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<http://www.southcarolinaarts.com/economic/waysandmeansFY2014.shtml>

**South Carolina Arts Commission Presentation to House Ways and Means Higher Education, Tech and Cultural Subcommittee
January 22, 2013**

Presented by Ken May, Executive Director of the South Carolina Arts Commission, to Chairman Limehouse and Representatives Smith, Clyburn, and Skelton, regarding the FY2014 state budget.

The subcommittee hearing is the first step in the budget process and provides an opportunity for agencies to present requests not included in that agency's base budget. The full House Ways and Means committee is expected to begin discussions in mid-February.

**South Carolina Arts Commission
House Ways and Means
January 22, 2013**

Good afternoon. I'm Ken May, Executive Director of the South Carolina Arts Commission. Thank you for this opportunity to speak with you today.

I'll begin by giving a very brief overview of the Commission's mission and how we work to accomplish that, and then I'll get right to our request.

The **mission** of the South Carolina Arts Commission is "...to develop a thriving arts environment, which is essential to quality of life, education, and economic vitality for all South Carolinians." The agency works statewide, with partners across all sectors, to make it possible for *all* citizens to have the benefits of the arts in their own lives, their communities, and their local schools. Those benefits range from the purely personal joy of the arts experience to the substantial public value that creative industries produce for our state's economy—\$9.2 billion in annual economic output, supporting 78,000 jobs and generating \$570 million in state tax revenues.

We work towards these outcomes in four basic ways: **direct programs, staff services, partnerships, and grants**. The programs and services we provide are carried out by staff with expertise in organizational development and various arts disciplines, and each year, the Commission reaches all of the state's 46 counties with grants and/or direct services. For example, in Fiscal Year 2012,

- 275 teachers from 43 school districts attended Arts in Basic Curriculum summer institutes,
- More than 4,300 high school students participated in the Commission's Poetry Out Loud recitation competition,
- more than 200 arts leaders from 29 counties attended our Biennial Statewide Arts Conference, and
- 73 previously unknown traditional artists in 15 counties were identified through the Folk Tradition Bearers Survey.

We also awarded 267 grants in 40 counties, leveraging more than \$75 million in local matching funds. In addition, the Arts Commission works with a number of statewide partners to affect policy and practices related to arts education, community development through the arts, and development of creative industries in South Carolina.

In the last five years, the Arts Commission has absorbed significant **budget reductions**, as have most state agencies. Since Fiscal Year 2008, our state funds have been cut by 55%, and total income has declined by 48%. We have **reduced expenditures** in a variety of ways, defining highest priorities and making hard choices, while maintaining core services and support for the arts that our public mandate requires. We have cut our administrative expenses by 49% and reduced our staff by 44%. Just last May we moved into smaller, less expensive office space, reducing our annual rent and building operating costs by more than 60%. We have adapted to the changing environment appropriately and proactively and have become leaner and more efficient in the process.

We are here today with three requests:

#1: \$25,000 in non-recurring funds for planning of a Cultural Districts Designation Program. Cultural districts are special areas, designated or certified by state governments, that utilize cultural resources to encourage economic development and foster cooperation between the arts and other local businesses. There are now 12 states—including Kentucky and Louisiana in our region—that have a formalized state role in the creation of cultural districts, and results are very positive. Outcomes—in both urban and rural areas—have included

- Attracting artists and arts business to communities
- Local business development and job creation
- New tourism destinations
- Productive reuse of historic buildings and
- Increased property values

We are requesting one-time funds to support the work of a statewide task force to plan such a program for South Carolina and to develop proposed legislation to enact it.

#2: \$30,000 in recurring funds to support on-going professional development for SC Artist/Entrepreneurs. Individual artists in all arts disciplines form the core of South Carolina's creative industries. However many of our state's artists struggle to build sustainable careers in their fields because they lack the knowledge, skills, and resources they need to do this. With support from a national funder, the Arts Commission has developed the Artists Ventures program, a strong new approach to helping artists succeed as small business people, but that national support will end this year. We are requesting funds to continue to build on the successful model of intensive training and one-on-one coaching that we have developed.

#3: \$1,000,000 in recurring funds for Statewide Grantmaking. This new appropriation would bring the agency's total grantmaking to more than \$2.5 million for FY2014, or about 50 cents per capita. For the current year we will award about 35 cents per capita. By comparison, the State Library is at \$1.46 per capita in state aid to subdivisions for FY2013. While these new funds would provide a substantial increase over FY2013 to local arts organizations, schools, and other community arts providers that receive Arts Commission grants, this would still not bring the Commission's grantmaking back to its FY2008 level (more than \$3 million).

So, that is our request. This additional funding would greatly strengthen our ability to support the work of arts providers statewide and take advantage of opportunities to grow our creative economy through a combination of grants and other services.

Again, I thank you for this opportunity to talk with you, and I will be happy to answer any questions.

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