



RHODE ISLAND CITIZENS FOR THE ARTS

Building coalition to advance Rhode Island's creative communities

WHY WE OPPOSE GOVERNOR CARCIERI'S FY 2011 BUDGET MAKING THE CASE FOR THE CREATIVE SECTOR

1. The Governor's proposed cuts to the arts would have a devastating impact on a significant economic sector in Rhode Island, while doing little to affect the state's budget deficit. The suggested savings totals 0.0023 of the budget deficit (or less than 1/4 of 1%). Yet, the creative sector brings in over \$750 million in economic activity each year to Rhode Island. The money saved does not justify the loss in economic activity.
2. In Rhode Island, there are over 2,500 creative sector businesses that employ over 11,500 people. This sector grew by 5.1% in recent years, while other sectors declined. We can ill-afford to cut support for a growing industry sector during these trying economic times when small businesses and jobs are the cornerstone of our recovery.
3. The Governor's cuts to RI State Council on the Arts (RISCA) are severely disproportionate to other state agencies - with the deepest cut overall at 50%. Cuts to other agencies range between 1% and 9%, with most not cut at all. Given the significant return on investment, the state's recognition as a creative state, the attraction of the arts and creative community to businesses, jobs, innovation, and tourism, and the need to nurture and grow this sector for our competitiveness - a disproportionate cut of this magnitude is bad policy and bad business.
4. The \$700,000 in discretionary grant funds provided to RISCA by the state are matched by federal funds through the National Endowment for the Arts - a program championed by RI's own, the late Senator Claiborne Pell. Disruption in the state's commitment to the arts jeopardizes our ability to receive federal funds, due to a 1:1 funding match requirement.
5. The Governor's proposal includes a flawed rationale which suggests that \$435,000 will be saved by cutting the 1% for the Art Public Art program - but in fact, this money has already been bonded and will be spent. If it is not spent to fulfill the state's commitment to bringing access to the arts to visitors and citizens of Rhode Island, it will be spent on other aspects of the building project - such as more carpeting, door knobs, etc. THERE IS NO SAVINGS HERE.
6. The Film Tax Credit program is a long-term investment initiative that needs the commitment of the state to show return. Scores of small businesses and individuals in the industry have moved to Rhode Island and set up shop here. The Film Credit will continue to bring economic benefit if the state stays the course, and shows the industry at large we are a serious place to do business - through our commitment to this program.
7. Creativity is our future and we need to invest in this for our competitiveness as a state. The fact is 98% of corporate leaders state creative thinkers are of utmost importance in the U.S. workforce. In Rhode Island, we have creativity in ABUNDANCE - a unique and natural asset in our state. Manufacturing, the biggest loss to our state's industry base, has gone long ago, but design and innovation are still here. We will lose this as well if we do not cultivate this asset.
8. The arts are an investment, not an expense! For every \$1 invested in the arts through the RISCA leverages another \$21.55 in additional funding. The state funds for the arts STIMULATE more funding to our state's creative sector, with dramatic results. This is a significant return on investment. We urge the General Assembly to reject Governor Carcieri's agenda and preserve funding for the arts in the FY11 budget.