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**U.S. House of Representatives Committee on Small Business Hearing on “The Power,  
The Peril, and the Promise of the Creative Economy”**

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Introduction

Chairwoman Velazquez, Ranking Member Leutkemeyer, esteemed members of the Small Business Committee, thank you for your invitation to join today’s proceedings and thank you for holding this groundbreaking hearing on the Creative Economy.

I am an Arts Worker. I’m a classically trained professional actor, director, teacher, with over 25 years of experience performing on Broadway, off-Broadway, regionally, in feature films such as *Wedding Crashers* and *Kissing Jessica Stein*, on TV shows like *30 Rock* and *High Maintenance*, and in national commercials. Like so many of the 5.2 million Arts Workers of America, I’m a mixed-income worker, which means I cobble together my income from a combination of disparate and wildly different employers.



In a normal year, I usually work multiple contracts of different lengths in multiple states. In the span of 6 months, I could act for a non-profit regional theatre in Baltimore, a for-profit television network shooting in Georgia, and teach for an academic institution in Illinois. As many Arts Workers can attest, making a living in this highly competitive field requires skillful resourcefulness, even in the best of times.

In January of 2020, I had the good fortune to be cast in a recurring role on *The Good Fight* for CBS. While I am proud to say I've had some notable successes as an Arts Worker, this recurring role signaled a new chapter in my career both financially and professionally. In fact, on March 9th, I received an email letting me know that my part was about to get significantly bigger and that I should keep March, April, and May available for a lot of shooting. I was ecstatic. 2020 seemed poised to be one of my best ever. On March 11th, as I was celebrating this new chapter with a friend in midtown Manhattan, the bar became silent as the bartender turned up the volume on the TV: our governor was announcing that Broadway was being ordered to shut down. All over, the curtains were coming down and the lights were going out.

What followed next is a narrative familiar to millions of Arts Workers: my world was turned completely upside down. I lost not just my work for *The Good Fight*, but two other



jobs— and any audition for my next job—evaporated. In one sudden, unexpected jolt I joined the ranks of nearly 3 million of my fellow Arts Workers in total unemployment. I watched as our industry suffered an unprecedented system-wide shockwave that sent colleagues and friends into a psychological, physiological, and financial tailspin.

Within a week of the shutdown, the virus became very real, very quickly for me. Mark Blum, an actor whom I deeply respected, died of Covid-19. His death was a harbinger of the devastation, despair, and death yet to come.

Congress's swift action with The CARES Act, and especially the Federal Pandemic Unemployment Compensation program, extended a temporary life-saving intervention for Arts Workers across the country. But even as the CARES act relief made its way into the economy, long-time institutions closed permanently, talent agencies quickly went out of business without their Artists' commissions, and the fabric of the reality of my life began to unravel daily.

After the shock and depression of what was happening had subsided, I decided to commit myself to trying to help myself and my fellow Arts Workers find a way forward in the midst of utter devastation. I wanted a reason to wake up in the morning and for me,



service to others is a good one. In June of 2020, I joined Brooke Ishibashi, Jenny Grace Makhholm, and Matthew-Lee Erlbach to start **Be An #ArtsHero** and later a non-profit social welfare organization called **Arts Workers United**. Be An #ArtsHero grew into a grassroots campaign led by distressed Arts Workers making the case to the Federal Government that our sector requires relief and investment commensurate with our socio-economic value. We took to social media, we took to the streets, and we began scheduling meetings with policymakers to make our case that America's Arts & Culture workers and our employers were in deep trouble and needed immediate action. We weren't professional advocates—we'd never done anything like this before in our lives. But we had to do **something**. And once we started, we were heartened to learn that by every measurable standard, America's dynamic Creative Economy isn't a cause— it's an incredibly important and vital industry. The more I learned, the easier it was to make the case for preserving and investing in our nation's creative industries.

## POWER

**The Creative Economy is made up of over 673,000 businesses, many of them small businesses, that strengthen our cities, towns, and rural communities in all 435 Congressional districts.** We represent over 5.2 million highly skilled American jobs that



generate at least \$919.7 billion in value-added to GDP. Our Creative Economy is driven not only by big movie studios or giant entertainment conglomerates, but also hundreds of thousands of small businesses like costume shops and nonprofits that provide after-school Art classes for students. **In fact, 85% of performing arts companies have less than 20 full time employees.**

It is surprising to many to learn that the Creative Economy represents **4.3% of our GDP, generating five times the value added to GDP than Agriculture** and **\$223 billion more than Transportation.** And most promisingly, pre-pandemic, the Arts & Culture sector had a **growth rate of 4.45%, nearly double that of the total U.S. economy!**

Our museums, theatres, festivals, symphonies, and ballets are like **stars that anchor solar systems of interdependent local commercial businesses** such as restaurants, bars, coffee shops, costume shops, hardware stores, hotels, airlines, and tourism. **In fact, 68% of all tourism is cultural**, and cultural tourists spend nearly twice as much as their non-cultural counterparts.

From Kansas to Kentucky and Alaska to Alabama, each state boasts tens of thousands of Arts Workers. The commercial, non-profit, and arts-related businesses that



comprise the Creative Economy drive **at least \$1 billion dollars in value added in each and every state.**

Investing in Arts & Culture businesses has proven time and again to be a concrete economic development strategy for a local economy.

In 1986, North Adams, Massachusetts faced a challenge. The Sprague factory, which employed 4,137 workers in a community of 18,000, shuttered its doors for good, leaving the town of North Adams in a dire socio-economic quandary. The business and political leaders of North Adams strategized together on how to re-use the vast Sprague complex. North Adams Mayor John Barrett III suggested creating a contemporary arts center in collaboration with Williams College Museum of Art. Through private and public support, the Sprague factory was turned into one of the premiere modern art museums in the world, the Massachusetts Museum of Contemporary Art (or MassMoCA). North Adams is now a global tourist destination, and the collateral light of an Arts star like Mass MoCA supports breweries, restaurants, bed & breakfasts, coffee shops, cocktail bars, and a host of other small businesses that chose to open in North Adams because of it.



In 1991, Springboard for the Arts in Fergus Falls, MN, was given a \$25,000 NEA grant. They were able to leverage that grant into a fundraising campaign that earned them \$1.2 million in order to provide residencies for Artists. In 2006, Springboard moved into an abandoned hospital and turned it into an arts space with opportunities for Artists in Residence. Shortly thereafter, Springboard began to create that star-like gravity that pulled in new residents and new small businesses including clothing shops, a brewery, and pizza shop. A modest public investment thirty one years ago continues to bring prosperity and community cohesion to Fergus Falls. “We’ve done exactly what an investor would want to see: [we’ve] taken the [NEA] money and leveraged it into private investment...As a return on investment, that small amount of public dollars has really meant a lot of leverage and visibility and a lot of investment into that community,” said Laura Zabel, Springboard’s executive director.

## PERIL

If our Arts & Culture businesses are like stars that anchor solar systems of interdependent local commercial businesses, **then, should one of these stars implode, it creates a black hole that threatens to suck that entire interdependent local economy into a dark collapse. Multiply that across a nation and you have a cataclysm of**



**galactic proportions. As we speak, many of these stars are doing just that, much to the dismay of the communities that rely on them.**

According to a study by the Brookings Institution, Arts & Culture lost an estimated **\$150 Billion in sales in just the first four months of the pandemic and 2.7 million jobs.**

Cinema revenue took an estimated \$9.2 billion dollar hit after ticket sales declined by 96.4%, especially hitting smaller movie theater businesses hard, causing theaters like Chalmette Movies in Louisiana to close permanently or the Majestic Theater in Crested Butte, Colorado to appeal to crowd-sourcing in order to reopen. Small business comedy venues like Upright Citizens Brigade, People's Improv Theater, Creek and Cave, and Dangerfield's closed for good, while others like Second City went up for sale. Cirque du Soleil laid off 95% of its workforce— and forcing the company into bankruptcy. Disney resorts laid off over 11,350 employees, 720 of whom were AEA union performers. Most of Broadway's 97,000 jobs were lost. Several shows forced to close during the pandemic never reopened, including *Mean Girls*, the revival of *West Side Story*, and Disney's *Frozen*. Highly anticipated musical *Six* was set to open on March 12, 2020—the day Broadway closed for months.



The 15-month closure of our nation’s Arts & Culture venues has had a devastating impact on Arts & Culture workers and the communities they live in, and, with new variants like Omicron our return remains precarious.

In June 2021, I had the privilege to be cast in one of the first two live plays produced in NYC on the other side of the pandemic, performing in *Seize the King* for the Classical Theatre of Harlem. It was an honor to help usher live theatre back into New Yorkers’ lives. The show was well received, and I was asked to reprise my role in a limited Off-Broadway engagement in March. It felt as though NYC theater was finally regaining its footing, and my career thankfully began to resume after the “great intermission.”

Directly afterwards, I was cast in a successful Off-Broadway comedy, “The Alchemist” for Red Bull Theatre. We’d spent months making audiences laugh and giving people a reason to come spend money in Midtown Manhattan.

On December 15th, I tested positive for Covid. That night’s performance of *The Alchemist* was cancelled. The following day two more members of my company tested positive. With no understudies and our crew also sick, the theatre cancelled the rest of our



run. While isolating with Covid alone over the holidays, I got an email that the Classical Theater of Harlem was cancelling it's off-Broadway reprisal of *Seize The King*.due to the Omicron variant of COVID-19.

Many live performance venues have begun investigating streaming options as a way to adapt to our shifting pandemic landscape. Red Bull Theater, a small business, had hoped to bring the cast and crew back this week to film *The Alchemist* in order to recoup some of it's losses and provide it's workers with an additional paycheck. But, with the new surge in hospitalizations and the infection rate of Omicron, that too was cancelled. In an eerie echo of March 2020, I watched in horror as Omicron swept through New York theater casts and crews, resulting in closures and cancellations.

My story is not unique; all across the country, musicians, arts educators, comedians, circus performers, dancers— everyone who relies on the ability to safely gather to do their work are trying to navigate our new pandemic reality. The U.S. Census Bureau's [Small Business Pulse Survey](#) reports that “arts, entertainment, and recreation” businesses are among those most likely to take longer than 6 months to recover from the pandemic. According to Americans for the Arts' most recent Covid report: “99% of producing and presenting organizations [are cancelling] events during the pandemic—**a loss of \$557**



**million in ticketed admissions,** impacting both arts organizations and audiences.

Additionally, local area businesses—restaurants, lodging, retail, and parking—were severely impacted by cancelled arts and culture events with a loss of \$17.6 billion in audience ancillary spending. Local government revenue losses were \$6.0 billion and 1.03 million jobs were negatively affected because of cancelled events. **BIPOC organizations were more likely to report that they lack the financial resources needed to return to in-person programming than non-BIPOC organizations (55% vs. 38%). And it's important to note, all of this data is from months ago and does not tell the total story of the peril we now face.**

34% of Arts Workers are self-employed, and 75% of Arts Workers are freelancers or 1099 workers, working gig to gig, making health insurance an out of pocket expense. But for many unionized Arts Workers like myself, we rely on our employers and weeks of employment to qualify for our health insurance.

My union, Actor's Equity Association, determines its members' qualifications for insurance based on the number of weeks we work. Due to a lack of employer contributions, our union had to radically change the work week requirements and significantly increase premiums, making it even more difficult for members to be insured



during a deadly pandemic. During the fifteen month shutdown, nearly **every single member of my union became disqualified for our insurance.** I myself lost my union health insurance in March. The COBRA subsidies Congress passed, while expensive, helped me keep my insurance until September when the subsidies expired. Now, for the first time in my life, I qualify for and rely on Medicaid for my health care.

Despite all of this, I feel it is incumbent that I acknowledge my incredible privilege. My particular sphere of the Creative Economy is heavily unionized, and because of that I have had a lot of benefits that aren't available to many in the Creative Economy who aren't yet unionized. Additionally, my racial and economic privilege allowed me the time and resources to be able to commit myself to full-time advocacy. I stand before you in Congress because I was financially able to devote the last two years of my life to advocating for Arts Workers like myself. And it should go without saying, but let me state it clearly: I have suffered far less than Arts Workers who are people from historically marginalized communities. The BIPOC, LGBTQ+ and disabled communities have suffered disproportionately during Covid-19 from greater infection rates, inadequate health care, and death frequency. **According to Americans for the Arts' most recent Covid report: "BIPOC [Arts Workers] had higher rates of unemployment than white artists in 2020 due to the pandemic (69% vs. 60%) and lost a larger percentage of their creative**



**income (61% vs. 56%).** In addition, Arts Workers from these communities, who are large contributors to the Arts economy, have suffered even more from lost jobs, lost wages, food insecurity and homelessness.

I'm haunted by the stories of Arts Workers who have struggled during this pandemic— stories like Patsy Bouressa's who works for the SIMS Foundation in Austin, TX, which provides mental health and addiction resources to music workers. Patsy revealed that every time a music venue announced they were closing their doors for good, their crisis line would spike with hopeless Arts Workers who didn't know how to go on living without a functioning Creative Economy. In the month of September of 2020 alone, four Arts Workers in her region had died by suicide following news of a music venue closure.

I think of Sandy Espinosa, from Roadie Cares, who is at the front lines supporting our touring roadies who have been unable to work for nearly two years. These blue-collar workers, whose identities are all tied to their roles as providers for their families have suffered devastating financial losses, resulting in foreclosures, bankruptcies, divorce, suicide, and in some particularly dark cases, family annihilation.



I don't think we are even close to understanding the mental health impacts of this crisis on Arts Workers and how many we've lost.

## PROMISE

**If our Arts & Culture businesses are like stars that anchor solar systems of interdependent local commercial businesses,** then the most exciting aspect of the Creative Economy is its promise to be the most sure-fire way to recover from this perilous moment.

The Arts have an outsized rate of return on investment. Studies have shown that **\$1 of federal arts spending leverages back \$9 in public and private spending.** Additionally, an artistic component reliably improves efficacy and outcomes to nearly everything that they touch. From providing effective therapies for our veterans suffering from PTSD, to improving educational outcomes, to providing revolutionary ways to improve public health, adding an Artistic or creative element brings measurable improvement and efficacy to any organization, department, business, or community it touches.



Thankfully, Congress currently possesses the tools to ensure that the country's Arts Workers and the small businesses that employ them have the resources they need to survive and thrive. In December of 2020, in a paradigm-shifting moment of historic proportions, Congress acknowledged the plight of live event venues and passed the **Save Our Stages Act**. SVOG grants have been a lifeline and have put a floor underneath a specific sector of devastated brick and mortar creative small businesses. However, the live entertainment venue sector makes up only a small fraction of the large and fragile Creative Economy. Save Our Stages is an inspiring and encouraging intervention and represents a new relationship between Congress and the Creative Economy.

Today, I'm here to encourage Congress to **keep going!** Right now, an unprecedented number of exciting pieces of Creative Economy-focused legislation have been introduced to Congress. I urge the committee to contemplate them all, including the **Performing Artist Tax Parity Act, the CREATE Act, the PLACE act, the Creative Economy Revitalization Act, the Arts Education for All Act, and the New Federal Writers Project**, among others. Enacted together, these bills, currently awaiting passage in Congress, would result in a Creative Economy super package. Guaranteeing access to the Arts for every student in the country would prepare a whole generation to **carry the legacy of our culture** and develop the imagination, skills, and creativity to take on our



nation’s biggest challenges while preparing them for the jobs of the 21st Century. These interventions would get American Arts Workers working again, doing what they do best: strengthening communities, inspiring entrepreneurial innovation, and providing reliable economic benefits for every district in the country.

I know that this hearing is slated to have a conversation about infrastructure. One aspect of the recent infrastructure package was to “remediate idle real property.” Imagine if Congress earmarked resources to remediate idle real property all over the country into mixed use Arts spaces, rock clubs, museums, cultural heritage sites, and more, just like MassMoCA or Springboard for the Arts? Congress could become the architects of creation, signing into law a **big bang that would ignite a universe of Art stars across the country, each with its own ability to spontaneously pull into its orbit all of those supporting small businesses.**

Due to the pandemic, unemployment remains rampant for America’s Arts Workers through no fault of their own. Therefore, it’s imperative that regardless of geography, tribal status, or self-employment status, that they be able to qualify for unemployment benefits and receive them as long as it takes to get to the other side of the pandemic. Our economy can’t afford to lose our Arts Workers to other industries where their overall financial impact



on the economy won't be as profoundly felt. It's imperative that systems be put in place to maintain this highly- skilled workforce.

I'd be remiss if I didn't also recommend that we fully fund our NEA, NEH, CPB, and IMLS at levels that make us competitive with Germany, England, and Canada. I know that these agencies, which helped us establish our global reputation and win the Cold War have, in recent decades, become partisan punching bags. But I urge us all to **reframe how we think about these agencies, so that we can see them as economic agencies, like the SBA**, that provide support and investment for a universally beloved aspect of American life that consistently strengthens and creates dynamic local economies. These agencies provide resources that directly result in thriving local economies. Modest investment; monumental reward.

## CONCLUSION

Two hours and four witnesses can only just begin to scratch the surface of what can be learned and gained from Congress more fully engaging with and investing in our nation's Arts Workers and the Creative Economy.



I sincerely hope that Congress will commission a GAO report on the Power, the Peril, and the Promise of the nation's Creative economy. I hope that Congress will establish a congressional commission to further explore these issues. I promise the outcomes would be economically beneficial and culturally enriching for every one of your voting constituents. In fact, Americans are twice as likely to vote for a candidate who increases federal arts spending.

Finally, **I hope that Congress will work with the President to immediately create a Secretary of Arts & Culture to oversee targeted investment in the Creative Economy and sit on the Domestic Policy Council.** Our Arts & Culture sector is powerful because these are the small businesses and workers by which we come to entertain ourselves, to define ourselves, and to know ourselves in every city, town, and rural community nationwide.

The Creative Economy and its Arts Workers make our country stronger. Psychologically stronger. Socially stronger. Economically stronger. This sector holds the jobs of the future. **You have the opportunity to help ignite not just a sunrise, but a supernova of creative small businesses that will trigger a chain reaction of such socio-economic prosperity that history will remember this Congress as the Congress**



**that provided the rocket fuel needed to pioneer a new American century defined by the incredible labor of American Arts Workers and the Creative Economy they uphold.**

An Urban Institute study found that 96% of Americans valued art in their lives, while only 27% valued Artists. It's my sincerest intention that this hearing can mark a watershed moment in our nation's history in which we change that.

I hope you'll all join me in changing the conversation about Arts Workers and the Creative Economy. If you do so, our nation's Arts Workers and creative industries will lead a supercharged socio-economic recovery. **On the other side of the plague was the Renaissance. On the other side of the 1918 flu was the "Roaring 20s"**. Congress can ensure that America's Arts Workers and Creative small businesses are positioned to herald in a bright new dawn, illuminated by the sunlight of the nation's Creative Economy. Thank you.

This testimony represents my own personal experience, but is reliant on almost two years' worth of data aggregation that we would like to share with the committee as an addendum to this testimony. Our report, as well as proposals for working with Congress to



ensure that Arts Workers have the resources they need to help revitalize the entire

American economy, can be found here: [\*\*The Power, Peril, and Promise of the Creative\*\*](#)

[\*\*Economy\*\*](#)

[\*\*\[https://docs.google.com/document/d/1TLJKzmEgvN7zl51ToRoQEkey-0G1FpCnOMj5d\*\*](https://docs.google.com/document/d/1TLJKzmEgvN7zl51ToRoQEkey-0G1FpCnOMj5d)

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