opportunities, both serving audiences now and making plans for when public gathering in large groups is safe. Even so, because of the immediate drop in revenue and the slow return of audiences to public gatherings, the crisis means catastrophic financial impact for creative businesses and creative workers, as well as on the communities dependent on the economic revenues and civic benefits involved. The result is that the country is at a grave risk of losing essential arts and cultural partners that are critical to our local and national identity.

The arts provide jobs and businesses from the local level on up and will be essential to accelerate our regional recovery efforts. 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 the human spirit, animate the issues of our time, and provide lifelong learning.

Unfortunately, since the state began to shut down in mid-March, Texas' arts and cultural sector has lost over **\$84 million**, according to Americans for the Arts. Nationally, the arts sector has lost **\$6.7 billion**. Over 2/3 of people who make their living as independent creative workers are not able to do so right now. These numbers are only growing as the pandemic and shutdowns go on.

A strong creative economy is an essential component in jump-starting local, state, and national recovery efforts during and after COVID-19. The arts connect people to each other and ensure that creativity thrives for everyone, everywhere in the state, including people who are more vulnerable now than they have ever been. Without connection and creativity, there is no healing or moving forward. In that spirit, **we join the national call for the following specific relief efforts, to be focused on our state's creative sector.**

The arts sector serves artistic and educational missions through myriad occupations filled by individuals who work 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. In Texas, arts and cultural production accounted for **\$46.6 billion** of the Texas economy. The arts sector is an economic engine that, prior to the pandemic, directly employed more than 5 million workers. Before the pandemic, just above **375,000 jobs** in Texas were in the arts and culture sector, more than the number employed in mining, education services, and utilities. The next COVID-19 federal relief efforts should **support the arts workforce and arts sector continuity:**

- **Expand and recapitalize the Paycheck Protection Program resources**, provide new opportunities for those that have exhausted initial PPP funds, remove restrictions and burdens for self-employed applicants, eliminate the 500-employee cap, and provide dedicated funding for nonprofit organizations. Extend the duration of the program and the loan forgiveness period, expand eligibility and allowable costs, and swiftly issue clear loan forgiveness guidance.
- **Fully fund the Economic Injury Disaster Loan program** and eliminate the \$1,000 per employee cap imposed by SBA, so businesses with one or very few employees can access funds.
- **Provide streamlined, low-interest forgivable loans to assist microbusinesses** (self-employed, sole proprietors, partnerships, freelancers, and LLCs) with zero or few employees/low net business income 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.
- **Provide loan forgiveness for nonprofits through the Main Street Lending Program and the Economic Stabilization Fund** to support payroll costs and fixed overhead costs and ensure eligibility for nonprofit employers with more than 500 employees that have been left out of current relief provisions.
- **Expand the duration of pandemic unemployment benefits** and improve guidelines for implementation so that artists and other gig economy workers with mixed income sources (such as W-2 and 1099) receive full support rather than unfairly being limited to partial benefits. Update Disaster Unemployment Assistance to ensure support for artists and other gig economy workers in the long term.

- **Increase charitable giving** by removing the \$300 cap on the above-the-line tax incentive for non-itemizers and allowing all taxpayers to claim the deduction on both 2019 and 2020 tax returns. Maintain the CARES Act removal of the Adjusted Gross Income limitation on deductibility of charitable gifts for 2021 and beyond.
- **Provide assistance for single- and multi-employer pension funds** to protect artists' retirement security.
- **Expand access to health coverage and care** by including a one-time special enrollment period in relief legislation and removing access and affordability barriers to health coverage for artists and arts workers that have atypical employment structures.
- **Support the U.S. creative economy**, which is growing at twice the rate of most other sectors, by supporting proposals in the PLACE Act (S.3232) to amend the Workforce Innovation and Opportunity Act, the Public Work and Economic Development Act, the Small Business Act, the New Markets Tax Credit, the Consolidated Farm and Rural Development Act, and the Disaster Relief and Emergency Assistance Act to improve access to existing federal workforce development opportunities for creative businesses and creative workers.

The arts sector is innovating to provide online arts experiences and distance learning opportunities, preparing to serve audiences when quarantine orders are lifted, and will be an essential partner in jump-starting national, state, and local efforts during and after COVID-19. The federal government should **support ongoing creative sector activity**:

- **Support a complete education for all students** through federal education funding and distance learning resources that will increase the capacity of state and local education agencies to ensure equitable access to arts education as part of a well-rounded education for all learners amidst the COVID-19 crisis and beyond.
- **Adopt an emergency broadband benefit** to ensure that all people, no matter their income or location, have access to high speed broadband. Ensuring connectivity enables more equitable participation in artistic, educational, and cultural activity taking place online.
- **Approve substantial funding for the National Endowment for the Arts, National Endowment for the Humanities, and Institute of Museum and Library Services**, as they administer dedicated COVID-19 relief to address the unique needs of cultural organizations.
- **Maximize the impact of new and continued funding for the National Endowment for the Arts** beyond the \$75 million investment in the CARES Act by making COVID-19 relief grants available to all eligible organizations as defined in the NEA's authorization statute (20 U.S.C. §954); expanding waivers for public/private matching requirements to apply to all active FY19 and FY20 NEA grant awards; and, allowing current grantees to re-allocate funding for general operating support to address COVID-19 economic losses. Enable national nonprofit organizations to subgrant federal arts funds to support community-based arts and culture organizations, agencies, and artists to assist in efficiently supporting the nation's cultural infrastructure and workforce.
- **Enact policies to ensure rapid processing of artist visas** by U.S. Citizenship and Immigration Services and consulates to shield U.S.-based arts petitioners from the delays and costs of reprogramming international events.
- The arts and the work of artists are integral to reimagining and reopening public gathering places and work spaces. Federal policy should **support the arts in safety and infrastructure policies that guide the ways we bring people together**:
- **Support the arts and work of artists as essential infrastructure investments.** Building a strong cultural infrastructure, creating art that enriches our lives, and using arts-based approaches to public works and community development initiatives will leave a legacy that defines our society for generations to come.
- **Provide eligibility for arts facilities in infrastructure investments** to renovate, refurbish, and adapt to post-COVID-19 public health protocols.

- **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.
- **Ensure the arts are considered in business interruption insurance and liability policy discussions**, as the policy outcomes of both areas will influence the near-term reopening plans and the long-term viability of American arts and cultural organizations.

Creative businesses and workers are essential contributors to the economy, vitality, and wellbeing of the communities they serve, in every corner of the state and across the country.

We thank you for your leadership and for supporting investment in a strong creative sector to benefit Texas' people, businesses, and communities.

Respectfully,

Ann S. Graham
Executive Director
Texans for the Arts
info@texansforthearts.com

Signed (to date):

Texans for the Arts

Andrew Kochie Fine Art

AFA

Alley Theatre

American Baroque Opera Co.

American Berserk Theatre

Andrea Pramuk Art Studio, LLC

Angelina Arts Alliance

Angelo Civic Theatre

Art Center of Corpus Christi

Art Center of Port Aransas

Art League Houston

Art Museum of South Texas

Art Museum of Southeast Texas

Art Seen Alliance

Art Spark Texas

Artiphile South LLC

Artists for Artists

Arts Council of Fort Worth

Arts Council of Midland

Arts Council Wichita Falls

Arts District Houston

Art House Dallas

ARTSonepass

ArtsView Children's Theatre

AT&T Performing Arts Center

Aurora Arts Theatre

Austin Creative Alliance

Austin Film Society

Austin Shakespeare

Awesome Art!

Ballet East Dance Company

Ballet Lubbock

bbatx

Beckles Dance Company

Bee Cave Arts Foundation

Big Medium

Big Thought

Bihl Haus Arts, Inc.

Bishop Arts Theatre Center

Brauntex Performing Arts Theatre Association

Brownsville Society for the Performing Arts

Bruce Wood Dance

Bryan Muffler

The Buddy Holly Hall of Performing Arts and Sciences

The Bugle Boy Foundation

Business Council for the Arts
C.Small Studio
Cara Mía Theatre
Center for No Idea
Central Texas Choral Society
Challenged Conquistadors, Inc.
Chamber Music International
Children’s School of Art Houston
Chords for a Cause
Chorus Austin
Christian Youth Theater (CYT)
The Citadelle Art Museum
City of Round Rock Arts and Culture
CJ Designs
The Classic Theatre of San Antonio
Classical Guitar Alive
Coalition of State Museum Associations
Compass
Conroe Art League
The Contemporary Austin
Corsicana Palace Theatre
Creative Waco
Czech Center Museum Houston
Dallas Area Cultural Advocacy Coalition
Dallas Arts District Foundation
Dallas Black Dance Theatre
Dallas Children's Theater
Dallas Heritage Village
Dallas Institute of Humanities and Culture
Dallas Museum of Art
Dallas Theater Center
Dan Workman Music
Dance Source Houston
Deep in the Heart Film Festival
Deep Vellum Publishing
DiverseWorks
Drumming With Nina LLC
Duncanville Community Theatre
East End Theatre
El Paso Pro-Musica
Elements Aerial (Four Elements Aerial & Creative Movement)
Fine Arts Chamber Players
Forklift Danceworks
Fox in a Box Marketing & PR
Fresh Arts
Fusebox Festival
Georgetown Art Works
GORDONDANCE & Gordon Ranch
The Grand 1894 Opera House
Grand Prairie Cultural Arts Council, Inc.
Greater Conroe Arts Alliance
Greater Dallas Youth Orchestra
Gspot Contemporary Art Space
Harmonious Concepts
Heritage Museum of Montgomery County
The Hideout Theatre
Highland Capital Management, L.P.
HITS Theatre
Houston Ballet
Houston Museum District Association
Imagine Art
Imagine Waco
Indian Cultural Heritage Foundation
Indian Performing Arts Samskriti
Irving Arts Center
Island ETC
JBJ Management
Jubilee Theatre
Junior Players
Justus Kings Designs
K Space Contemporary
Kathy Dunn Hamrick Dance Company
Kids Who Care
Kieran-Sistrunk Fine Art Gallery
Laredo Center for the Arts
Laredo Cultural District
Laredo Theater Guild International

Levitt Pavilion Arlington
Linda Wandt Fine Art
Lost Pines Art League
Lubbock Entertainment and Performing Arts Association
Lutcher Theater
Lyric Performing Arts Company
Lyric Stage, Inc.
LZM Studio
M2
M Squared Jewelry
Main Street Theater
Mansfield Commission for the Arts
Mesquite Arts Council
Mexic-Arte Museum
Midland Community Theatre
Miller Outdoor Theatre
Montgomery County Choral Society
Munro Ballet Studios
Museum of Fine Arts, Houston
Museum of the Southwest
Nasher Sculpture Center
Navarro Council of the Arts
New Philharmonic Orchestra of Irving
North Texas Performing Arts
OCA-Greater Houston
Ochre House Theater
Odessa Arts
Painted Bunting Art & Gifts
Pasadena Philharmonic Society & Orchestra
Patron Magazine
Penfold Theatre Company
Playhouse 2000, Inc.
Play on Words Design
PNC Bank
Port Aransas Art Center
Presidential Lecture & Performance Series, Texas Tech
University
The Projecto
Rendulic Glass Studio
Renee Rodriguez, Fine Art Photography
Rich Studios
Rockport Art Association, Inc.
Sammons Center for the Arts
San Angelo Museum of Fine Arts
SAY SI
ScriptWorks
SMU DataArts
Society for the Performing Arts Houston
Southeast Texas Arts Council
Stage West Theatre
Sweetwater Municipal Auditorium
TACA - The Arts Community Alliance
Take the Stage
Tapestry Dance Company
Teatro Dallas
Temple Symphony Orchestra
Texarkana Regional Arts & Humanities Council
Texas Folklife
Texas Gypsies
Texas Performing Arts
Theatre Arlington
Theatre Three, Inc.
Theatre Under the Stars
Third Coast Gallery
Tiny Fox LLC
TinyHackerHouse
TITAS/DANCE UNBOUND
Tobin Center for the Performing Arts
UMLAUF Sculpture Garden + Museum
Uptown Players
VanDoninck's Bakeshop
Video Association of Dallas
Visual Expressions Creative Art School & Gallery
Vocal Majority
Waco Cultural Arts Fest
Waco Symphony Association, Inc.
WaterTower Theatre
The Woodlands Children's Museum

Young Audiences, Inc. of Houston
Youth Chorus of Central Texas
Youth Orchestras of San Antonio

ZACH Theatre
24HourDallas
04ARTS Foundation

Below are remarks shared by letter signers about the impact of COVID-19 and the subsequent economic hardship on their lives:

"The arts in rural communities have suffered greatly. Their ability to access small funding pools is drastically affected. Please help save the arts throughout the state, even in the smallest of areas. Access to cultural programming matters even more to rural children where our resources are considerably limited in comparison to those in metropolitan areas. Yet, the artistic educational needs of our children remain just as vital if we are to grow them into strengthened economic contributors to our state."

"As a Black interdisciplinary visual artist, fashion/textile designer and small business owner I have personally/professionally been directly negatively impacted by the virus shut downs. The state (and national) arts funding that has been lost due to COVID will forever set back the arts for decades. For Black creatives those setbacks will take 2-3 times as long to recover from. If there is no art there is no society, history or life. Please fund the arts/creative industries!"

"We have lost our city hotel/motel monies for the 4th quarter of 2020 (\$17,250) AND all of 2021 (\$74,000) and are scrambling for funding sources to make up for this loss."

"Our art business is struggling. We have had to let our 2 part-time employees go. The arts and culture sector is responsible for many tourists that come to our small town. Located on Main Street, we had many clients walk through our doors. Now, we are paying rent on our location but have had to close temporarily. Please consider providing support for our sector. Thanks!"

"Support of the arts during this pandemic is critical to the financial well being of the state of Texas, both now and in its road to recovery, as we provide services that intersect across areas of interest that include tourism, wellness, and public safety."

"Be generous in your support of Arts organizations during this pandemic. Many have been financially impacted but perhaps none more than those of us who survive in a "gig economy." The foundation of our income has been ripped out from under us! Thank you!"

"The arts bring visitors to town just as other businesses do. Being a non-profit, we have taken a big loss of business and donated dollars."

IMPACT OF COVID-19 ON THE ARTS AND CULTURE SECTOR IN TEXAS

July 10, 2020

The arts and culture sector has increasingly contributed to Texas' economic, educational, and cultural strength. It creates jobs, generates significant revenue for the state economy, increases sales tax revenue, boosts tourism, attracts business, revitalizes communities, and improves the quality of life for all Texans.

Amid the spread of COVID-19 the creative sector was the first to shut down due to the dangers of close assembly and will be the last to fully open for the same reason. Yet the arts were also the first to employ technology to share their art - providing comfort, connection and community, reflection on current events, a universal language, and a symbol of hope. Texas and the world are turning to the arts to find escape and relief from our uncertain circumstances. The arts will continue to be essential to rebuilding and recovery.

DEVASTATING EFFECTS OF COVID-19

- **Business Closures:** Performing arts venues, theaters, museums, and galleries were some of the first businesses forced to close their doors due to close assembly and face devastating costs to reopen.
- **Cancelled Programming:** All events, programs, and fundraisers have been cancelled and many are not being scheduled until 2021.
- **Layoffs and Furloughs:** 1000's of staff, vendors, and contractors have been laid off, furloughed, or received salary reductions. Nationally, 2/3rds of creative workers are now unemployed.*
- **Disproportionate Impact:** As Texas reopens, large gatherings will be limited, resulting in the arts and culture industry to be among the last to "get back to work".
- **Permanent Closures:** Certain entities are being forced to close permanently, creating a negative ripple effect on nearby restaurants, bars, retail, and parking.

NEGATIVE ECONOMIC IMPACT OF COVID-19

Data collection is ongoing. As shutdowns continue and reopening is slowed due to cost and health concerns, we anticipate the number of arts organizations and individual artists reporting and the negative economic impact to increase exponentially.*

As of 7/10/2020 with 1,200 nonprofit arts organizations reporting:

- **Total Financial Impact for Texas:** - \$84,011,950
- **Median Financial Impact Per Organization:** \$30,450
- **Total Unanticipated Expenses:** over \$2,000,000
- **Audience Members Lost:** more than 8.2
- **Layoffs/Furloughs:** more than half of organizations
- **Cancelled events:** 96% of organizations
- **Confidence in surviving COVID-19:** 60% of organizations

ARTS AND CULTURE ARE CRITICAL TO ECONOMIC RECOVERY FOR TEXAS**

- **800,000** Texans are employed in the creative sector.
- Arts and culture generate more than **\$5.59 billion in taxable sales** for the Texas economy.
- Arts and culture contribute **\$350 million in state sales tax**.
- Arts and culture increase tourism.
- Arts and culture help attract, develop, and retain business.

Access to arts and culture will be essential to healing and rebuilding our local and global communities. We look forward to working with you, our Texas leadership, to ensure the arts continue to thrive and power the state of Texas.

*[AMERICANS FOR THE ARTS ECONOMIC IMPACT OF COVID-19 DASHBOARD](#)

**[TEXAS CULTURAL TRUST 2019 STATE OF THE ARTS REPORT](#)