COVID-19 Economic Impact on CT’s Arts & Culture Sector

$386M
in estimated economic losses this year for arts & culture nonprofits

→ Venues completely closed with many cancelling seasons through fall 2021
→ Arts education cancelled for schools and extracurricular programs
→ No rehearsals or events at arts organizations of all sizes
→ Unemployment still growing for individual artists and arts professionals

CT CREATIVE INDUSTRY ECONOMIC IMPACT
• $2,48 in estimated cumulative lost sales
• 33,258 in estimated cumulative lost jobs

CT RECOVERY SO FAR
• Various PPP & EIDL Loans and PUA Support
• Regional relief funds supported by municipalities, community foundations, and donors
• Federally appropriated CARES ACT funding through National Endowment for the Arts and CT Office of the Arts

NATIONAL IMPACT
• $150B in estimated cumulative lost sales for creative industries
• 2.7M in estimated cumulative jobs lost in creative industries
• $10.7B in losses to nonprofit arts and cultural organizations
• 96% of events cancelled as far out as summer 2021
• 62% of artists and creative industry workers fully unemployed
• One in three museums may close permanently

STATEWIDE EMERGENCY RELIEF UNDERWAY
• Massachusetts – $31M bond bill being advanced for cultural sector recovery
• Oregon – $50M approved by lawmakers for immediate use in cultural relief
• Vermont – $5 million for a new grant program to help nonprofit arts organizations
• Utah – $9 million allocated to create the COVID-19 Cultural Assistance Program
• North Carolina – $9.4M in emergency aid to the arts passed by their General Assembly

CT CAN’T RECOVER WITHOUT THE ARTS
★ 5% of CT’s economy
★ Generates $9B annually
★ Supports 57,000 jobs in CT
★ 2nd in value added economic impact - that’s greater than construction and transportation
★ 69% of visitors come to CT for arts and cultural offerings
★ Nonprofit arts sector alone generates $800M in economic activity, supports 23,000 jobs, and generates $72.3M in government revenues annually

Sources:
★ Arts & Economic Prosperity 5: Americans for the Arts, 2015 (most recent data)
★ Lost Art: Measuring COVID-19’s devastating impact on America’s creative economy, Metropolitan Policy Program at Brookings Institute, August 2020
★ U.S. Bureau of Economic Analysis, 2018
★ COVID-19 Impact Survey, Americans for the Arts, 2020

CTArtsAlliance.org
## 2020 FACT SHEET

### State Investment in Arts & Culture

<table>
<thead>
<tr>
<th>Appropriation</th>
<th>Amount</th>
<th>Per Capita</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$5,499,552</td>
<td>$1.54</td>
<td><strong>20% decrease since 2011</strong></td>
</tr>
<tr>
<td>CT</td>
<td>$1.54</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RI</td>
<td>$2.16</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MA</td>
<td>$2.03</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- In the State Budget, “Arts Commission” = State Arts Agency = CT Office of the Arts
- Arts and cultural nonprofits are funded through CT Office of the Arts and individual line items
- $1.5M to “Arts Commission” and $2.7M to line items for individual arts organizations

### $1 for Tourism is NOT $1 for Arts & Culture

- The arts are distinct from but a cornerstone to tourism
- Office of the Arts, housed in DECD, funds its operations and grants to nonprofit arts and cultural organizations throughout Connecticut
- Office of Tourism, also housed in DECD, funds its operations and statewide marketing

### Return on Investment

- CT’s arts investment of $4.2M generates $42M in revenue to state government
- CT’s nonprofit arts & culture industry generates $800 million in total economic activity
- MA and RI have followed national trend and increased investment in the arts in recent years

*Source: Arts & Economic Prosperity 5 by Americans for the Arts*
Connecticut Office of the Arts Funding History
Fiscal Years 2016-2020

SELECT A STATE
Connecticut

- Total Agency Revenue
- Total Other State Funds
- Total NEA Funds
- Total Private and Misc. Funds
- Total Legislative Appropriation

Other state funds are typically those funds transferred to state arts agencies from special state accounts or other state agencies. Private and miscellaneous funds may include individual gifts and donations, corporate support, regional arts organization funds, earned income and non-National Endowment for the Arts federal grants.

Connecticut: Total Legislative Appropriations Fiscal Years 2011-2020

- Total Legislative Appropriations
- Total Legislative Appropriation Per Capita

< TOTAL LEGISLATIVE APPROPRIATIONS
Total legislative appropriations include state legislative funds allocated to the state arts agency, as well as line item appropriations, which are state funds designated for specific organizations but passed through a state arts agency’s budget. Total legislative appropriations exclude funds transferred from other state departments/accounts and other sources of nonstate or non-National Endowment for the Arts revenue.

NEA FUNDING
Total NEA funding includes National Endowment for the Arts Partnership Agreement grants, which support agency activities that align with the NEA-approved state plan, with allocations for Poetry Out Loud, Arts Education, Arts in Underserved Communities, and Folk and Traditional Arts Partnership (optional). Poetry Out Loud and Arts Education allocations include NEA program funds beyond the 40% designated by law for state and regional agencies. Total NEA funding also includes restricted grants such as funding for disaster relief, special projects or other designated purposes.

Connecticut: Total NEA Funds Fiscal Years 2011-2020

- Total NEA Funding
- Total NEA Funding Per Capita

< TOTAL NEA FUNDING
Total NEA funding includes appropriations, line items, other state funding, NEA funding and all other private and misc. funds.

Connecticut: Total Revenue Fiscal Years 2011-2020

- Total Agency Revenue
- Total Agency Revenue Per Capita

< TOTAL REVENUE
Total revenue includes appropriations, line items, other state funding, NEA funding and all other private and misc. funds.
**Connecticut**
The U.S. Bureau of Economic Analysis reports that arts and cultural production accounts for $9,340,674,606 and 3.5% of the Connecticut economy, contributing 58,932 jobs.

<table>
<thead>
<tr>
<th>Total Value Added</th>
<th>$9,340,674,606</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts and Cultural Share of Total Gross State Product (GSP)</td>
<td>3.5%</td>
</tr>
<tr>
<td>Core Arts and Cultural Production</td>
<td>$1,899,345,650</td>
</tr>
<tr>
<td>Supporting Arts and Cultural Production</td>
<td>$7,096,727,513</td>
</tr>
</tbody>
</table>

**Comparing Arts and Culture to Other Sectors of the Economy**

Arts and cultural **Value Added** in Connecticut ranked 2nd among the comparison sectors. Comparison industries are selected industry categories using the North American Industry Classification System (NAICS) drawn from BEA's 2017 state level data for employment (full-time and part-time workers), compensation and value added by industry. The comparisons are not mutually exclusive—arts and culture includes, for example, portions of other sectors such as construction and retail trade.

<table>
<thead>
<tr>
<th>Industry</th>
<th>Value Added</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>$13,314,600,000</td>
</tr>
<tr>
<td>ACPSA Total</td>
<td>$9,340,674,606</td>
</tr>
<tr>
<td>Construction</td>
<td>$7,912,600,000</td>
</tr>
<tr>
<td>Education Services</td>
<td>$6,116,300,000</td>
</tr>
<tr>
<td>Transportation</td>
<td>$4,697,000,000</td>
</tr>
<tr>
<td>Utilities</td>
<td>$4,412,100,000</td>
</tr>
<tr>
<td>Agriculture and Forestry</td>
<td>$346,000,000</td>
</tr>
<tr>
<td>Mining</td>
<td>$198,600,000</td>
</tr>
</tbody>
</table>
Legislative Appropriation for the Connecticut Office of the Arts in FY2020

SELECT A STATE
Connecticut

<table>
<thead>
<tr>
<th>Total Legislative Appropriation</th>
<th>Legislative Appropriation Excluding Line Items</th>
<th>Total Legislative Appropriation Per Capita</th>
<th>Per Capita Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5,499,552</td>
<td>$1,497,298</td>
<td>$1.54</td>
<td>13</td>
</tr>
</tbody>
</table>

TOTAL LEGISLATIVE APPROPRIATION
Total legislative appropriation includes state legislative funds allocated to the state arts agency, as well as line item appropriations, which are state funds designated for specific organizations but passed through a state arts agency’s budget. Total legislative appropriation excludes funds transferred from other state departments/accounts and other sources of nonstate or non-National Endowment for the Arts revenue.

LEGISLATIVE APPROPRIATION EXCLUDING LINE ITEMS
Also known as a baseline appropriation, a legislative appropriation excluding line items does not include line items passing through the state arts agency (SAA). Since line items are designated for specific entities, the state legislature, not the SAA, controls the funding amount and recipient. This baseline figure better represents the appropriated funds SAA have available to use for programs and operations.

APPROPRIATION PER CAPITA
Each state arts agency’s (SAA) appropriation serves the entire state, making per capita funding an effective way to measure, in relative terms, what an SAA is able to contribute to each of its constituents.

PER CAPITA RANK
This calculation allows state contributions to the arts to be compared using a ranking system. The 50 states are ranked out of 50, and the 6 jurisdictions are ranked out of 56.

Connecticut Office of the Arts Appropriations History
Fiscal Years 2011-2020

Legislative Appropriations to Connecticut and All SAAs
Fiscal Years 2011-2020

National Assembly of State Arts Agencies
KNOWLEDGE ★ REPRESENTATION ★ COMMUNITY
How Does Connecticut Compare to the New England Region?

SELECT A STATE
Connecticut

FY2020 Total Legislative Appropriations
Connecticut compared to other New England states

<table>
<thead>
<tr>
<th>State</th>
<th>Appropriations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Massachusetts</td>
<td>$6.0M</td>
</tr>
<tr>
<td>Connecticut</td>
<td>$5.5M</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>$2.7M</td>
</tr>
<tr>
<td>Maine</td>
<td>$1.0M</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>$0.5M</td>
</tr>
<tr>
<td>Vermont</td>
<td>$0.1M</td>
</tr>
</tbody>
</table>

$0.0M $2.0M $4.0M $6.0M $8.0M $10.0M $12.0M $14.0M $16.0M $18.0M $20.0M

SELECT A FUNDING TYPE
- Total Legislative Appropriations
- Total Revenue

TOTAL LEGISLATIVE APPROPRIATIONS
Total legislative appropriations include state legislative funds allocated to the state arts agency, as well as line item appropriations, which are state funds designated for specific organizations but passed through a state arts agency’s budget. Total legislative appropriations exclude funds transferred from other state departments/accounts and other sources of nonstate or non-National Endowment for the Arts revenue.

TOTAL REVENUE
Total revenue includes appropriations, line items, other state funding, NAE funding and all other private and/or public funds.

Ten-Year Total Legislative Appropriations Percentage Change for New England State Arts Agencies
Connecticut’s total legislative appropriations percentage change since FY2011 compared to the other SAAs in the New England region

CHANGE OVER TIME
The percent change over the last decade shows how a state’s appropriation or total revenue, in nominal dollars, has fared relative to the rest of the region. If a state has received an increased appropriation or total revenue amount, the trend line will be above 0%. If the trend line stays below 0%, it means the agency faced a reduction in its appropriation and/or total revenue sometime over the last decade.

FY2020 Total Legislative Appropriations Per Capita
Connecticut’s total legislative appropriation per capita compared to other New England states

<table>
<thead>
<tr>
<th>State</th>
<th>Per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>MA</td>
<td>$2.55</td>
</tr>
<tr>
<td>VT</td>
<td>$1.56</td>
</tr>
<tr>
<td>CT</td>
<td>$1.54</td>
</tr>
<tr>
<td>NH</td>
<td>$0.59</td>
</tr>
<tr>
<td>ME</td>
<td>$0.75</td>
</tr>
<tr>
<td>RI</td>
<td>$2.64</td>
</tr>
</tbody>
</table>

< PER CAPITA
Each state arts agency’s (SAA) total legislative appropriation/total revenue serves the entire state, making per capita funding an effective way to measure, in relative terms, what an SAA is able to contribute to each of its constituents. The chart on the left shows how Connecticut’s per capita amount compares to other states in the region.

PER CAPITA RANKINGS
This calculation allows state contributions to the arts to be compared using a ranking system. This chart shows rankings over time for every state in this region. The 50 states are ranked out of 50, and the 4 jurisdictions are ranked out of 56.

Ten-Year Total Legislative Appropriations Per Capita Rankings for New England State Arts Agencies
Connecticut’s total legislative appropriation per capita rankings since FY2011 compared to the other SAAs in the New England region
### The Economic Impact of Nonprofit Arts and Cultural Organizations and Their Audiences in the State of Connecticut (Fiscal Year 2015)

#### Direct Economic Activity

<table>
<thead>
<tr>
<th></th>
<th>Arts and Cultural Organizations</th>
<th>Arts and Cultural Audiences</th>
<th>Total Industry Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Industry Expenditures</td>
<td>$515,311,370</td>
<td>$281,938,021</td>
<td>$797,249,391</td>
</tr>
</tbody>
</table>

#### Economic Impact of Spending by Arts and Cultural Organizations and Their Audiences

<table>
<thead>
<tr>
<th>Total Economic Impact of Expenditures</th>
<th>Economic Impact of Organizations</th>
<th>Economic Impact of Audiences</th>
<th>Total Economic Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-Time Equivalent (FTE) Jobs Supported</td>
<td>17,671</td>
<td>5,443</td>
<td>23,114</td>
</tr>
<tr>
<td>Household Income Paid to Residents</td>
<td>$399,187,000</td>
<td>$125,726,000</td>
<td>$524,913,000</td>
</tr>
<tr>
<td>Revenue Generated to Local Government</td>
<td>$20,314,000</td>
<td>$9,429,000</td>
<td>$29,743,000</td>
</tr>
<tr>
<td>Revenue Generated to State Government</td>
<td>$25,234,000</td>
<td>$17,294,000</td>
<td>$42,528,000</td>
</tr>
</tbody>
</table>

#### Event-Related Spending by Arts and Cultural Audiences Toted $281.9 million (excluding the cost of admission)

<table>
<thead>
<tr>
<th>Attendance to Arts and Culture Events</th>
<th>Resident(^2) Attendees</th>
<th>Nonresident(^2) Attendees</th>
<th>All Cultural Audiences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Attendance to Arts and Culture Events</td>
<td>8,317,504</td>
<td>1,479,320</td>
<td>9,796,824</td>
</tr>
<tr>
<td>Percentage of Total Attendance</td>
<td>84.9%</td>
<td>15.1%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Average Event-Related Spending Per Person</td>
<td>$23.78</td>
<td>$49.78</td>
<td>$27.70</td>
</tr>
<tr>
<td>Total Event-Related Expenditures</td>
<td>$170,529,709</td>
<td>$111,408,312</td>
<td>$281,938,021</td>
</tr>
</tbody>
</table>

#### Nonprofit Arts and Cultural Event Attendees Spend an Average of $27.70 Per Person (excluding the cost of admission)

<table>
<thead>
<tr>
<th>Category of Event-Related Expenditure</th>
<th>Resident(^2) Attendees</th>
<th>Nonresident(^2) Attendees</th>
<th>All Cultural Audiences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meals and Refreshments</td>
<td>$15.62</td>
<td>$23.65</td>
<td>$16.83</td>
</tr>
<tr>
<td>Souvenirs and Gifts</td>
<td>$4.36</td>
<td>$8.39</td>
<td>$4.97</td>
</tr>
<tr>
<td>Ground Transportation</td>
<td>$1.84</td>
<td>$5.97</td>
<td>$2.47</td>
</tr>
<tr>
<td>Overnight Lodging (one night only)</td>
<td>$0.66</td>
<td>$9.48</td>
<td>$1.99</td>
</tr>
<tr>
<td>Other/Miscellaneous</td>
<td>$1.30</td>
<td>$2.29</td>
<td>$1.44</td>
</tr>
<tr>
<td>Average Event-Related Spending Per Person</td>
<td>$23.78</td>
<td>$49.78</td>
<td>$27.70</td>
</tr>
</tbody>
</table>

Source: Arts & Economic Prosperity 5: The Economic Impact of Nonprofit Arts and Cultural Organizations and Their Audiences in the State of Connecticut. For more information about this study or about other cultural initiatives in the State of Connecticut, visit the Connecticut Department of Economic and Community Development (Office of the Arts)’s web site at www.cultureandtourism.org. Copyright 2017 by Americans for the Arts (www.AmericansForTheArts.org).
States Investing in the Arts

State arts agencies (SAAs) help communities across the nation to thrive through the arts. Using a combination of state and federal funds, SAAs support more than 22,000 grants in 5,000 communities each year. In 2013, these grants went to all 435 U.S. congressional districts.

Small towns and rural areas receive more than $36.5 million through nearly 5,500 grants, making the arts accessible to all U.S. residents, regardless of where they live.

State and federal funds spur local investment

- Funds from states and the National Endowment for the Arts (NEA) attract matching dollars, boost earned income, and encourage contributions from local governments and citizens.

- In 2013, SAAs received $39.9 million in federal arts funds.
- State governments appropriated another $270.2 million to SAAs.
- Projects garnered an additional $356 million of in-kind support.
- More backing from local & private sources totaled $3.1 billion.

The arts strengthen our economy

- America’s nonprofit arts industry generates $135.2 billion in economic activity every year, resulting in $22.3 billion in tax revenues.

The arts strengthen education

- Arts education improves academic achievement and engagement in learning. SAAs bring these benefits to more youth by investing $64 million in 9,100 arts education grants.

% of 8th graders planning to earn bachelor’s degree

- Students with high levels of arts engagement are more likely to aspire to college.
Tourism Fund 101

The Tourism Fund invests in the Connecticut experience—building vibrant communities, attracting tourists and employers, and boosting our economy.

What is it? The Tourism Fund (TF) is a non-lapsing special fund, separate from the general fund, that is solely funded by a dedicated revenue source.

How is it funded? Connecticut levies a 15% occupancy tax on hotel stays up to 30 days in length. 10% of the total tax revenue collected by the Department of Revenue Services (DRS) is deposited into the TF after every quarter.

What does TF fund? The TF fund invests in arts, culture and tourism through a variety of line items in the budget appropriated by legislators. The TF currently funds:

- Connecticut Office of the Arts (COA, or Arts Commission in the state budget); the Federal National Endowment for the Arts invests about $1 million in our state, which COA is committed to match in order to fund:
  - Grants to arts and cultural organizations, artists, and community arts projects
  - Statewide initiatives (such as Arts Workforce Initiative and Arts Day, etc.)
  - Designated Regional Service Organizations (regional arts and culture agencies)
- Connecticut Office of Tourism (Statewide Tourism Marketing)
  - CTVisit.com and marketing of Connecticut
  - Statewide initiatives (CT Open House Day, The Big E, Made in CT)
  - Tourism Districts (Eastern, Central, Western)
- Arts, Cultural & Tourism Direct Line Items (individual organizations and consortiums)
  - Connecticut Humanities; the National Endowment for the Humanities invests $850,000 in our state, which Connecticut Humanities is committed to match

How does the TF benefit Connecticut? The TF investments provide:

- Operating support to anchor arts institutions that drive economic, community, and tourism development
- Program and project support to arts and cultural institutions’ events, community programs, arts education, and local arts projects and initiatives
- COA funding re-granted through more than 400 competitive grants statewide
- Support for the nine Designated Regional Service Organizations to maintain a statewide network of arts and cultural agencies
- Operating support to major tourist attractions, statewide tourism marketing, and tourism districts

What is unique about the TF? Legislators cannot “sweep” funds from the TF, unless this were to be mandated through legislation, and the TF, like all special funds, is not subject to potential general fund rescissions from the governor.

What if there is more or less money in the TF? Revenue collection and deposits into the TF are administrative, while the spending and budget process are legislative. This means that:

- The biannual budget is set legislatively based on the estimated size of the TF
- If the TF has more or less money than budgeted for an upcoming year, the governor and legislators will decide how to accommodate for that change during the budget process.
Lodging Tax
15% for hotels, 11% for B&Bs

General Fund
90% of Lodging Tax

Tourism Fund
New!
10% of Lodging Tax

Department of Economic + Community Development (DECD)

Office of Tourism
$4.1M in FY18
Admin
Statewide Marketing

Office of the Arts
$4.2M in FY18
Admin
Grants to artists + nonprofit organizations
Arts Education Impact

- Students with four years arts education average 100 points better on their SATs
- Students involved in arts programs are 3x more likely to be recognized for academic achievement, high attendance and participation in math or science fair
- Low-income students are 5x more likely to graduate when they receive arts instruction
- Students involved in arts programs are 44% less likely to use drugs