

# FEDERAL CREATIVE ECONOMY LEGISLATION

**There is currently more federal creative economy legislation under consideration than ever before in U.S. history.**

These seven bills together map a new, more equitable and impactful policy landscape for creative businesses and workers. Were all these bills to pass into law, they would improve the lives of all Americans by opening billions of dollars in investment opportunity for creative businesses and entrepreneurs, expanding opportunity for current and future workers, and boosting the U.S. economy.



**Through public policy, we can collectively achieve a stronger creative sector, which would drive economic growth and social cohesion and would ensure a better creative life for all.** Should these bills, or their concepts, become law:

- The creative economic engine would be recognized and supported for the powerhouse that it is.
- Cultural entrepreneurs and small businesses could access the capital to grow and contribute to local economies.
- Displaced and marginalized creative workers would be taxed and supported appropriately and centered in policy reforms.
- Creative skills development would sit alongside other essential skills to educate a next generation workforce.
- The integration of art in public spaces would be codified as a necessary expenditure toward a health, vibrant community.

**Federal public policy reflects national priorities. Our country must invest in creativity to progress and compete.**

The introduction, sponsorship, and endorsement of these bills lays the groundwork for a vibrant, prosperous, creative future.

## LEGISLATIVE CONNECTIVITY (see page 3)



### EQUITY

These policies would correct inequities in federal policy and prioritize marginalized communities.



### WORKERS

These bills fund creative workers to work and improve labor policy to support independent workers.



### BUSINESSES

This legislation would expand opportunity and protections for all creative businesses.



### EDUCATION

These bills expand access to lifelong arts education and support skill-building for creative workers.

## COMMUNITY AND SECTOR IMPACT (see page 4)



### FINANCIAL IMPACT

The financial impact of this proposed legislation, collectively, is in the billions of dollars, and would impact both workers and businesses.



### POLICY IMPACT

The language in these bills fundamentally expands access, opportunity, and support for creative small businesses and arts workers.



### HUMAN IMPACT

The U.S.'s 5.1 million creative workers, as well as students, culturebearers, and community members, would all be impacted by these bills.

# THE BILLS

Never in U.S. history have there been seven bills introduced in Congress to address and improve the creative economy and the lives of the creative workforce. Together, these bills offer a new vision to supercharge the creative economic powerhouse and ensure a full, vibrant creative life for all Americans.



## CREATE

Bill numbers: **HR 6381**

Sponsors: Sen. Brian Schatz (D-HI), Sen. John Cornyn (R-TX), Rep. Debbie Dingell (D-MI)

The bi-partisan **Comprehensive Resources for Entrepreneurs in the Arts to Transform the Economy Act** (CREATE Act) aligns policy to serve those that make our creative economy prosper. It expands SBA and EDA loan programs, and integrates creative work into support programs.



## PLACE

To be re-introduced January 26, 2022

Sponsors: Sen. Brian Schatz (D-HI), Rep. Chellie Pingree (D-ME)

The **Promoting Local Arts and Creative Economy Workforce Act** (PLACE Act) bolsters local creative economies and workers in creative industries. It amends existing legislation to include the arts, creates new creative economy grants, and directs funding for creative businesses.



## 21CFWP

Bill numbers: **HR 3054**

Sponsors: Rep. Ted Lieu (D-CA), Rep. Teresa Leger Fernández (D-NM)

Inspired by the 1935 Federal Writers' Project of the New Deal Era, the **21<sup>st</sup> Century Federal Writers Project Act** (21CFWP) will help address the mass unemployment of writers by authorizing a new grant program and will create a nationally administered archives for the commissioned writing.



## CERA

Bill numbers: **HR 5019 / S 2858**

Sponsors: Rep. Teresa Leger Fernández (D-NM), Rep. Jay Obernolte (R-CA), Sen. Ben Luján (D-NM)

The **Creative Economy Revitalization Act** (CERA), a bi-partisan workforce bill, authorizes \$300m in grants to pay local creative workers through public creative projects like festivals, performances, public art, narrative gathering from first responders and marginalized communities, and arts education work.



## PATPA

Bill numbers: **HR 4750 / S 2872**

Sponsors: Rep. Judy Chu (D-CA), Rep. Vern Buchanan (R-FL), Sen. Mark Warner (D-VA), Sen. Bill Hagerty (R-TN)

The **Performing Arts Tax Parity Act** (PATPA), a bi-partisan bill in both the House and the Senate, updates the Qualified Performing Artist tax deduction, modernizing a provision that has been on the books since it was signed into law in the 1980's so that middle-class arts workers can deduct common business expenses.



## STAR

Bill numbers: **HR 2380**

Sponsors: Rep. Alma Adams (D-NC)

The **Saving Transit Arts Resources Act** (STAR Act) restores control to local transit authorities regarding art and non-functional landscaping in federally funded transit projects. It returns federal transportation policy to what was the status quo for 30 years until a 2015 reauthorization unexpectedly prohibited such purposes.



## AEFA

Bill numbers: **HR 5581**

Sponsors: Rep. Suzanne Bonamici (D-OR), Rep. Chellie Pingree (D-ME), Rep. Teresa Leger Fernández (D-NM)

The **Arts Education for All Act** (AEFA), the broadest arts education bill ever introduced, supports universal arts education from pre-K through 12<sup>th</sup> grade, as well as in the juvenile justice system. It closes existing equity gaps to improve health, academic, social, and career success.

# LEGISLATIVE CONNECTIVITY

These seven bills have common aims. Both innovative policies and line-by-line adjustments will impact and improve the lives of creative workers, increase opportunity for creative businesses, expand opportunity to access education in the arts, creativity, and innovation, and correct inequities in current policy.



## EQUITY

Racial and cultural equity, particularly for culturebearers, narratives from marginalized groups, and access to arts education, are central to this legislative push. Five of the bills address racial, geographic, economic, and cultural equity.

CERA and 21CFWP include specific calls to commission narratives from marginalized populations, and CERA and AEFA both center funding for arts education for all, including the support of culturebearers who carry traditional knowledge forward. PLACE adjusts policy to ensure Indigenous artisans earn fairer revenue from creative work and protects Native heritage, and CREATE expands access to capital for creative entrepreneurs, particularly in rural settings.



## WORKERS

The country's 5.1 million creative workers have long been unable to fully access federal opportunities and programs; these bills and seek to address that inequity. Six of the bills directly impact the livelihoods of creative workers.

PLACE and PATPA adjust tax codes that currently disadvantage artists so they can deduct fair value for donated work and access tax credits and deductions more appropriately. CERA and 21CFWP authorize direct-to-artist grants for work, while STAR ensures transit money can support creators of public art. AEFA invests in skill-building for creative educators and future workers, and PLACE, through various provisions, improves workforce policy for creative workers and increases access to capital for creative businesses.



## BUSINESSES

In the U.S., there are over 673,000 creative businesses—9-in-10 of them small or solo businesses—that will benefit from modest changes in current federal policy. Three of the bills bolster both creative businesses and entrepreneurs.

CREATE expands loan programs and capital for creative businesses, creative entrepreneurs, and non-creative businesses who engage creative workers, and improves access to economic development tools. PLACE increases access to technical assistance, startup and apprenticeship grants, removes barriers to disaster relief funding for creative businesses, and tax incentives. And PATPA corrects tax policy to ensure artists can deduct the cost of unreimbursed business expenses.



## EDUCATION

The U.S. economy works best when future workers are fully prepared—including in the arts, creativity, and innovation. Three of the bills expand and increase access to education in the arts, creativity, and innovation for all Americans.

AEFA calls for universal arts education and rigorous research to measure and improve impact. CERA provides support to both in-school and community arts education, particularly of marginalized histories and heritages. And PLACE authorizes Creative Economy Apprenticeship Grants under the Department of Education to helping teach the next generation of creative economy workforce and advance creativity as a tool for future innovation and competitive edge.

# COMMUNITY AND SECTOR IMPACT

If passed, or adapted into other legislation, these policies would provide significant opportunity for creative workers and businesses, create positive economic and social ripple effects in American communities, and support a healthier, fuller, and more financially sustainable cultural life for all.

## FINANCIAL IMPACT



These policy shifts would open access to billions in

investment in the creative economy, generating positive economic ripple effects in every American community.

### \$3.5b+

in federal funds would be made more accessible to creative businesses for growth capital, skill building, relief, recovery, etc.

### \$919.7b

current annual amount generated by the creative economy to the U.S. GDP—which could be supercharged with better federal investment.

### 83%

of every \$1 invested in creative entrepreneurs is re-invested locally—producing a high-return investment that betters every U.S. community.

## POLICY IMPACT



Through modest adjustments to current language, these bills will

increase inclusion of creative enterprise in federal, state, and local programs, with significant social return on investment.

### 15+

federal departments would become more accessible to creative work through these bills, boosting the sector's innovative potential.

### 30+

non-arts sectors that would benefit from policy support of the creative economy, including education, health, and tourism and hospitality.

### 100's

of documented positive impacts of creative economy-supportive policy: higher test scores, rising property values, stronger social cohesion, and more.

## HUMAN IMPACT



In addition to improving the lives of the U.S.'s creative

workers, the policy shifts in these bills would directly affect tens of millions of Americans beyond the creative sector.

### 5.1 m

people in the U.S. are creative workers, over a third of whom are independent workers or entrepreneurs, all of whom are essential to local economies.

### 330m

people—which is to say every American—take part in and are bettered economically, professionally, and socially by creative work.

### 86%

of Americans agree that creative organizations are important to local businesses and the economy, whether they engage with the arts themselves or not.

## A MOVEMENT FOR ALL—WITHIN AND BEYOND THE CREATIVE SECTOR

Collectively these bills have over 400 endorsements from not only the creative sector but labor, housing, community development, planning, and business. Some of the driving organizations include: the Get Creative Workers Working Coalition, Be An Arts Hero/Arts Workers United, the Performing Arts Alliance, Americans for the Arts, the National Association of Music Merchants, Grantmakers in the Arts, the Freelancers Union, the American Planning Association, the National Alliance of Economic and Community Development Associations, and Transportation 4 America/SmartGrowth America.

Learn more about why good policy for the creative economy is good for all Americans at <http://www.creativeworkers.net>.