A New Administration, New Congress, and New American Rescue Plan for the Arts

Politically speaking, the first half of 2021 has been unlike any other. A new Biden Administration won the White House and a new Democratically-led Congress took control of both houses with a razor thin margin. All events happening during a once-in-a-century public health pandemic triggering enormous economic and social injustice with 33 million Americans infected with COVID-19 and 590,000 lives lost.

Artists and arts groups experienced disproportionate impact during the economic shutdown. Congress stepped up with several economic relief programs. Most recently, the $1.9 trillion “American Rescue Plan” continued eligibility of Pandemic Unemployment Assistance to gig workers and provided $300 in supplemental weekly assistance, while also extending health insurance coverage and food and rent assistance. The plan also issued $1,400/person in direct stimulus checks.

Shuttered Venues Operator Grants relief fund was increased to $16.25 billion and the Paycheck Protection loan program created an opportunity for second draw loans. NEA and NEH each received an additional $135 million and the Institute of Museum & Library Services received $200 million to re-grant.

The 2021 National Arts Action Summit took place April 5-9. In all, there were 17 virtual sessions powered by 70 speakers, providing guidance to 830 registrants.

We were honored to have nine key members of Congress speak, including House Majority Leader Steny Hoyer (MD), Reps. Alma Adams (NC), Suzanne Bonamici (OR), Debbie Dingell (MI), Derek Kilmer (WA), Grace Meng (NY), Chellie Pingree (ME), and Sen. Susan Collins (ME) and Sen. Brian Schatz (HI).

Highlights from the five-day event include:

- Brian Stokes Mitchell performed an inspirational song for the COVID-19 Relief and Recovery Session;
- Rep. Derek Kilmer (WA) presented an original poem for the NEA panel session;
- White House Racial Justice and Equity Advisor Catherine Lhamon pledged to be a partner to the arts sector in advocacy and equity efforts;
- Members of Congress pledged to introduce arts-specific legislation, including the STAR Act, the CREATE Act, the PLACE Act, and the Arts Education for All Act.

Be sure to check out the 2021 Congressional Arts Handbook to learn about current policy asks, as well as state-specific data to help make the case for the arts.
The coronavirus continues to have a devastating impact on America’s arts sector. Even as arts organizations cautiously welcome back in-person ticket buyers, artists and creative workers remain among the most severely affected segment of the nation’s workforce. 99% of producing and presenting organizations have cancelled events—a loss of 523 million cancelled ticketed admissions. Johns Hopkins University reports that as of March 2021, the percentage of job losses at nonprofit arts organizations is 5 times the average of all nonprofits, as a whole (-31.8% vs. -6.6%). Nationally, financial losses to nonprofit arts and culture organizations were an estimated $16.3 billion at the end of April 2021.

While the news is troubling, new research by the U.S. Bureau of Economic Analysis (BEA) shows the economic promise that the arts bring to the nation. Arts and culture contributed $919.7 billion to the nation’s economy in 2019 (pre-pandemic). This represents 4.3 percent of the GDP—a larger share of the economy than transportation, agriculture, and construction. In fact, the arts outperformed the entire U.S. economy between 2017 and 2019, and the arts boasted a $33 billion international trade surplus in 2019.

In addition to being a formidable industry, the arts are economic catalysts that accelerate economic recovery. A growth in arts employment has a causal effect that grows overall employment.

See the new BEA numbers detailed for your state on our Why The Arts Matter State Factsheets.
On May 26, 2021, Americans for the Arts and the Arts Action Fund hosted a free, 90-minute webinar on how arts organizations can advocate to state and local governments to have some of the $350 billion in American Rescue Plan (ARP) State and Local Block Grants be designated for the arts. The block grants are part of the larger $1.9 trillion American Rescue Plan. The webinar featured six arts leaders at the local and state levels from across the country, who detailed how they are specifically working to designate block grant funds at the state, city, county, tribe, and U.S. territory levels to be used to support the creative sector. The panel also included an expert speaker from the International City/County Management Association, who spoke about the process from the local government perspective.

Leading up to the President’s budget proposal, Americans for the Arts convened the National Arts Action Summit, which submitted several Issue Briefs to Congress and the White House that were developed in collaboration with dozens of national partners. Americans for the Arts’ new President and CEO Nolen Bivens also submitted testimony to Congress to urge a substantial increase in funding to the NEA.

It is expected that the House will first review the appropriation bills at the committee level in June, with floor consideration scheduled for July. The U.S. Senate appropriations process will see activity in the fall.

Key Federally Funded Arts Program/Agency | Final FY 2021 Funding | President Biden’s FY 2022 Budget Proposal | Proposed Increase Amount | Final FY 2022 Funding
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National Endowment for the Arts (NEA) | $167.5 million | $201 million | $33.5 million | TBD
National Endowment for the Humanities (NEH) | $167.5 million | $177.55 million | $10 million | TBD
Institute of Museum and Library Services (IMLS) | $257 million | $265 million | $8 million | TBD
Corporation for Public Broadcasting (CPB) | $495 million | $495 million ($475m + $20m) | level | TBD

State & Local Update: ARP Block Grants Can Help the Arts

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SBA Awards First Round of SVOG Grants

In December of 2020, Congress appropriated $15 billion for the Small Business Administration (SBA) to quickly award Shuttered Venue Operator Grants (SVOG) to live performing arts venues, performing arts organizations, museums with fixed seating, movie theaters, and talent representatives, agents, and producers. Then in March of 2021, Congress appropriated an additional $1.5 billion, despite the SBA not having been able to award a single grant yet.

After a series of technical and programmatic errors, the SBA finally began awarding SVOG grants on May 26, 2021, six months after the program’s enactment. Priority 1 awards will now be fully processed and awarded by June 9th; Priority 2 awards will be awarded by June 25th; and Priority 3 will be awarded by July 9th.

More than 12,000 applications have been submitted for approximately $11 billion so far. There are still funds available. To apply, please visit www.sba.gov/svog.

Americans for the Arts also announced the launch of an online Tracker of ARP State and Local Block Grant funds being used for the arts. Communities and organizations can fill in the information about their projects to share with the field in a simple Google Form.
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2021 National Arts Action Virtual Summit

Message from the Executive Director

Latest Economic Arts Industry Data

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