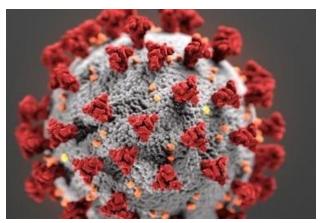


COVID-19 Update #2



Dear Arts Action Fund Member,

Negotiations are ongoing in the Senate on what is being called "Phase Three" of the COVID-19 response relief package. As you unfortunately know, the coronavirus has already had a devastating economic impact on America's nonprofit arts sector—financial losses to date are estimated to be \$3.6 billion.

The U.S. Senate legislation under consideration today has several items we've been asking for—your advocacy has been working! For example, there is some funding for the NEA, but it's not enough. Self-employed artists, creative workers, and nonprofits appear to be included in the Paycheck Protection and Small Business Administration disaster loan provisions, but we need to ensure they are included in the final bill version. More advocacy is needed.

In order to support the sector at this vital time, <u>request that your members of</u>
<u>Congress</u> include the following in the current legislative package currently being negotiated:

- Support \$4 billion in COVID-19 relief funding to be administered by theNational Endowment for the Arts, with additional funding for the National Endowment for the Humanities, and the Institute of Museum and Library Services—
 House Arts Caucus Co-Chair Rep. Chellie Pingree (D-ME) and House STEAM Caucus Co-Chair Rep. Suzanne Bonamici (D-OR) led a letter to House Leadership with this ask, Senate Cultural Caucus Co-Chair Sen. Tom Udall (D-NM) did the same in the Senate. Waive matching requirements and general operating support reprogramming for FY2020 grantees, as well as for COVID-19-specific grantmaking;
- Encourage charitable giving by increasing the allowable amount of the proposed \$300 above-the-line tax deduction available to taxpayers that do not itemize their returns, and removing AGI limits on allowed deductions for charitable giving;
- Ensure that proposed forgivable SBA disaster relief loans support all arts and culture workers by: specifying that access to forgivable loans is available for self-employed workers, increasing the employer eligibility threshold by applying the 500 employee cap to fulltime employees, and eliminating the employer size cap for nonprofit organizations;

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- Support pandemic unemployment benefits for workers ineligible for state unemployment benefits, which will provide essential support for self-employed workers in the arts and culture sector; and
- Ensure arts eligibility for additional forms of disaster relief, such as Community Development Block Grants, education and lifelong learning programs, and health and wellness initiatives.

In a national survey by Americans for the Arts, 91% of responding arts organizations indicated that they have cancelled one or more events. Many arts organizations have closed their doors for months to come. These estimates are based on more than 5,000 respondents to an Americans for the Arts nationwide COVID-19 impact survey, and then further extrapolation of those data nationally using IRS data about nonprofit arts and cultural organizations. The most recent figures show economic losses of \$3.6 billion to date, up from \$3.2 billion last week. The survey is ongoing, and these figures will be updated regularly. Given that losses documented in the survey have occurred only in the last two months, Americans for the Arts anticipates additional billions in potential revenue losses for the nonprofit arts and culture field.

<u>Join us in calling on Congress NOW</u> to include the aforementioned items in the final package for COVID-19 relief.