

*Testimony provided by*  
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## **INTRODUCTION**

Chairs Krueger and Weinstein, members of the committees, and our newly elected Legislators: thank you for the invitation to address you today. I am Mara Manus, the Executive Director of the New York State Council on the Arts (NYSCA).

On behalf of our Chair, Katherine Nicholls, our council members, our staff, and our vibrant non-profit arts and culture sector, we are immensely grateful to Governor Hochul and the State Legislature for your historic and unprecedented investment in 2023. We are also grateful for Governor Hochul's additional FY2023 sub-allocation of \$100 million in Capital funding in September. All of this affirms our state as a global economic leader of arts and culture and our sector as the number one driver of tourism to our state.<sup>i</sup>

Arts and culture are an essential part of our economic and human infrastructure, in fact, "We're on the verge of a cultural shift in which the arts can deliver potent, accessible, and proven solutions for the well-being of everyone."<sup>ii</sup> Communities with strong cultural assets show improved outcomes in education, mental health, community strength, public safety, and civic engagement - all of which continue to play important roles in our state's recovery.

## **NYS CREATIVE ECONOMY AND THE CURRENT STATE OF THE ARTS SECTOR**

According to the most recent NEA/BEA report, New York's vast creative economy contributed \$126 billion annually, constituted 7% of the state's economy, and comprised of over 435,000 workers.<sup>iii</sup>

NYSCA is currently supporting a **creative economy study** of non-profit arts organizations outside of New York City focusing on the years between 2009 and 2019. These studies are currently available for New York City. Ahead of the report's release in 2023, we are able to share with you that:

1. Statewide, employment in the arts and culture sector grew almost 30 percent in the decade prior to the pandemic (nearly double the state's overall rate of job growth), with arts sector workers earning more than \$5.2 billion, up 57 percent over the last decade. This growth was experienced across many cities, including Buffalo (+59 percent), Syracuse (+53.5 percent), Albany (+33 percent), the Hudson Valley region (+48 percent), the Southern Tier (+36.5

percent), NYC (+30 percent), North Country (+28.5 percent), and the Capital Region (+21 percent).<sup>iv</sup>

2. The Upstate New York artist/designer population jumped 27% percent over the past decade – outpacing total population growth in nearly every major city in the state, including Albany, Buffalo, Syracuse, and Rochester. New York State's artists and designers earned more than \$5.6 billion in wages in 2021 and contribute immeasurably to the vitality of their communities.<sup>v</sup>

That said, the COVID-19 pandemic had a significant impact on the arts, which were one of the first sectors to close and one of the last to reopen. The funding that the Governor and Legislature have provided over the last two years has thus been critical to the sector's recovery.

### **NYSCA FY2023 GRANTMAKING**

NYSCA's primary work is grantmaking to non-profit arts and culture organizations and artists. Our funding reaches over 3,000 artists and organizations in all 62 state counties, which include **Adirondack Experience in Blue Mountain Lake**, a geographically remote organization which offers over 40,000 square feet of Adirondack cultural exhibitions for over 50,000 visitors annually; **The Everson Museum in Syracuse**, the first museum in the world designed by I.M. Pei; and **Buffalo String Works**, a small organization which provides music education to youth from refugee and immigrant communities.

Over the last two years, we reconceived our application process with one primary goal: to create greater access to our dollars while prioritizing eligibility for underrepresented communities and smaller organizations. This was the most significant structural shift to our grantmaking process in our history. We consolidated of 65 funding categories to 5, expanded the range of artistic practices, and welcomed new strategic state-wide partnerships.

Coupled with our historic funding, the results of these changes have been robust. For FY2023, NYSCA saw a 25% increase in applications from FY2022, and an 80% increase in applications from FY2021. Additionally, NYSCA has and funded almost 300 first time applicants over the last two years.

It should be noted that small and medium sized organizations outside of New York City tend to have less access to consistent institutional funding. We are pleased to share that for FY2023:

- 52% of direct grantees have organizational budgets under \$500,000
- 67% of grantees have organizational budgets under \$1 million
- 84% of grantees have organizational budgets under \$3 Million

- 89% of grantees have organizational budgets under \$5 million

Our FY2023 opportunities include:

- **Regrowth and Capacity Enhancement Grants:** Provides organizations with flexible recovery funds to redevelop their ability to serve their audiences with consideration to the impacts of COVID-19. Funds may support a wide breadth of needs, such as: provide payment to artists; support for staffing, support programmatic costs; advance audience development and assist with necessary health and safety expenses. Awards made October 2022.
- **Support for Organizations:** Provides flexible general operating and programming funding for non-profit organizations. Awards were made November 2022.
- **Support for Artists:** Funds creative commissions to individual artists across the state. New York's artists apply through fiscal sponsors, which may be any non-profit organizations registered to do business in New York State, such as the New York Foundation for the Arts. Awards were made November 2022.
- **NYSCA Partnerships and Re grants:** Funding invested in NYSCA Partnerships and Statewide Community Re grants programs ensures that NYSCA dollars reaches all 62 counties of New York. Awards were made in October 2022.
- **Special Opportunities:** Provide funding for creative performance residencies, subsidized rehearsal spaces for all performing art forms, and folk arts apprenticeships. Awards were made November 2022.
- **Capital Projects:** A \$50 million grant opportunity for small/medium size projects and \$100 million multi-year opportunity for large projects. These funds support critical facility renovations and improvements that promote health, safety, and accessibility; ensuring the longevity of our sector for decades to come. Awards will be made March 2023.

For FY2023, NYSCA has awarded over 3,600 (3,637) grants totaling almost \$98 million (\$97.8 million), providing support to 1600 (1614) organizations, which is 100 more than in FY2022 and almost 400 more than in FY2021. We also made a significant recommitment to artists, who fuel the entire arts engine of New York, providing support to 426 artists compared to 328 in FY2022 and 142 in FY2021.

The final round of our grantmaking, Capital Projects, will be awarded in March 2023. With the historic level of funding for Capital Projects, we saw a 48% increase in applications over FY2022 Capital round.

Capital projects create new tourism destinations, and ensure continued access to art and culture for all New Yorkers and our visitors for decades to come. Investments in these projects provide exponential returns for organizations and their venues, as well as returns to every main street business and worker at hotels, restaurants, and local stores.

NYSCA provided an update on our Capital program at the Budget Hearing in December. To date, NYSCA has awarded \$50 million in Capital funding to date to 158 projects at 149 organizations across all 10 regions of the state. Almost 70% of Capital Projects are located outside of New York City, and 68% of capital project grants have been awarded to organizations with budgets under \$3 million. To-date, approximately 40 projects have been completed.

Examples of NYSCA Capital Projects include:

- **Caroga Arts Collective** is a performing arts center in the southern Adirondacks, an economically depressed area. This new state-of-the-art venue creates a year-round home for artists and continues to drive Caroga as a cultural destination. This project received a \$1 million FY2022 Capital grant.
- **Downtown Community Television (DCTV)** in New York City reopened in September with a new state-of-the-art cinema in a former historic Firehouse, and welcomed 2,200 visitors in two months compared to 1,200 visitors in all of 2019. This project received a \$1.5 million FY2018 Capital grant.
- We are pleased to play a role in the **Buffalo AKG** total campus redesign project which will reopen in May and will be a major economic driver for the region and the state, projected to generate \$36 million annually (a 42% increase from prior to the expansion), and attracting almost 200,000 visitors (up from 120,000 to 130,000), and creating 79 permanent positions. This project received a \$700,000 NYSCA FY2019 Capital grant.

#### **EXPANDING CRITICAL OUTREACH TO THE FIELD**

Expansive communications efforts are critical to expanding access to our dollars. Throughout FY2023, NYSCA reached 6,200 individuals (1,200 more than in FY2022) through 9 webinars and 32 virtual office hours. Our staff was also readily available to answer applicant questions outside of these offerings. Webinars are posted to our website, ensuring ongoing access for our field.

NYSCA also distributed our FY2023 grantee lists to all State Legislators, and we are deeply appreciative to you and your offices for amplifying the work of our grantees in your districts.

## **CROSS-SECTOR IMPACT OF THE ARTS**

As I have relayed today, the understanding of the impact of the arts on our health and well-being has grown immensely.

For example, a World Health study from 2019 noted that, "Cognitive stimulation when engaging in the arts... it is not only associated with a lower risk of developing dementia but also interrelated with mental illness such as depression." The report goes on to say, "Each of the component parts of arts activities can trigger psychological, physiological, social and behavioral responses that are themselves causally linked with health outcomes. For example, the aesthetic and emotional components of arts activities can provide opportunities for emotional expression, emotion regulation and stress reduction."<sup>vi</sup>

I'm pleased to share that we are building on the **Arts in Corrections** partnership with the Department of Correction and Community Supervision (DOCCS) that began in 2019. We are expanding programming to 10 new adult correctional facilities in April 2023.

## **CONCLUSION**

Thank you again for this opportunity to share the critical impact and vast reach of your historic investment in the arts in New York State. As we have shared, our arts and culture sector is world renowned and a critical driver for tourism, which fuels our economy, and benefits individual health throughout all life's stages. We are so grateful to the work of our field for delivering such a compelling return on this investment.

I now welcome your questions.

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- <sup>i</sup> Office of the State Comptroller. Report 2-2022. *The Tourism Industry in New York City: Reigniting the Return*. April 2021. <https://www.osc.state.ny.us/files/reports/osdc/pdf/report-2-2022.pdf>
- <sup>ii</sup> Magsamen, S., Ross. I. *Your Brain on Art: How the Arts Transform Us*. Random House. March 2023.
- <sup>iii</sup> National Association of State Arts Agencies. *Creative Economy State Profiles*. March 2022. Retrieved from: [https://nasaa-arts.org/nasaa\\_research/creative-economy-state-profiles/](https://nasaa-arts.org/nasaa_research/creative-economy-state-profiles/)
- <sup>iv</sup> Forthcoming NYSCA Upstate Creative Economy Report. March 2023.
- <sup>v</sup> Forthcoming NYSCA Upstate Creative Economy Report. March 2023.
- <sup>vi</sup> Fancourt D, Finn S. *What is the evidence on the role of the arts in improving health and well-being? A scoping review*. Copenhagen: WHO Regional Office for Europe; 2019 (Health Evidence Network (HEN) synthesis report 67).