



## NATIONAL STUDY SHOWS \$166 BILLION IN ECONOMIC ACTIVITY AND 5.7 MILLION JOBS ARE GENERATED ANNUALLY BY THE NONPROFIT ARTS AND CULTURE INDUSTRY

*Results Reflect a 24% Increase in Economic Activity Over the Past Five Years Revealing the Nonprofit Arts Industry as a Formidable Business and Economic Driver for Communities across the Country*

Americans for the Arts recently conducted the most comprehensive economic impact study of the nonprofit arts and culture industry in the United States. Entitled *Arts & Economic Prosperity III*, the report reveals that the nonprofit arts industry generates \$166.2 billion in economic activity every year, resulting in \$29.6 billion in federal, state, and local tax revenues.

The nation's nonprofit arts and culture industry has grown steadily since the first analysis by Americans for the Arts in 1992, expanding at a rate greater than inflation. Between the second study conducted in 2000 and 2005, spending by organizations and their audiences grew 24%, from \$134 billion to \$166.2 billion in total economic activity—\$63.1 billion in spending by organizations and an additional \$103.1 billion in event-related spending by their audiences. The total economic activity has a significant national impact, generating the following:

- 5.7 million full-time equivalent jobs
- \$104.2 billion in resident household income
- \$7.9 billion in local government tax revenues
- \$9.1 billion in state government tax revenues
- \$12.6 billion in federal government tax revenues

Robert L. Lynch, president and CEO of Americans for the Arts, states that “most Americans understand that the arts improve our quality of life. This study demonstrates that the arts are an industry that stimulates the economy in cities and towns across the country. A vibrant arts and culture industry helps local businesses thrive.”

The *Arts & Economic Prosperity* study shows that nonprofits arts support more jobs than accountants and auditors, public safety officers, and even lawyers, and just slightly fewer than elementary school teachers. Spending by nonprofit arts and culture organizations provide rewarding employment for more than just artists, curators, and musicians but they also directly support builders, plumbers, accountants, printers, and an array of occupations.

In addition, the study reveals that the nonprofit arts industry is the cornerstone of tourism. The \$103.1 billion in event-related spending by arts audiences reflects an average of \$27.79 per person in spending for hotels, restaurants, parking, souvenirs, refreshments, or other similar costs—with non-local attendees spending twice as much as local attendees (\$40.19 vs. \$19.53). When a community attracts cultural tourists, it harnesses significant economic rewards.

This study documents the economic impact of the nonprofit arts and culture industry in 156 rural to urban communities and regions, representing all 50 states and the District of Columbia. Researchers collected detailed expenditure and attendance data from 6,080 nonprofit arts and culture organizations and 94,478 of their attendees to measure total industry spending.

The *Arts & Economic Prosperity III* study was conducted by Americans for the Arts and supported by the Paul G. Allen Family Foundation, the John D. and Catherine T. MacArthur Foundation, and The Ruth Lilly Fund of Americans for the Arts. Americans for the Arts' local and statewide project partners contributed both time and financial support to the study. The full text of the report is available at [www.AmericansForTheArts.org/EconomicImpact](http://www.AmericansForTheArts.org/EconomicImpact).

Results of this study were made available in June, 2007.