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ARTSSOUTHDAKOTA.ORG



Sen. Mike Rounds
c/o Mark Johnston
502 Hart Senate Office Building
Washington, DC 20510

Dear Senator Rounds,

I am writing today on behalf of the creative sector in South Dakota. First, and most importantly, thank you for your leadership during these extraordinary times. We are well aware of the immense challenges our state and nation face, across nearly every sector of business and community, and look to you for the outsized role you play in determining how our nation will meet these challenges.

The arts sector has been especially hard hit by the pandemic. "First to close and last to open" is a statement that does ring true for most in our industry. Nationally, it is estimated that nonprofit arts and cultural organizations have suffered a loss of \$9.1 billion. As of mid-July, 96% have reported event cancellations leading to an additional loss of \$10.7 billion in audience event-related spending. As a professional musician, I can personally attest to the sudden and complete loss of work. Typically I perform 2 or 3 times a week on average. Since mid-March, I have played a total of 3 professional engagements. Our business is built around people gathering, and the arts are vital to local economies, wellness, tourism, education, racial equity, and community resilience. Simply stated, the arts are fundamental to healthy, functional communities. Today we need your leadership to be sure our state's arts sector survives tomorrow.

Of the many policy asks on the table, three are of the highest importance to the South Dakota arts and creative industry.

1. **A second round of PPP (Paycheck Protection Program):** Reviewing data from the SBA, we can see 481 creative organizations in South Dakota requested PPP assistance, protecting 3,108 jobs, with an estimated total of \$12,000,000 in loans. It's clear the program protected a large number of South Dakota creative sector jobs. But, as mentioned earlier, this sector, in many ways, will be the "last to open," and without a 2nd round of PPP funding, the jobs saved earlier may still be lost.
2. **Pandemic Unemployment Insurance (PUA):** In South Dakota, the PUA program was the only financial lifeline for many "gig workers." As you know, the South Dakota Re-employment Assistance program, as part of the Department of Labor, historically provides very little or no assistance to gig workers with



mixed-income streams. Most artists will fall into that category, and with an ever-growing "gig economy" in our state, continued support through the federal PUA program is an absolute necessity for many to pay their rent or put food on their table. We must extend the PUA lifeline!

3. **Second round of direct funding to the National Endowments for the Arts and Humanities (NEA & NEH):** In South Dakota, the NEA, in partnership with the South Dakota Arts Council (SDAC), plays a vital role in supporting the arts non-profit sector. Over 40% of the NEA funding, including stimulus funding from the CARES Act, goes directly to governmental arts agencies at the state level. Because of our small population and a very effective grants program from the SDAC, South Dakotans benefit from the NEA at a higher per capita level than most states. In fact, we are 5th in the nation of per capita support from the NEA. This means that in FY19, the SDAC was able to fund 448 grants that reached 106 communities and 91% of South Dakota counties. Programs co-sponsored by the SDAC (with funding from the NEA) directly impacted over 1.3 million people. The ability of the South Dakota Arts Council to equitably and quickly support the state's arts community is unparalleled by any other organization in SD. A 2nd round of NEA & NEH funding is essential to assist the creative sector in South Dakota to survive the pandemic.

Thank you for taking a few minutes to read my letter. The above policy requests are to be sure our sector is ready to open. Rejuvenating our communities will require the arts. Please know I am at your service for the arts in South Dakota, and once again, thank you for all you and your team do for South Dakota.

Best Regards,



Jim Speirs
Executive Director