

New York State Council on the Arts (NYSCA)

Testimony before the Joint Meeting of the  
Committees: Senate Finance Committee and  
Assembly Ways and Means Committee

February 3, 2009

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Senate Finance Chair Kruger, Vice Chair Krueger, Assembly Ways and Means Chair Farrell, thank you for this opportunity to comment on the 2009-10 Executive Budget. Thank you also to Senator Serrano, Chair of the Cultural Affairs, Tourism, Parks and Recreation Committee and Assemblyman Englebright, Chair of the Tourism, Arts and Sports Development Committee, as well as the other committee members here today.

#### OVERVIEW

Next year, the New York State Council on the Arts celebrates its 50<sup>th</sup> Anniversary. 50 years since NYSCA's inception, the State of New York has become home to more than 5,400 cultural organizations and hundreds of thousands of artists that contribute more than \$25 billion to the state's economy annually.

With the American economy having suffered the loss of 3.6 million jobs in the last year and more at risk, it is worth noting the role that New York State's cultural institutions play in the State's economy. In communities large and small in every county of the state, cultural organizations function much like small businesses and, together with their local artists, create over 194,000 jobs annually in NY State, attract employers and employees, and provide valuable services. In turn, this activity generates at least \$1.2 billion in state taxes a year.

In addition to these clear economic benefits, the arts are a source of stability for the state's communities and neighborhoods; the principal means by which we make visible the cultural pluralism of the state; and a major source of learning and professional development.

At the heart of New York State's arts community is the New York State Council on the Arts, which has historically been a critical source of support for the state's arts activities, providing millions of dollars of grants and countless hours of technical assistance to help sustain the State's cultural infrastructure every year.

These are especially difficult times for all of us. However, NYSCA remains more committed than ever to nurturing the state's creative ecology and to being an effective partner with the Governor, our sister agencies, and all of you in the revitalization of our state. We are keenly aware that the severity of the state's fiscal challenge means that all parts of state government must participate in finding ways to work "smarter." To be sure, NYSCA has shared in the sacrifice. Over the past year, NYSCA has implemented a number of cost-saving measures, and you will note that the 2009-2010 Executive Budget contains additional measures. NYSCA has made every effort to implement these reductions in ways that minimize adverse impacts to the Agency's core mission of "preserving and expanding the rich and diverse cultural resources that are and will become the heritage of New York's citizens." In addition to implementing these cost-savings measures, NYSCA is working on

developing meaningful partnerships with other state agencies and with the larger philanthropic community to address mutual concerns in a cost effective and efficient manner.

#### LOCAL ASSISTANCE BUDGET – Arts Grants

NYSCA's core activity is our grant-making, which represents 100% of our Local Assistance budget. In years past, NYSCA has awarded an average of 4,000 grants a year. Applicants are evaluated through a rigorous 4 step process that includes a nationally-recognized peer panel review system. About 2,400 of these grants are awarded through a discipline program, such as music, theater and museums. The balance are awarded through NYSCA's statewide decentralization program, through which NYSCA provides funding to a network of regional arts councils across the state to ensure local decision making. Decentralization has helped cultivate thousands of emerging artists and cultural organizations in every area of the state, from the remotest regions in the Adirondacks to the ever-changing metropolitan cultural scene.

The majority of grants NYSCA awards are in the form of operating support. This form of support is critical to the development of vital and stable cultural organizations.

NYSCA also provides support to a number of important technical assistance initiatives that help to further sustain and develop the state's arts ecology. From sharing best practices to providing concrete assistance in such matters as electrical wiring and re-cycling

old buildings, NYSCA has identified needs in the field and offered direct support to help art forms and organizations evolve with the changing times.

The Governor's proposed 2009-2010 budget calls for Local Assistance funding of \$38.9 million. NYSCA's board and staff have been actively engaged in planning for this reduced level of activity so that NYSCA remains maximally effective in helping to sustain the arts infrastructure during this very difficult time.

In addition, NYSCA will continue its Cultural Blueprints Initiative to foster coordination and new partnerships across the arts, economic development, business, education, philanthropy and tourism sectors to strengthen each region of the state and the state as a whole. Identifying new regional and statewide opportunities for the arts to serve as a catalyst for economic development is a key priority of this initiative. Last winter, working with our colleagues at Empire State Development, I LOVE NY and local arts councils in each region of the state, we inaugurated cross-sector public forums in Long Island and each upstate economic development region. More than 1,000 New Yorkers and quite a few Senate and Assembly members participated in these highly energized and productive sessions. In 2009-10, NYSCA will help each of these regions take critical next steps and hold public forums in New York City's five boroughs.

Looking to the national stage, we are hopeful that there will be opportunities for New York State to work with the federal government

on recovery plans in a way that benefits New York's cultural organizations.

## STATE OPERATIONS BUDGET

On the operations side, NYSCA is a lean agency with a small staff and relatively few other operating expenses. The Governor's proposed 2009-10 budget calls for a State Operations Budget of \$5.482 million. This represents a 5% reduction from 2008-09. NYSCA will achieve this cut through trimming all expense categories including travel and contractual services.

## CONCLUSION

Extraordinary art making is happening in every corner of this state. Cultural organizations that receive NYSCA funding are playing transformative roles in their communities, economically, socially and educationally:

- The Center for the Arts in Homer is a showcase for rural community leadership. In 2005, using community and state resources, community members reclaimed and rehabilitated the abandoned First Baptist Church of Homer. Now it's literally the town center, with a full array of cultural offerings and classes for community members of all ages: parents gather together to enjoy artwork in the gallery while their children take ballet and Irish Step Dancing. Locals and visitors alike enjoy a roster of acclaimed performing artists in the heart of New York State.

- The rehabilitation and expansion of Proctors Theatre in 2003 is a central component of the redevelopment of downtown Schenectady. The transformation has been astonishing: within six years, occupancy rates in commercial properties around the theatre went from a 90% vacancy rate to 90% occupancy rate. Every year, more than 500,000 visitors from all over the country are drawn to the eclectic offerings on stage and screen, while educational programs reach more than 65,000 area students.
- The Brooklyn Academy of Music (BAM) is one of New York State's treasures, featuring more than 200 staged performances each year. It is in the top 1% of all employers in Brooklyn. Additionally, a current construction project to expand its cultural offerings will use 125 construction workers daily and involve more than 800 tradesmen. The conversion of vacant and underused property to artist space, increased services to the public such as the Celebrate Brooklyn concert series, and a marked influx of new stores and restaurants all reflect BAM's tremendous impact on its community.

The state is full of examples such as these, from Patchogue to Potsdam to Niagara. They are all testaments to the power of the arts in community revitalization, and to the primacy of culture in enhancing the quality of life and creating the sense of place which we cherish in our communities.

As we navigate these dire times, NYSCA looks forward to partnering with the Governor and the state legislature to revitalize the state's economy and its people's morale.