

The arts and culture sector increasingly contributes to Texas' economic, social, and educational strength. It creates jobs, generates significant revenue for the state economy, increases sales tax revenue, boosts tourism, attracts business, revitalizes communities, and improves the quality of life for all Texans. The sector will also be critical to our rebuilding and recovery efforts.

Amid the spread of COVID-19, Texas and the world are turning to the arts for escape, relief, and community. Why? Because creative expression provides connection, community, and comfort; a common and universal language for dialogue; the ability to reflect on current events; and a symbol of hope during our uncertain circumstances.

THE DEVASTATING EFFECTS OF COVID-19

- **Business Closures:** Performing arts venues, theaters, museums, and galleries were some of the first businesses forced to close their doors due to the state prohibiting close assembly.
- **Cancelled Programming:** All in-person events, programs, and fundraisers have been cancelled for months. Those returning are required to operate at reduced capacity. For some reopening at reduced capacity is not financially possible.
- **Layoffs and Furloughs:** Thousands of staff, vendors, and contractors have been laid off, furloughed, or received salary reductions. Nationally, 2 out of 3 creative workers are now unemployed. *
- **Disproportionate Impact:** The arts and culture sector will be among the last to "get back to work". As Texas reopens, large gatherings will remain limited, resulting in reduced operating capacity.
- **Permanent Closures:** Certain entities have already closed permanently, creating a negative ripple effect on related businesses, like restaurants, bars, and retail, many of which have also closed their operations.

THE NEGATIVE ECONOMIC IMPACT OF COVID-19

Data collection surrounding the negative economic impact of COVID-19 is ongoing. As shutdowns continue, we see individual artists and nonprofit arts and culture organizations reporting increasing, exponential negative impact.¹

- **Total Economic Loss for Texas Organizations:** More than \$128,756,000
- **Estimated Economic Loss for the Texas Economy:** \$301,862,002²
- **Layoffs/Furloughs:** 26% of organizations
- **Total Unanticipated Expenses:** Over \$2,000,000
- **Cancelled events:** 97% of organizations
- **Audience Members Lost:** More than 9.5 million
- **Not Confident of surviving COVID-19:** 11% of organizations

ARTS AND CULTURE ARE CRITICAL TO ECONOMIC RECOVERY FOR TEXAS³

- **800,000** Texans are employed as part of the creative sector.
- Arts and culture generate more than **\$5.59 billion in taxable sales** for the Texas economy.
- Arts and culture contribute **\$350 million in state sales tax**.
- Arts and culture **increase tourism**.
- Arts and culture help **attract, develop, and retain business**.

Access to arts and culture will be essential to healing and rebuilding our local and global communities. We look forward to working with you, our Texas leadership, to ensure the arts continue to thrive and power the state of Texas.

¹ [Americans for the Arts Economic Impact of COVID-19 Dashboard](#) / As of 10.7.2020 with 1,338 nonprofit arts organizations reporting. This number does not reflect the total number of losses by all Texas nonprofit arts and culture organizations.

² Economic ripple effect calculation using the total number of lost attendees—9,592,056—and a \$31.47 per person valuation as per American for the Arts' [Arts & Economic Prosperity Study 5](#)

³ [Texas Cultural Trust 2019 State of the Arts Report](#)