

Talking Points (July 2020)

- The nonprofit arts industry in New Jersey is made up of more than 500 theatres, museums, galleries, performing arts centers, dance companies, symphonies, and other cultural groups in every corner of the state.
- The arts community in New Jersey supports nearly 22,000 jobs. Some of these people work directly for arts groups – including in administration, box offices, stage crews, artists and teaching artists. Some of these jobs are indirectly supported by audiences at local businesses – including restaurants, printers, graphic designers, hotels, and retail shops.
- The arts also play a pivotal role in education. The more than one million young people who participate in the arts in New Jersey are more likely to stay in school and excel academically. Participation in the arts also fosters critical learning skills – like leadership, collaboration, and perseverance – that prepare students to become 21st century leaders.
- The economic impact of nonprofit arts industry is more than \$662 million. This includes direct spending by arts groups on goods and services as well as patron-related spending. It also includes \$29 million to local governments, plus an additional \$38 million directly to the state, in taxes and fees.
- The arts have been hit particularly hard by the COVID-19 pandemic, as theaters, museums, galleries, and performing arts centers statewide have been closed since mid-March. While many have offered free online experiences to engage audiences – and some have recently found creative ways to offer live experiences through safe, outdoor performances – the nonprofit industry has already suffered more than \$30 million in lost revenue through ticket sales and patron spending. Now, more than ever, this community needs significant state support to avoid a total collapse, as current estimates project more than half of these groups may never be able to reopen, while the remaining groups will be a shadow of what they were before the pandemic hit.
- Currently, the state supports these nonprofit arts groups through direct grants administered by the New Jersey State Council on the Arts and indirect grants awarded on a county level by cultural and heritage agencies.

State funding comes from a dedicated revenue source as a portion of the NJ Hotel/Motel Occupancy Fee. Over the past decade, this has resulted in just under \$16 million in available funds, significantly less than the amount called for in the law.

- Governor Murphy proposed an appropriation of \$19.858 in the FY21 NJ State Budget proposed in February. The sector requests, in addition to that amount that Coronavirus Relief Funds (CRF) be allocated to keep Jersey Arts alive, so they can help our state, local economies, and tourism industry recovery from the pandemic crisis and maintain New Jersey as a special place to live, work, visit, and raise a family.