

TEXAS CULTURAL TRUST

— 2017 STATE OF THE ARTS REPORT —



HOUSTON ENDOWMENT

A Philanthropy Endowed by Jesse H. and Mary Gibbs Jones



The arts generate **\$5.5 BILLION EACH YEAR** for our state's economy and contribute \$343.7 million in state sales tax revenue annually.



At-risk high school students who complete more than one arts class are **HALF AS LIKELY** to drop out.



Students who complete more arts classes have up to **15% HIGHER PASS RATES** on standardized tests than students with fewer arts classes.



Schools that met the **STATE ACCOUNTABILITY STANDARD** offered twice as many unique arts courses for students to choose from.



High school students enrolled in arts courses **ATTEND AN ADDITIONAL WEEK OF SCHOOL** each year.



Nine out of 10 Texas parents support **INCREASED FUNDING FOR THE ARTS** in their schools. 89% of Texas parents believe that art and music electives are as important as athletics.



TEXAS' CREATIVE SECTOR EMPLOYS ONE IN 15 Texans — nearly 800,000 innovation workers — whose average wage is \$80,300 compared to \$44,000 for non-creative industries.

OVERVIEW

At the Texas Cultural Trust, our mission is to be the leading voice for the arts in education, advocacy, and economic impact in Texas, spotlighting the artistic excellence of our state. We believe the arts reflect our creativity and culture. We know that arts education helps prepare our children to succeed in school and life. And, we are proud that the arts are a significant contributor to our state's economy.

For this 2017 State of the Arts Report, we have updated key data around the economic impact of the arts. We are pleased to announce that the arts now generate \$5.5 billion each year for our state's economy—that's how much it takes to run Dallas and San Antonio, two of our state's biggest cities, for a year—and contribute nearly \$343.7 million in state sales tax revenue annually. Impressively, our state's creative sector employs nearly 800,000 innovation workers—that's one in 15 Texans.

In 2015, we sought to better understand the impact that arts education has on Texas students. Our research demonstrated that arts education results in increased passing rates, higher test scores, and improved attendance—impressive results across the board. But an important question remained: who has access to arts education?

This year we were able to conduct statewide research that answers that question, and is the centerpiece of our new advocacy campaign, **Art Can**. We wanted to better understand the availability of arts courses in our public schools, and provide that information to every Texan in a creative, dynamic, easy-to-use format. The result is a **bilingual, multimedia arts advocacy campaign with a data-rich website; radio, television, digital and print advertising; grassroots outreach and social media, including Twitter, Facebook, and Instagram**. The campaign is funded by the Houston Endowment and made possible in part through a partnership with the Texas Association of Broadcasters.

But we didn't stop there. We also sought to understand the attitudes of Texas parents when it comes to arts education, so we conducted a statewide poll to gauge their opinion. The poll results affirm that **Texas parents value arts education and want their children to have more access to it**. In fact, **nine out of 10 Texas parents support increased funding for the arts in their school—and 89 percent believe that art and music electives are as important as athletics**. We hope state and local policymakers leverage this data and look for new ways to increase access to arts education—for all Texas children—to improve educational outcomes across the board.

This report goes into more detail about these findings, and provides a blueprint for the significant role the arts can play in Texas' future. We hope you will join us in supporting the Arts and Culture Industry as an engine for our economy—and as a vital contributor to student success.

A special thank you to the Houston Endowment, a philanthropy endowed by Jesse H. and Mary Gibbs Jones for funding this research.

WHAT CAN? ART CAN.

WHAT CAN

*inspire me to work harder
and think bigger?*

ART CAN.

ART CAN contribute to our state's economy

The 42 industry sectors that comprise the Arts and Culture Industry create, distribute, and sell products and services to national and international markets. **The 10,100 Arts and Culture Industry businesses located throughout Texas employ nearly 125,000 workers.**

Texas' Arts and Culture Industry promotes innovation and long-term growth, and generates \$5.5 billion per year in taxable sales, contributing more than \$343.7 million in state sales tax revenue in 2015. **This impact on the statewide economy has grown steadily since 2005, increasing 25.1 percent over the past 10 years.** Beyond revenue from state taxes, these sectors generate millions for local taxing entities including cities and economic development organizations whose funding comes from local sales tax revenue.

STATE OF TEXAS SALES TAX GENERATED BY THE ARTS AND CULTURE INDUSTRIES¹

YEAR	TAXABLE SALES	TAX GENERATED (@6.25%)
2005	\$4,397,228,994	\$274,826,812
2006	\$4,652,696,052	\$290,793,503
2007	\$4,845,547,767	\$302,846,735
2008	\$4,892,251,875	\$305,765,742
2009	\$4,656,255,378	\$291,015,961
2010	\$4,506,001,820	\$281,625,114
2011	\$4,669,233,785	\$291,827,112
2012	\$4,905,152,939	\$306,572,059
2013	\$5,095,599,168	\$318,474,948
2014	\$5,340,215,423	\$333,763,464
2015	\$5,499,432,825	\$343,714,552

*THE ARTS AND CULTURE INDUSTRY generates **\$5.5 BILLION** for our state's economy and brings in more than **\$343 MILLION** in state sales tax revenue annually.*

Local tax rates differ across the state, but if you estimate an average sales tax rate of 1.0 percent, **the Arts and Culture Industry generated \$34.6 million in 2015 for the five largest metro areas in Texas.**

ESTIMATED METRO AREA SALES TAX COLLECTION GENERATED BY THE ARTS AND CULTURE INDUSTRIES IN 2015¹¹

METRO AREA	TAXABLE SALES	DOLLARS RETURNED TO LOCAL SALES TAXING CITIES
Austin-Round Rock	\$502,195,150	\$5,021,952
Dallas-Plano-Irving	\$1,267,565,172	\$12,675,652
Fort Worth-Arlington	\$332,935,945	\$3,329,359
Houston-Sugar Land-Baytown	\$1,025,314,133	\$10,253,141
San Antonio	\$330,844,451	\$3,308,445

ART CAN create jobs

Texas' creative sector (defined by occupations) currently employs nearly 800,000 innovation workers. Almost **one in 15 Texas workers are employed in creative occupation jobs**. According to occupation employment forecasts produced by the Texas Workforce Commission, **Texas' creative sector employment is projected to increase by 20 percent or 160,000 net new jobs by 2024.**

The 2015 average annual wage for the creative sector was approximately \$80,300 compared to \$44,000 for non-creative industries. This represents an **82.3 percent wage premium for creative sector workers.**



Texas' creative sector currently employs **ONE IN 15 TEXANS**—nearly **800,000 INNOVATION WORKERS.**

The creative sector is defined using occupation codes that focus on the innovation workforce—job types that rely heavily on critical thinking, innovation, and creativity. Special attention was given to occupations that are in high demand, are portable, and are found in a diverse set of industry sectors.

TEXAS CREATIVE SECTOR BY MAJOR OCCUPATION DIVISION (2015) ⁱⁱⁱ		
MAJOR GROUP CODE	OCCUPATIONS	2015 TEXAS EMPLOYMENT
15-0000	Computer and mathematical occupations	353,760
17-0000	Architecture and engineering occupations	239,650
19-0000	Life, physical, and social science occupations	85,790
27-0000	Arts, design, entertainment, sports, and media occupations	118,690
TOTAL EMPLOYMENT		797,890

In 2015, the Austin metro area had the highest percentage of total local employment in the creative sector registering 11.9 percent. Houston and Dallas lead the state's metro areas in terms of total number of creative sector employees.

TEXAS METRO AREA CREATIVE SECTOR EMPLOYMENT & WAGES (2015) ^{iv}					
METRO AREA	CREATIVE EMPLOYMENT	% OF TOTAL WORKFORCE	% OF TX CREATIVE	CREATIVE WAGE	NON-CREATIVE WAGE
Austin	110,670	11.9%	13.9%	\$78,304	\$45,672
Dallas	201,770	8.7%	25.3%	\$81,772	\$47,513
El Paso	11,050	3.8%	1.4%	\$60,394	\$36,055
Fort Worth	55,400	5.7%	6.9%	\$78,646	\$43,562
Houston	236,620	8.1%	29.7%	\$90,061	\$48,471
San Antonio	56,980	6.0%	7.1%	\$73,298	\$41,848

In fact, the creative sector employs more Texans than the total employment in many large counties including Travis, Collin, Hidalgo, and Fort Bend. **If the creative sector was a county, it would rank 5th in terms of total employment.**

ART CAN boost tourism

Total travel and tourism spending in Texas surpassed \$68.7 billion in 2015. Travel-generated employment in the state was 648,000 jobs with earnings in excess of \$23.7 billion.¹ Out-of-state visitors travel to Texas for a variety of reasons, but **the state's arts and culture attractions are a major tourist draw.** According to research² commissioned by the Office of the Governor, Economic Development and Tourism, thousands of visitors come to Texas to see the state's art and culture attractions such as the Alamo, Houston Museum District, Bob Bullock Museum, and the Kimbell Art Museum. For example, **three of the top 12 activities for non-resident visitors are arts, culture, and festival-related activities.**

In 2015, an estimated 22.6 percent of all travelers (resident and non-resident) took part in cultural activities including historic sites, movies, touring, and sightseeing. This translates into roughly **one in five visitors participating in "Cultural Tourism" when traveling in Texas.**



Arts and Culture Tourists VISIT MORE, SPEND MORE, AND BRING MORE PEOPLE than the average tourist.



ONE IN FIVE VISITORS enjoys participating in "Cultural Tourism" when traveling in Texas.

Based on research³ commissioned by the Office of the Governor, Economic Development and Tourism, **Arts and Culture Tourists stay longer, bring more people, and spend more than the average tourist.**

*Visitor participated in concert, theater, dance, festival/fairs, museum, art exhibits, etc.

TEXAS ARTS AND CULTURE TOURIST STATISTICS ^v		
TOURIST TOPIC (AVERAGES)	TEXAS TOURIST AVERAGE	ARTS AND CULTURE TOURIST*
Travel Party Size	1.79	2.07
Days Spent	2.02	3.69
Daily Spending	\$119.50	\$144.00

WHAT CAN

*make me the person I have
the potential to become?*

ART CAN.

ART CAN make a difference for students— and Texas parents agree

The Texas Cultural Trust commissioned a statewide survey of Texas parents, which measured attitudes on the importance of arts education in Texas public schools. The survey found strong support across the board for increased funding of and access to the arts.

KEY FINDINGS OF THE SURVEY INCLUDE:

- 92% of Texas parents have a positive opinion of arts education.
- 95% of Texas parents believe the arts should be taught in Texas public schools.
- Nine out of 10 Texas parents support increased funding of the arts in their school.
- 78% of all parents indicated they would encourage their child to take more arts classes upon learning that creative occupations paid significantly more than other jobs.
- 74% of parents report that art was one of the classes their child looked forward to attending.
- 92% of all respondents agree that creativity and innovation are important skills.
- 89% of Texas respondents believe that art and music electives are as important as athletics in middle school and high school.
- 85% of Texas respondents agree that arts education should be included at every grade.

More than 80 percent of parents surveyed had participated in the arts in middle or high school. Three-quarters of parents responding had children in Texas public schools. The “arts” were described as classes including music, drawing, painting and sculpting, theater or the performing arts, dance team or playing in a band, including a marching band.



NINE OUT OF 10 Texas parents support **INCREASED FUNDING OF THE ARTS** in their school district.

“As Texas struggles with ways to keep kids in school, improve test scores and increase graduation rates and college readiness, there is one simple solution right in front of us: increase access to arts education. I hope this survey will be a signal to Texas policymakers in Austin to give arts education a second look and find ways to increase access for all Texas students.”

— **JUDY ROBISON**, Chair of the Texas Cultural Trust Board

WHAT CAN

ignite me?

ART CAN.

ART CAN elevate student success

Our 2015 research demonstrated that participation in arts courses helped contribute to a broad range of positive academic outcomes for Texas students. Here are a few highlights:



Better Test Scores. Across all subjects, students who completed more arts courses performed better on state assessments. Students who complete more arts classes have up to a **15% higher pass rate on standardized tests** than students with fewer arts classes.



Increased Attendance. Across all grade levels, greater arts course completion was associated with higher attendance rates, with the greatest impact at the high school level. Texas high school students engaged in the arts had a 3.3% percentage point greater attendance rate—the equivalent of **attending an additional week of school**—than their counterparts who were not engaged in the arts.



Staying in School. At-risk high school students who complete more than one art class are **half as likely to drop out**. Specifically, students who completed at least one art course credit in the 9th grade were less than one third as likely to dropout as students who did not complete one art credit.

Based on this knowledge—that the arts help student achievement across the board—in 2016 we sought to understand which Texas students have access to the arts. Thus began the **ART CAN** campaign.

We conducted research to understand what access to arts education looks like in every public school district in the state. The comprehensive data set includes information on three separate aspects of arts access including: 1) number of arts credits earned per student, 2) number of certified arts teachers per student, and 3) the variety of arts courses offered in each public school district. The data was pulled from Texas Education Agency reports, and includes demographic statistics about the districts, allowing comparisons between school districts, and breaking down information between elementary, middle, and high schools. It is presented on a robust new website, www.ArtCanTexas.org.

In addition to reporting the raw data, however, the Trust has also provided analysis of the data, which shows the impact increased arts education can have on student performance.

KEY FINDINGS INCLUDE:



Students in districts that met the state accountability standard had **more than twice the unique arts courses to choose from**, and earned up to 26 percent more arts credits than students in districts needing improvement.



Secondary schools that met the state accountability standard **offered 50 percent more unique arts courses** on average than schools needing improvement.



Middle and secondary schools in districts that met the state accountability standard offered **more than twice as many unique arts courses** on average than schools in districts needing improvement.

WHAT IS A UNIQUE ARTS COURSE?

The Texas Education Agency maintains a list of approved arts courses that meet specific curriculum standards in each subject area. For example, if a school offers Algebra I and Algebra II, each course is considered “unique” because of differing curriculum. However, if a school offers multiple sections of an Algebra I class, then that would only count as one unique course. State-approved innovative courses were not included in this study.



School has three Band I sections
= **ONE UNIQUE ARTS COURSE**



School has Band I, II, and III
= **THREE UNIQUE ARTS COURSES**

While there are great areas of promise, there are also many areas for improvement. While district averages provide important information about the access for students generally in a district, the experience of an individual in a specific school might look very different. In a district where the variance (in the amount of arts classes, credits, or arts teachers) between campuses is great, that might mean the difference between having a great deal of access, and having almost no access to arts learning. We can and should do more for Texas students.

The **ART CAN** campaign invites parents and interested Texans to advocate for access to more arts education, which will help build a stronger, more creative, and prosperous Texas. Parents and interested citizens are encouraged to access data on the website, and take immediate action to reach out to their local school boards, which make decisions on arts funding, as well as contact their state lawmakers to highlight the importance of school funding overall.

Simply put, the arts can have a profound impact on elevating student success, which benefits all Texans. The Texas Cultural Trust is now providing parents the tools to educate themselves about access to arts education in their children's schools, and an opportunity to take action to increase that access for all Texas children.



*Students who complete more arts classes have up to **15% HIGHER PASS RATES** on standardized tests than students with fewer arts classes.*



*At-risk high school students who complete more than one art class are **HALF AS LIKELY** to drop out.*

The Trust is pleased to acknowledge initial support of the **ART CAN** campaign from the following organizations:

Alley Theatre, Houston

Arts Access Initiative - Young Audiences of Houston

ATX Television Festival Foundation

Center for Educator Development in the Fine Arts

KCAM Contemporary Art Museum Fort Bend

Mainstreet Jobs Coalition

Resources for Learning, LLC

Texans for the Arts

Texas Association of Business

Texas Association for the Gifted & Talented

Texas Commission on the Arts

Texas Music Educators Association

The Texas Art Education Association

About the research

The research referenced in this report was conducted by the Texas Cultural Trust and several different parties with support from the Houston Endowment, a philanthropy endowed by Jesse H. and Mary Gibbs Jones. Additional information about each section of the report can be found below.

TEXAS VOTER SURVEY

Mike Baselice, of Baselice and Associates, Inc. oversaw the poll, which was conducted September 20-30, 2016 and queried N=603 Texas parents to measure their attitudes about arts education. The poll was conducted online and half of respondents (n=303 interviews) were in the Houston media market, with the other half (n=300) representing the rest of the state. Each of the 300 or 303 responses carries a margin of error of +/- 5.7 percentage points. Respondents were required to have pre-school or school-age children in order to qualify for the survey.

ECONOMIC IMPACT DATA

Research into the economic impact of the Arts and Culture Industry was conducted for the Texas Cultural Trust by Travis James of TXP, Inc. The research utilized data sets from the Texas Comptroller of Public Accounts, the U.S. Bureau of Labor Statistics, the Economic Development and Tourism Division of the Office of the Governor, and D.K. Shifflet & Associates. The Objectives of the research were to assess the statewide economic impact of the 42 industry sectors that comprise the Arts and Culture Industry, the 10,000 Arts and Culture Industry businesses throughout Texas that employ nearly 120,000 workers, and the impact of Arts and Culture travel and tourism dollars.

EDUCATION DATA

Research on student access to the arts was conducted for the Texas Cultural Trust by individuals from MINDPOP, E3 Alliance, and Austin ISD in early 2016. The study utilized Texas Education Agency (TEA) data for every district reporting to the state. The data was mined from a combination of sources stored at The University of Texas at Austin's Education Research Center (ERC) and data publicly available from the TEA. Campus level data, including campus ratings, numbers of students, numbers of arts teachers, numbers of credits earned for arts classes and other classes, were aggregated to the district level to determine student-teacher ratios for arts teachers, number of unique arts courses taught, and average arts credits earned. From the district levels, we examined averages by region, by level (Elementary, Middle and High), by classification (urban, rural, etc), by TEA Service Center region, and the state overall. Researchers performed correlation analysis and stepwise regressions to determine which of the demographic or other explanations had significant effects.

Research on student success was conducted for the Texas Cultural Trust by MINDPOP, E3 Alliance, and Austin ISD in November 2014. The study utilized longitudinal statewide education data from The University of Texas at Austin's Education Research Center (ERC), and focused on outcomes for middle and high school students based on their cumulative enrollment in arts courses. Academic outcomes examined included school attendance, standardized test passing rates, graduation rates, and post-secondary enrollment. The cohorts included students registered between 2010-2011 and 2012-2013 (middle school), and between 2009-2010 and 2012-2013 (high school).

¹ TXP, Inc., Texas Comptroller of Public Accounts

² Texas Comptroller of Public Accounts

³ U.S. Bureau of Labor Statistics

⁴ TXP, Inc.

⁵ TXP, Inc.; D.K. Shifflet & Associates Ltd. (DKSA)

⁶ http://travel.texas.gov/tti/media/PDFs/TXImp15pRev2_1.pdf

⁷ <http://travel.texas.gov/travel-research/domestic-travel/>

⁸ DKSA

ABOUT TEXAS CULTURAL TRUST

OUR VISION: A VIBRANT TEXAS WHERE THE ARTS INSPIRE EXCELLENCE.

The Texas Cultural Trust, a 501(c)3 organization, was established in 1995 to be the leading voice for the arts in education, advocacy, and economic impact in Texas, spotlighting the artistic excellence of our state. Our goal is to provide leadership to promote and highlight the importance of the arts in educating our children and sustaining our vibrant Texas economy. Supporting the arts ensures Texas' cultural and economic advantage for the future.

OUR MISSION:

To be the leading voice for the arts in education, advocacy, and economic impact in Texas, spotlighting the artistic excellence of our state.

PARTNERS: WORKING TOGETHER FOR THE ARTS

The Texas Cultural Trust is dedicated to increasing awareness and raising funds for the arts, and our efforts are amplified by the following partners who are instrumental in ensuring the success of our mission.

TEXAS COMMISSION ON THE ARTS

Grants, Information, and Technical Assistance for the Arts



The Texas Commission on the Arts was established by the Texas Legislature in 1965 to advance the state economically and culturally by investing in a creative Texas. By providing resources to enhance economic development, arts education, cultural tourism and artist sustainability initiatives, the Texas Commission on the Arts supports a diverse and innovative arts community statewide. www.arts.texas.gov

TEXANS FOR THE ARTS

Political Advocacy for the Arts



Texans for the Arts is a nonpartisan advocacy organization that serves to provide information about legislative activity concerning the arts and advocate for the public funding of arts at the local, state, and national levels. To achieve these goals, Texans for the Arts works to develop and implement public policy that supports a strong and vibrant arts and cultural industry statewide.

www.texansforthearts.com



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823 Congress, Suite 707 | Austin, Texas 78701
512.478.5289 | TOLL FREE 877.651.8282 | FAX 512.478.5292
www.txcultrualtrust.org | info@txcultrualtrust.org

The Texas Cultural Trust Council is a 501(c)3 non-profit organization.



WHAT CAN? ART CAN.

Learn more at ArtCanTexas.org