

**BOOSTING THE CREATIVE ECONOMY**  
SUPPORTING ARTISTS, ENTREPRENEURS, AND SMALL BUSINESS

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**ACTION NEEDED**

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**We urge Congress to:**

- **Cosponsor the CREATE Act (S.650, HR 1519) in order to invest in the country's creative economy; to recognize artists, entrepreneurs, and nonprofit arts organizations as contributors to the small business community; and support the creative economy through federal programs and actions.**
- **Cosponsor the PLACE Act (S.3232) to help boost the nation's creative arts; strengthen its capacity for a creative workforce; promote economic inclusion; boost entrepreneurship; improve and revitalize rural, remote, and underserved areas; and empower communities to share their stories.**

These two economic and community development bills are founded on the research of numerous economic studies. An annual Bureau of Economic Analysis study demonstrates that arts and cultural production contributed \$804.2 billion to the U.S. economy (4.3% of GDP), a 2.9% increase over the prior year. The *Arts and Cultural Production Satellite Account* (ACPSA) is the only federal study to provide in-depth analysis of the creative sector's contributions to the economy. Additional sector studies include the Americans for the Arts' *Arts and Economic Prosperity Study* and *Creative Industries* reports.

**TALKING POINTS: CREATE ACT**

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The Comprehensive Resources for Entrepreneurs in the Arts to Transform the Economy (CREATE) Act aims to serve more thoroughly the people, places, and programs that make our nation's creative economy prosper in all its cultural, social, and commercial forms. The legislation outlines similar steps to better invest in our country's workforce and creative economy.

Through 10 provisions that make modest adjustments to existing federal programs, the CREATE Act takes steps to better invest in our country's workforce and creative industries, while empowering the entrepreneurial spirit of artists and encouraging their role as contributors to the small business community.

Primarily, the bill aims to support the people and communities that comprise the creative economy by:

- Expanding programs at the Small Business Administration (SBA) to increase micro-loans, business loans, and technical assistance for artists.
- Requiring the Economic Development Administration (EDA) and U.S. Department of Agriculture's Rural Development Administration ensure that traditional economic development tools, such as incubators and grant programs, support the creative economy throughout the country.
- Ensuring access to FEMA's disaster relief assistance for self-employed workers, like artists, impacted by natural disasters.
- Developing a model to promote the creative arts in local economic initiatives, such as cultural district planning.
- Ensuring arts-based community development, and creative placemaking is directly supported in the Community Reinvestment Act.
- Creating an Artist Corps to increase national service through the arts, as called for in the *Serve America Act*.

## TALKING POINTS: PLACE ACT

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The Promoting Local Arts and Creative Economy Workforce (PLACE) Act was introduced to support the Nation's diversity, rich traditions, and vast creative talents. The United States needs to engage workers from around the country to develop, hone, and share expressions of their cultural heritage, creative collaborations, and artistic skills.

To address creative workforce readiness, the PLACE Act creates local opportunity by establishing the following:

- Technical assistance offered by small business development centers in order to foster strong business plans and the execution of those plans.
- The Creative Economy Grant Program to incubate small business in their startup phase by allowing for wage subsidies.
- Creative Economy Apprenticeship Grants established under the Department of Education to help teach the future creative economy workforce.
- Allowing creative economy businesses to partake in the existing New Market Tax Credit.
- Disaster assistance for creative economy workers through FEMA to allow those participating in the creative economy the same benefits as other businesses in case of a disaster.
- Provisions for vocational programs, adults, prisoners, and displaced workers to access training and skills in the creative economy under existing programs.

## BACKGROUND

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**CREATE Act:** The Comprehensive Resources for Entrepreneurs in the Arts to Transform the Economy Act aims to better support our nation's creative economy. Introduced by Sen. Tom Udall (D-NM) and Rep. Debbie Dingell (D-MI) on Arts Advocacy Day 2019, this legislation is designed to strengthen the creative economy.

The bill includes provisions directing the Economic Development Administration (EDA) and Rural Development Administration to ensure that traditional economic development tools, such as incubators and grant programs, support the arts industry. The legislation also includes a demonstration project to promote the creative arts in local economic planning.

**PLACE Act:** The Promoting Local Arts and Creative Economy Workforce Act, introduced by Sen. Brian Schatz (D-HI) in January 2020, is a Senate bill that includes 11 provisions, some similar to the CREATE Act, and others further expanding the federal government's support of the creative economy workforce specifically.

This Senate bill (there is not a House bill as of March 2020), aims to secure the future well-being of individuals, families, communities, and the nation by addressing federal workforce policies that will increase support for the creative economy.