

Introduction and Purpose

- Good afternoon, Chairperson Stirpe and members of the New York Assembly and Senate. My name is Sarah Calderon, Executive Director of Creatives Rebuild New York (CRNY). Thank you for the opportunity to testify today.
- About CRNY: CRNY is a three-year, \$125 million statewide initiative that provided Guaranteed Income for 2,400 artists and worked with 100 community-based organizations to provide artist employment and benefits for 300 artists throughout the State for two years. There was HUGE demand for this work: \$22k artists applied for GI and 2700 organizations applied to employ artists to help support their mission-based work.
- CRNY is here to help make the case to our leaders in the Assembly and Senate that **New York needs a Statewide Creative Economy Plan** and to urge you to allocate budgetary resources for an intergovernmental effort to advance this work.

New York's Creative Workforce and the Issues They Face

- New York's creative workforce is complex, consisting of people engaging in vastly different creative practices from diverse disciplines and types of positions but all sharing the critical needs of basic economic security, affordable communities, good working conditions and benefits, and opportunities for creative growth and wealth-building.
- New York's cultural sector (which is just one part of our overall creative economy) accounted for 7.6% of New York's GDP, or nearly \$144 billion in economic activity, powered by 450,000 jobs across the state. However, despite their outsized impact, many creative workers can't make ends meet, which means we may lose them to other states. 60% of artists in New York are making less than \$25K, and in a CRNY-survey conducted of more than 2,300 artists, more than half of respondents have no financial safety net and carry unmanageable debt.
- Employment in the arts and culture sector across upstate New York surged 39.3 percent from 2013 to 2023, nearly 15 times the overall rate of employment growth upstate. Additionally, working artists are among the few segments of the population consistently growing in upstate communities. Across upstate New York, the resident artist population grew 21 percent. These rapid transformations within our creative industries sadly outpace the state's economic development tools to support workers. For example, upstate (Regional Economic Development Councils) REDCs awarded only 3.7 percent of all grants to projects related to arts and culture in 2021. Additionally, only 12 out of the 104 DRI projects across all of New York State in 2022 related to arts and culture.¹ Funding economic tools to support this growth, and in turn that growth's positive impact on the economy, are diminishing in number, with funding for arts and arts-related employment has fallen across the government and philanthropy sectors.
- The state's economic policymakers cannot sit idle. Our leaders must develop a **statewide creative economy strategic plan to counter those challenges** and to

¹ Center for an Urban Future analysis of REDC awards, available from <https://regionalcouncils.ny.gov>. Center for an Urban Future analysis of Downtown Revitalization Initiative (DRI) awards from DRI round 6, available from <https://www.ny.gov/downtown-revitalization-initiative/dri-round-six-communities>.

ensure a thriving creative economy in New York that creates opportunities for a broad swath of New Yorkers.

A Statewide Creative Economy Plan and Its Implementation

- A Statewide Creative Economy Plan can help the government study new opportunities to address **the needs of creative organizations, businesses, and workers**—and to turn those opportunities into concrete, coordinated proposals for new investments, programs, and legislative initiatives.
- New York will not be alone in this endeavor. California passed legislation to formalize its Creative Economy planning process. California dedicated budgetary and other resources to the creation and sustaining of a cross-sector Working Group of individuals from government, nonprofits, arts and culture organizations, for profits, and philanthropy to expand economic development opportunities to benefit the State and its creative sector.
- California is already making moves informed by the working group through the creation of a \$12.5 million grant program for small nonprofit performing arts organizations to help pay employees. The Performing Arts Equitable Payroll Fund, funded by the State of California and administered by the California Office of the Small Business Advocate, is part of a completely new model for arts funding that is expected to provide as many as 20,000 full-time, part-time and seasonal employment opportunities annually.²
- Our recommendation for how a creative economy strategic plan can work takes into consideration the very specific needs of New Yorkers by taking a “**cross-sector approach**” including, but not limited to:
 - **New ways to use existing economic development tools:** Increasing funding for economic development projects that integrate arts and culture
 - **Opportunities to build a strong pipeline for creative workers to access quality jobs:** Creating artist employment programs to address environmental, health, and safety needs in communities
 - **Opportunities to expand benefits and labor protections for creative workers:** Portable Benefits Pilots
 - **Potential innovations in arts and culture funding:** Creating new revenue streams for arts and culture.
 - **Opportunities to ensure creative New Yorkers can meet their basic needs:** Incentivizing the development of affordable housing in places in New York with high concentrations of creative workers
- Advancing these policies and strategies in an integrated, coordinated way is a more cost-efficient approach than piecemeal solutions. **We recommend using budgetary resources to create an intergovernmental working group to catalyze this work.**

Conclusion

- Committing to the creation of a Statewide Creative Economy Strategic Plan can help New York set itself up to advance these kinds of solutions as part of a coordinated effort to support creative organizations, businesses, and workers across a wide range of needs. We urge New York's policymakers to allocate resources for New York to get strategic about expanding opportunities in our state's creative economy.
- Thank you for your support of creative workers and organizations across New York and for the opportunity to speak today.