

THE UNIVERSITY OF KANSAS
Institute for Public Policy and Business Research

**Economic Scope, Impact and Marketing Study of the Kansas
Arts Commission**

Prepared for
The Kansas Arts Commission

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Executive Summary

Introduction

This report presents the results of a study done by the Institute for Public Policy and Business Research for the Kansas Arts Commission (KAC). The purpose of the study was to:

delineate the scope of the Kansas Arts Commission activities within the state,
measure the additional state product due to the existence of the Kansas Arts
commission,
provide a picture of the degree to which Kansans are involved in arts activities in
general and the activities of local arts organizations in particular,
measure Kansans' willingness to pay for additional arts activities in their local areas,
and
develop useful marketing information for the Kansas Arts Commission.

Four major research tools were employed in the study. First, historical budget data was used for Kansas, surrounding states, and the nation to place the activities of the Kansas Arts Commission in perspective. Second, five case studies of local arts organizations were conducted to understand the range of types of assistance provided to local arts organizations as well as to uncover channels of economic influence of the Kansas Arts Commission's activities. Third, a traditional economic impact study was performed in order to measure the effect of the Arts Commission on current state output. Fourth, a survey of Kansas households was conducted to elicit Kansans' willingness to pay for additional arts activities in their local areas and to develop information that would be useful to the Kansas Arts Commission in marketing its activities.

Findings and Conclusions

Annually, the KAC influenced economy is about \$20 million, and this economy

generates about \$2.1 million in state and local taxes. During 1998, the Kansas Arts Commission provided 265 grants to local arts organizations. These grants were generally a small part of the total project cost; for most KAC grants local matching funds provided more than 70 percent of the project cost. Thus, local funding is more than \$18 million of the total \$20 million KAC economy. The KAC economy is spread throughout the state with 67 counties receiving at least one arts grant. The projects supported by KAC grants generated 120 full-time jobs and 965 part-time jobs. In addition, voluntary employment valued at \$1.2 million was contributed to these projects. KAC supported arts projects generated \$1.35 million in state taxes and \$750,000 in local taxes.

Kansas' current economic output is \$1 million greater because of the existence of the

Kansas Arts Commission. The Kansas Arts Commission leverages its state funding by bringing in nearly a half million federal dollars. Even after accounting for the fact that funding for the Kansas Arts Commission activities comes partly from the State of Kansas, this inflow of federal dollars and its indirect effects cause a substantial \$1 million increase in current Kansas output.

The five case studies indicate that KAC has effectively nurtured the development of

successful small arts organizations. Members of each of these organizations believe that without the help of the KAC their organization would not have survived, let alone thrived. The basic model that the KAC has created to help new arts organizations has been successful in each of these cases. These local arts organizations pass through two basic early stages in their development: the initial struggle to survive and the establishment of a durable organization. In each of these stages the KAC plays a different role.

- ✿ During the initial struggle to survive, the KAC provides:
 - A large part of the initial funding for the organization
 - Technical assistance in organizing the original group

A stamp of credibility to the organization

- ✿ As the organization establishes itself as an on-going organization, the KAC provides:

A stable source of funding which allows longer-run budgeting

Technical assistance in creating a permanent administration

Technical assistance in finding additional sources of funding and in writing grants to get the funding

Without the KAC, arts activities in Kansas would be much different than they are

today. Specifically, the KAC has nurtured the development of local arts organizations in the non-metropolitan areas of Kansas. In addition, the KAC has helped develop a diversified group of arts organizations that provide a wide variety of arts activities in both the metropolitan and non-metropolitan areas of Kansas.

The existence of a geographically diverse arts community makes the state as a whole a more attractive place for businesses to locate. Local economic development

professionals in communities with strong local arts organizations feel that the existence of these local organizations makes the community more attractive to business for four reasons:

The availability of the organization's activities to management, workers, and their families;

The effects of the organization's activities on the quality of education in the schools;

The increased vitality of the community that comes about as a result of the community's pride in having this unique institution;

As a symbol and evidence of the energy in the community.

The effects of local arts organizations and their activities on local economic development are likely to be particularly strong in non-metropolitan communities.

State government support for the arts in Kansas ranks low nationally and regionally when compared to other states' support of the arts. In fiscal year 1999, the KAC

received state funding at the rate of \$0.57 per capita. For the same period, the national average was \$1.16 per capita. Per capita state funding for the arts in Kansas has not kept pace with inflation; in 1999 dollars, per capita state funding has declined nearly ten percent from its 1990 level of \$.63. Kansas ranked fifth among six surrounding states in per capita state funding for the arts, and 39th nationally. For Kansas to have achieved the national average in FY1999, the legislature would have needed to spend about an additional \$1.5 million. Kansas was second among the six surrounding states and 19th nationally in per capita NEA block grant funding.

Kansans overwhelmingly approve of state government support for the arts. More than 87 percent of surveyed Kansas households expressed approval for continued state government support for the arts in Kansas.

Kansans expressed an aggregate willingness to pay of \$19 million for a substantial increase in arts activities in their local areas. To determine the value of an increase of arts activities, survey respondents were explicitly asked if they would support a specified state tax increase to substantially enlarge the level of arts activities in their local areas. Their responses indicated that the total value of increased arts activities to all Kansas households is approximately \$19 million.

Given the broad support for the arts in Kansas, it makes sense for state support for the arts to be moved toward the national average. The household survey indicated that Kansans place a high dollar value on increased arts activities in their local areas. This result suggests that public officials should make an effort to move the level of state financial support for the arts to the national average. Alternative methods of funding should be investigated; the establishment of a cultural trust is one possibility, although the form of the trust and the mechanics of funding should be carefully considered.

Most Kansans either overestimate or don't know the level of state government support for the Arts. Only 27.2 percent of households surveyed correctly stated

that state government support for the arts was less than \$1 per capita. Those who correctly specified the current level of state government support for the arts were more likely to support increased state funding for the arts than respondents who overestimated the current level or did not know were. It seems likely that a more accurate knowledge of the current level of state support and a greater awareness of Kansas Arts Commission supported activities would increase the substantial reservoir of support that clearly already exists.

Participants in arts events or arts education activities were more likely to favor

increased state government support for the arts. Those who had participated in arts events or arts education activities were almost twice as likely to favor substantial increases in state funding for the arts as were non-participants.

More than half of the households surveyed had a member that attended an arts event

or arts education activity during the past year. Those who had attended such an event were likely to have attended such events multiple times during the year.

Kansans expressed support for additional local arts organizations in their area.

Nearly 41 percent of Kansans who were aware of a local arts organization expressed a preference for an additional local arts organization in their area, while nearly half of the Kansans who were not aware of a local arts organization in their area expressed a desire to have such a local arts organization.

I. Introduction

This report presents the results of a study done by the Institute for Public Policy and Business Research for the Kansas Arts Commission. The purposes of the study were fivefold. First, the project should delineate the scope of the Kansas Arts Commission activities within the state. In particular, it should depict the amount of economic activity that is directly affected by the Kansas Arts Commission, and it should outline the role of the arts commission in assisting local arts agencies. Second, it should measure the additional state product due to the existence of the Kansas Arts Commission. Third, it should provide a picture of the degree to which Kansans are involved in arts activities in general and the activities of local arts organizations in particular. Fourth, it should provide a measure of Kansans' willingness to pay for additional arts activities in their local areas. Finally, it should provide information that will be useful for the Kansas Arts Commission in marketing its programs.

The study employed four major research tools. First, it used historical budget data for Kansas, the surrounding states, and the nation to place the activities of the Kansas Arts Commission in perspective. Second, five case studies of local arts organizations were conducted to understand the range of types of assistance provided to local arts organizations as well as to uncover channels of economic influence of Kansas Arts Commission activities. Third, a traditional economic impact study was performed in order to measure the effect of the Arts Commission on current state output. Fourth, a survey of Kansas households was conducted to elicit Kansans' willingness to pay for additional arts activities in their local areas and to develop information that would be useful to the Kansas Arts Commission in marketing its activities.

This rest of this report contains five sections. Section II discusses the Kansas Arts Commission activities and the scope of the economy directly affected by those activities. Section III reports the results of the economic impact study. Section IV discusses the results of the five case studies of local arts organizations. Section V gives the results of the Survey of Kansas households. Section VI presents findings and conclusions.

II. THE KAC ECONOMY

Introduction

This section begins to draw a picture of the Kansas Arts Commission by looking at its budget. The budget is then put into perspective by comparing it to recent historical Kansas Arts Commission budgets and the budgets of arts commissions in surrounding states. Next a new approach for funding state arts agencies that has been tried in some states is discussed. Finally, the scope of economic influence of Kansas Arts Commission grants is analyzed.

Budget Data

The FY1999 budget for KAC totals \$1,972,670, of which nearly \$1.5 million is used to fund grants. Almost 75% of the budget, \$1,472,549 comes from state appropriations. Nearly all of the remaining part of the budget is funded from a NEA grant of \$499,621. Table 1 below gives a general breakdown of funding for the Kansas Arts Commission along with the funding for the state arts agencies in the states surrounding Kansas.

TABLE 1
Funding Sources for State Arts Agencies: FY1999

(All amounts are in thousands of dollars)

	Total Revenue	Legislative Funds	Other State Funds	NEA Grants	Other Non-State Funds
Colorado	4,294	1,841	1,933	482	38
Iowa	2,205	1,677		528	
Kansas	1,973	1,473		500	0
Missouri	10,773	10,260		513	
Nebraska	2,432	1,409	280	488	256
Oklahoma	4,930	4,070	377	483	
U.S. Average	7,797	6,976		532	

*Source: National Assembly of State Arts Agencies (NASAA)

Inspection of Table 1 suggests two conclusions: state legislative support for the arts agencies varies widely among the surrounding states, and NEA block grants to the states are all about the same size. Because the NEA grants are so close in size, the totals for out-of-state funding for the state arts agencies are also similar. The state with the greatest out-of-state funding is Nebraska with about \$744 thousand, while Oklahoma has the lowest at \$483 thousand.

Table 2 has per capita values for states in the region (Kansas and five surrounding states) and the nation for total funding, legislative appropriations, and NEA funding. Total per capita funding for the KAC for fiscal year 1999 was \$0.76. The per capita national average for state arts agency total funding was \$1.36. Kansas ranks 43rd nationally and is sixth in the region. Per capita legislative appropriations to the KAC were \$0.57 for the same period. On the basis of per capita legislative appropriations, Kansas ranked fifth among surrounding states and 39th nationally. Block grant funding from the NEA to the KAC in fiscal year 1999 was \$0.18 per capita. Kansas ranks second among surrounding states and 19th nationally in NEA block grant funding per capita.

TABLE 2
Per Capita Funding for State Arts Agencies: FY1999

	Total State Arts Agency Funding		Legislative Appropriations		NEA Block Grant Funding	
	Per Capita Funding	National Rank	Per Capita Funding	National Rank	Per Capita Funding	National Rank
Colorado	\$1.10	32	\$0.47	46	\$0.12	29
Iowa	\$0.77	42	\$0.59	38	\$0.18	19
Kansas	\$0.76	43	\$0.57	39	\$0.18	19
Missouri	\$1.99	12	\$1.90	8	\$0.09	35
Nebraska	\$1.47	20	\$0.85	25	\$0.29	13
Oklahoma	\$1.49	18	\$1.23	17	\$0.14	24
U.S. Average	\$1.36	-	\$1.16	-	\$0.10	-

*Source: National Assembly of State Arts Agencies (NASAA)

To put these comparisons into a policy context, for the per capita state legislative appropriation in Kansas to match the national average in FY1999, the Kansas Legislature would have needed to increase funding by about \$1.5 million. Such an increased appropriation would also have moved total KAC per capita funding to the national average.

Historical Budget Data

To get an historical perspective on the KAC budget, consider Figure 1. In real terms, the KAC budget is slightly smaller than it was at the beginning of this decade, and the budget has remained nearly stationary, in real terms, over the past three years. However, if only state funding for the KAC is considered, it is about the same as it was at the beginning of this decade. In addition, after dipping in FY1992 and FY1993, it has recovered to about the \$1.5 million dollar level. Figure 2 has the same measures, except in per capita terms. Because the Kansas population has slowly increased throughout the nineties, Figure 2 looks very similar to Figure 1. The only difference is that the overall trends are slightly more negative. In particular, per capita state funding for the arts has not kept pace with inflation during the decade of the 1990s.

Table 3 broadens the historical perspective by comparing per capita legislative appropriations in Kansas with per capita legislative appropriations in the surrounding states over the past decade. Notice that most of the states have an appropriations pattern similar to the pattern in Kansas: a steady level of financing with either a slight upward trend, as in Nebraska, or a slight downward trend, as in Kansas, Colorado, and Iowa. However, Missouri and Oklahoma have different patterns. In particular, note how legislative appropriations jumped in FY 1996 for the arts agency in Missouri.

Table 3
Inflation Adjusted State Arts Agency Per Capita Legislative Appropriations Funding
(1999 Dollars)

Year	Kansas	Colorado	Iowa	Missouri	Nebraska	Oklahoma
1990	\$0.63	\$0.50	\$0.66	\$1.24	\$0.82	\$1.28
1991	\$0.52	\$0.55	\$0.54	\$1.05	\$0.80	\$1.23
1992	\$0.49	\$0.55	\$0.60	\$0.91	\$0.87	\$1.27
1993	\$0.56	\$0.52	\$0.59	\$1.00	\$0.77	\$1.22
1994	\$0.54	\$0.48	\$0.56	\$0.91	\$0.79	\$1.07
1995	\$0.57	\$0.47	\$0.54	\$0.92	\$0.81	\$1.03
1996	\$0.55	\$0.47	\$0.52	\$1.67	\$0.81	\$0.97
1997	\$0.53	\$0.47	\$0.52	\$1.91	\$0.80	\$0.94
1998	\$0.52	\$0.46	\$0.55	\$1.89	\$0.85	\$1.06
1999	\$0.57	\$0.47	\$0.59	\$1.90	\$0.85	\$1.23

*Source: National Assembly of State Arts Agencies (NASAA)

A New Approach for Funding State Arts Agencies

Because most of the state arts agencies in the surrounding states are facing either slightly increasing or slightly decreasing growth in legislative appropriations, these agencies are looking for new strategies to increase their budgets. For example, the Iowa Legislature has legislation pending that would place a check-off box on state income tax forms to allow taxpayers to donate a portion of their income tax refunds to the Iowa Arts Council.

A more common approach has been the establishment of cultural trusts. In 1993, Missouri passed legislation establishing a \$100 million cultural trust. This past January, the Nebraska legislature created a \$5 million endowment to support the Nebraska Arts Council. Legislation is pending in Colorado that would establish a \$136 million cultural trust.

It is important to keep in mind that these programs are either at the legislative stage of development or have only just been established. None of these programs is close to generating funds for a state arts agency. This makes it difficult to evaluate the effectiveness of these programs. Appendix B has a more detailed description of some of these programs.

Given the relatively low level of per capita state funding for the arts in Kansas reported above, and the strong support for state government financing for the arts among the Kansas population, as reported in Section V, below, it makes sense for the state to move its level of financing for the arts toward the national average. The state should investigate various possible sources of funding such a spending increase. The consideration of the establishment of a cultural trust should be one alternative. Since the formation of such trusts is in the early stages in other states, the experience with them is quite limited. Therefore, the form of the trust and the mechanics of funding should be examined carefully.

Grant Activity and the Size of the KAC Economy

Simply looking at budget figures is not enough to understand the influence of the Kansas Arts Commission. In this part we investigate how most of their budget is spent, and explore the range of the KAC influenced economy.

The KAC funded 265 grants in fiscal year 1998 for a total value of \$1,497,310. In order to understand the magnitude of the level of arts activity, one must examine the

structure of a typical KAC grant. On average, about two-thirds of the grant money was supplied by state funds (\$1,052,309) and the rest came from the Federal Government, (\$445,001). Thus, there is some leveraging of state tax dollars in the sense that every dollar of state money generates nearly a dollar and a half of grant money.

The leveraging of state funding is not limited to the federal money that the Kansas Arts Commission brings in, however. KAC grants require the recipient organizations to raise matching funds for the activities supported by the KAC grant. On average, this match is much greater than one for one. In about two thirds of the KAC grants for 1998, the KAC grant funded less than 30 percent of the total cost of the project, with the rest being made up of local matching funds. Such projects directed more than \$2 in local money to arts activity for every \$1 of KAC grant. In well over a third of the projects the KAC grant was less than 20 percent of the total cost of the activity, generating more than \$4 of local money into arts activities for every \$1 of grant money.

The kind of leveraging described above means that the total amount of arts activity that is generated by KAC grants is far larger than the \$1,052,309 in state funds that go to KAC grants. The total amount of matching funds that are generated by KAC grants is \$18,142,601.¹ Adding together the state dollars, the federal dollars, and the matching funds shows that the value of arts activities in projects supported by KAC grants is nearly \$20 million. In terms of employment, these projects employ about 120 full-time persons and 945 part-time persons. In addition, voluntary work contributions on these projects are estimated to be worth more than \$1.2 million. The projects supported by KAC grants are estimated to generate \$1,350,000 in state taxes and \$750,000 in local taxes. When interpreting these figures, it must be kept in mind that they describe only arts activities supported directly by KAC grants. Thus they do not measure the size of all activities of local arts agencies, and, a fortiori, do not measure the size of all arts activities in the state. Measures of similar categories for all the activities of local arts agencies or all arts activities in the state would of course be much higher.

The regional distribution of KAC grants is another dimension to the economic influence of the KAC. Of the 105 counties in Kansas, 67 received at least one grant from

¹ Appendix A has a list of all the grant recipients, the amount of the grant they received, and their matching funds.

the KAC during FY1998. On the following page is a map showing the locations of these grants.

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Below, in Table 4, is a list of the different types of grants and the number of counties that received at least one such grant.

Table 4

Number of Counties with at least One Grant	
Type of Grant	Number of Counties receiving at least one Grant
Arts in Education	15
Operational Support	30
Kansas Touring Program	46
Grassroots Program	39
Arts Fellowship/Mini-Fellowship	6
Rural Cultural Opportunity	8
Arts Project Support	9
Technical Assistance	12

Summary

The Kansas Arts Commission serves a wide variety of local arts agencies through its grants programs. In per capita terms, state funding of the Kansas Arts Commission has not kept pace with inflation, declining nearly 10 percent in real terms during the 1990s. In addition, per capita state funding of the Kansas Arts Commission is below that of most other states in the region, in some cases by a significant amount. In spite of the limited state funding received by the Kansas Arts Commission, leveraging through bringing in federal grants and generating local matching funds enables the Kansas Arts Commission to generate a level of arts activities far in excess of its state funding. Some states are examining a new approach to funding state arts agencies, the establishment of an endowment to support the state arts agency. Kansas should at least investigate such an approach, although care must be exercised to ensure that such an approach does not divert private funding for the arts.

III. Economic Impact of the KAC

Introduction

This section examines the economic impact of the Kansas Arts Commission. The notion of the economic impact of a policy is closely related to the concept of benefit-cost analysis. Once the types of economic effects that one cares about are specified, the analyst must measure all of the benefits and, just as importantly, all of the costs in terms of these economic effects. The economic impact of the policy is then the net of benefits less costs. The most common type of economic impact study measures the net effect on short-run aggregate output of a policy or institution, but other types of economic effects can be considered as well.

In order to interpret properly economic impact results, there are certain features and limitations of an economic impact study that one should keep in mind. First, it is not necessarily the case that a particular policy or institution will have a positive net effect on aggregate short-run output, let alone a large positive net effect. Any policy involves a redistribution of resources, and therefore takes resources away from some productive activity and applies them to some different productive activity. It is quite possible that the lost output associated with the discontinued activity is greater than the additional output associated with the new activity.

Second, there may be types of impacts that are not captured by the traditional economic impact study, some of which may properly be called economic impacts. This is not because economists are not aware of the additional channels of impact, but because in many cases the impacts that occur through these channels are difficult to measure. For example, a policy might significantly improve the "quality of life" in an area. Although this improvement might not be captured in terms of conventional measures of short-run aggregate output, such a quality of life improvement could contribute significantly to long-run growth prospects of the economy.

The third feature follows from the first two. The fact that a policy has a "small"

positive, or even a negative, economic impact does not necessarily make it a bad policy. The economic impact of a policy is only one aspect of a policy's effects, and it is quite proper for decision-makers to weigh a policy's economic impacts against other effects in deciding the prudence of enacting or continuing it. Furthermore, the decision-maker should also consider possible economic impacts, such as the effect on future growth prospects, which may not be measured in the economic impact study.

The above points should be kept in mind when interpreting the economic impact results presented below. In particular, it should be noted that the net economic impact of the Kansas Arts Commission is significantly positive, even when measured narrowly in terms of its effect on current aggregate output. It may be helpful to point out ahead of time why that positive economic impact occurs. The allocation of state tax dollars to the Kansas Arts Commission diverts some Kansas resources away from some productive activities and toward the economically productive activities associated with the Kansas Arts Commission programs. However, the existence of the KAC also adds to the sum total of Kansas resources, because it brings in additional resources from outside the state in the form of federal grants. These additional productive resources produce an additional positive effect on output.

One should also keep in mind that our impact study does not capture the longer-run economic effects of the Kansas Arts Commission that act through "quality of life" gains. Such effects on long-run economic growth are not included in the economic impact analysis because it was not possible for us to quantify them. Rather, we have tried to give a qualitative indication of their importance in our case studies of Kansas Arts Commission grants.

Description of Economic Impact Analysis

Economic impact analysis is a specific type of economic evaluation of an event, situation, or institution that is causing a change in the economy. It is designed to measure the effect of that change on the economic activity within the economy. For example, consider the entrance of a new business to an economy. An economic impact analysis of this new entrance into the economy would compare the economic activity in the economy before the entrance of the business to the economic activity in the economy after the entrance. The estimated change in economic activity in the economy would then be the economic impact of the new business. For most people, the intuition of economic impact analysis is not obvious, especially when the analysis is directed at an already existing institution. The obvious question for this study is how can you measure a change in the Kansas economy due to the already existing Kansas Arts Commission? Such an analysis requires the establishment of a counter-factual in order for the analysis to go forward. In this case the obvious counter-factual is to suppose that the institution did not exist, then compare the economy with and without the institution.

The Kansas Economy with and without the KAC

In fiscal year 1999, the KAC received \$1,972,670 in total funding, of which \$1,472,549 came from state legislative appropriations and \$499,621 came from National Endowment for the Arts (NEA) block grants. The hypothetical question becomes what would happen to the Kansas economy if the KAC did not exist? Without the KAC, we can assume that Kansas would not get the block grant from the NEA.

The more difficult question is how would the absence of the KAC affect legislative appropriations. The two best scenarios are that either the state legislature would send the appropriations that now go to the KAC to some other agency, or that the legislature would return the KAC appropriations to the residents of Kansas in the form of a small tax cut. In either case, the change in legislative spending would probably have little effect on the total

level of economic activity in the state. The legislative decision to fund the KAC does not significantly affect the total level of economic activity in the state; it only affects the distribution of state economic activity. If the legislature decided to spend the money on highways instead of the KAC, the total level of economic activity in the state would be about the same, but more money would be spent on highways and less on the arts. If the legislature returned the money to taxpayers, the redistribution of economic activity would be away from arts spending and toward whatever Kansas taxpayers spent the extra money on. Thus, the net economic impact of the Kansas Arts Commission arises from the NEA block grant funding that comes into Kansas because of the existence of the KAC.

Direct and Indirect Effects

Beginning with the fact that the NEA grant money that goes to the KAC is the source of the impact of the KAC on the Kansas economy, the next step is to estimate the full impact of that federal funding. The NEA grant initially increased economic activity in the state by the amount of the grant (the primary effect). However, the spending of the NEA money in Kansas creates a secondary impact in the state economy as it works its way through the economy.

The primary effect is known from the KAC budget. The secondary effect cannot be isolated and observed, and thus, by its nature, must be indirectly measured. The standard method of estimating secondary impacts is through the use of multipliers. Several methods exist for generating multipliers, but the preferred method for generating multipliers is with an input-output model. This method does not generate a single multiplier, but a matrix of multipliers. The total effect, the primary effect plus the secondary effect, of a change in the economy is calculated by multiplying the value of the primary effect by the matrix of multipliers. This is the method we have used.

The Economic Impact of the KAC

The 1998 fiscal year funding for the KAC from the NEA, the primary impact, was \$499,621. Applying our multipliers, the secondary impact is \$500,559. Combining the primary and secondary effects gives the total effect, \$1,000,180. The economic impact of the KAC on the Kansas economy is this total effect. This impact means 18 additional jobs in the state, and increase in state and local tax revenue of nearly \$100,000.

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Again, it must be emphasized that these are net economic impacts. The activities of the Kansas Arts Commission and their indirect effects may, for example, create many more than 18 new jobs. The figure of 18 jobs reflects the number of additional jobs that are created after accounting for the fact that the state tax dollars that support the Kansas Arts Commission divert resources from other productive economic activities. A similar statement can be made for every other category in the above table. In addition, these economic impacts do not take into account longer-run impacts on economic growth that may arise through improvements in the quality of life in the state, affecting such things as the location decisions of firms. These latter effects are analyzed qualitatively in our case studies.

Summary

The Kansas Arts Commission has a positive economic impact on current output of about \$1 million. This means that the current Kansas Gross State Product is larger by \$1 million than it would have been without the Kansas Arts Commission. This positive impact occurs because the Kansas Arts Commission brings in nearly a half million dollars of federal funding that would not otherwise enter the state. The fact that the existence of the Kansas Arts Commission causes the state's current output to be larger than it would be without the Commission means that, even from a narrowly economic point of view, state support for the Kansas Arts Commission has strong justification. An even stronger economic justification could be made if longer-run considerations such as positive effects on the rate of economic growth could be measured.

IV. Case Studies of Local Arts Organizations

Introduction

As part of our study of the Kansas Arts Commission, we conducted case studies of KAC grants and recipient organizations. The case studies were designed to provide a more complete picture of the avenues through which the Commission assists local arts agencies, and to gather evidence on a type of impact that is not measured by a conventional economic impact study – the channels through which arts activities in an area can help to stimulate economic growth and development in the area.

It was not feasible to investigate all of the 265 grants given in FY1998 by the KAC. We decided that the most important grant recipients were local arts organizations. In particular, we wanted to study local arts organizations that interacted with the KAC in a variety of ways. This criterion for choosing organizations to study eliminated many of the larger arts organizations in the state, such as the Wichita Symphony Society and the Topeka Performing Arts Center. These organizations receive grant money from the KAC, but their budgets are almost as large or are larger than the KAC budget. The grants these types of organizations receive from the KAC are sources of income, but the KAC has limited interaction with these organizations beyond providing the grant money.

The five local arts organizations that we chose to investigate are cases in which the people at the KAC have interacted with the organizations over several years, and, in addition, this interaction has been more than a simple handing over of grant money. The five organizations that were studied are:

Coleman Hawkins Neighborhood Festival (Hawkfest), Topeka, Kansas

The Columbia Theater Foundation, Wamego, Kansas

Lucas Arts and Humanities Council, Lucas, Kansas

Pelathe Center (Formerly the Indian Center of Lawrence), Lawrence, Kansas

Scott County Arts Council, Scott City, Kansas

The Coleman Hawkins Neighborhood Festival (Hawkfest) is an annual jazz concert held in Topeka Kansas. It was started in 1996 by the Topeka Friends Meeting and a group of local jazz musicians. Hawkfest has three purposes: to honor the memory of Topeka-born jazz artist Coleman Hawkins, to contribute to community pride in an economically disadvantaged neighborhood, and to assist potential musical artists in need of support. The Kansas Arts Commission has provided the festival with grant support for three years. In addition, the Commission has provided organizational support, helping with board composition, reviewing mission statements, and matching the organization with funding sources.

The Lucas Arts and Humanities Council was formed in 1991 to respond to an opportunity to purchase a collection of limestone sculptures by a prominent regional artist, Inez Marshall. The purchase was the initial step in the Council's work to develop Lucas as a center for grassroots art. The organization has renovated two buildings in downtown Lucas, and is in the process of renovating a third, to be used in displaying the works of Kansas's grassroots artists. The Council also sponsors fieldtrips to artistic and historical sites in the area, trips to exhibits and performances in larger Kansas's cities, and workshops and lectures. Forty percent matching grants by the Kansas Arts Commission have made building renovation possible. The Commission has also provided major operational support, helping with outside grant applications and the acquisition of non-profit status.

The Pelathe Community Resource Center, in Lawrence, was established in 1972 under the name Lawrence Indian Center. The Center has identified two core competencies, providing food as a social service, and serving the cultural need of its community. The latter specifically involves furthering an understanding of Indian culture and sharing knowledge and appreciation of indigenous arts and culture. The Center has had a close relationship with the Kansas Arts Commission over the past five years. In 1997, when the Center faced

insolvency, programs funded by the Commission restored the Center's financial health. The KAC's vote of confidence was vital in the Center's obtaining other grants and funds. The Kansas Arts Commission has also provided knowledge of funding sources to the Center, as well as support in grant writing and budgeting.

The Scott County Arts Council was organized in 1997 by a chapter of the American Association of University Women to increase cultural opportunities for the citizens of Scott City and surrounding regions. Its activities include performances by touring artists provided by the Kansas Arts Commission, as well as locally produced performances. Other programs include arts education workshops, drama camps for children, visual arts exhibits, and concerts by local musicians. The Council also works with schools to provide free children's theater performances and arts assemblies. The Kansas Arts Commission is the Council's biggest single source of funding. In addition, it has provided important administrative and organizational support to the Council, working with it to identify and apply for additional funding and providing technical assistance.

The Columbian Theater Museum and Art Center oversees an eclectic program in the arts, serving Wamego and the surrounding area. The Center's initial activity was to renovate the Columbian Theater building and restore and present the murals from the worlds fair, which now form an integral part of the interior of the theater. In addition to maintaining this architectural attraction, the center provides a performing arts program, including the presentation of touring shows, a producing theater, and performing arts education programs. Its visual arts programs include six to eight art exhibitions each year as well as an arts education center. The initial relationship between the Center and the Kansas Arts Commission was a planning grant that enabled the Center to conduct an eight-month feasibility study. The KAC has subsequently provided an annual grant, and has in addition provided on-going assistance on a whole variety of organizational and operational issues.

For each case study we focused on three themes: the activities of the arts organization, the interaction between the organization and the KAC, and the effect of the

organization on the local community. The full report of each case study is presented in Appendix C. Below we provide a brief summary of the findings of these case studies.

Activities of the Organization

Four of the five arts organizations that we investigated provide a variety of services. Only the Coleman Hawkins Neighborhood Festival, because of its very nature, has only one basic function. The variety of services extends in two dimensions: content and audience. These arts organizations provide activities with the visual arts and performing arts. The activities extend from performances for audiences to workshops for adults. In addition, each of these four organizations has special educational programs for children and works with the local school system.

In several cases, these arts activities are only part of the contribution of these organizations. The Lucas Arts and Humanities Council has renovated three turn-of-the-century downtown buildings, saving them from destruction. The Columbian Theater Museum and Art Center in Wamego has restored a local theater. These types of restoration projects add to the sense of community pride that the arts activities create.

Interaction with the KAC

From the inception of each of the local arts organizations that we studied, the KAC has played an important role in helping these organizations develop and grow. As Lori Keegan from Hawkfest stated, "Our relationship with the KAC has been the single most important organizing force we had in moving ahead." The help provided by the KAC to these organizations falls into four categories.

1. *Financial Support:* Initially the KAC was a major provider of funding to help these organizations get off the ground. The Columbian Theater Museum and Art Center thinks that the initial \$5,000 planning grant from the KAC was the "most important single grant." Each of the other organizations had a similar experience with funding from the KAC. After

each of these organizations grew beyond the initial "fight for survival" stage of development, the KAC funding took on a different role. The grant money from the KAC became a smaller portion of the total budget, and its importance changed from the role of dominant source of income to the role of stable source of income. The annual funding that each of these organizations gets from the KAC today, even though it does not provide the majority of income, does provide a basis for administrative and budgeting stability.

2. *Organizational and Administrative Guidance:* Along with the initial money the KAC provides, they also make available their experience and expertise. In all case studies, the KAC helped with the initial organizing of the group, and provided guidance in the development of permanent administrative machinery. This type of institutional development is necessary to establish a durable organization.

3. *Helping to Find Other Funding Sources and Grant Writing Assistance:* The KAC does not have the funds available to be the major financial source for these organizations after they have begun to establish themselves. "The Kansas Arts Commission has provided major operational support. They have supported us from day one. They helped us with everything from writing letters of support when we have applied for outside funding to providing major operational grants to help us navigate the paperwork needed to establish ourselves as a non-profit organization" says Rosslyn Schultz, Director of the Lucas Arts and Humanities Council.

4. *Providing Legitimacy:* One final role that the KAC has played with each of these organizations has been the stamp of credibility that the KAC has conferred on each of these organizations. The importance of the credibility the KAC has conferred on these organizations extends in two directions: the organizations are taken much more seriously on the local level, and the organization's chances of getting funding from sources outside the

local area are improved. Getting the support of the KAC acts as a signal to other sources of funding, both locally and nationally, that the new organization is a "player" in the funding game. KAC approval is not a guarantee of success, but it provides access into the game.

Effects on the Local Economic Climate

One of the important goals of the case studies was to gain a qualitative understanding of the economic impact of local arts activities. In another section of this report, we provide a measure of the economic impacts of the Kansas Arts Commission on the state economy. There are at least two ways in which that measure fails to capture important economic impacts, however. One is that it does not measure long-run impacts in the sense that it does not capture the effects that occur through changes in the state economy's rate of growth. And second, it does not capture the economic impact of such activities on local communities, as opposed to the state as a whole.

Our case studies make it clear that an important channel of economic impact of KAC grants is the effect that such grants have on the attractiveness of the community as a place for business to locate. The KAC's provision of grants and expertise that make the existence and proficiency of a local arts organization possible can lead to a community that is more attractive to business for at least four reasons:

- The availability of the organization's activities to management, workers, and their families;
- The effects of the organization's activities on the quality of education in the schools;
- The increased vitality of the community that comes about as a result of the community's pride in having this unique institution;
- As a symbol and evidence of the energy in the community.

Thus, the broad existence of local arts organizations across the state can make the state as

a whole a more attractive place for business to locate. Over the long run, the existence of a more attractive state for business location could contribute positively to the state's economic growth.

We must also keep in mind that the economic effects of a program or policy on a local community may be quite different from the economic effects on the state as a whole. Our case studies show that the economic impacts of KAC activities are particularly evident in the state's smaller communities. Economic development professionals in those communities were universally positive about the importance of the activities of their local arts organizations as a part of their business recruitment package. Thus, the economic impact of KAC activities may be most strongly felt in the areas of the state, such as smaller communities, that on average experience the lowest rates of economic growth. If the state places a high value on maintaining and increasing the economic vitality of these areas, then the arts impacts of the KAC activities will carry a particularly heavy weight with policy makers.

Summary

The Kansas Arts Commission's assistance to local arts agencies extends far beyond the simple provision of grant money. The commission provides extensive organizational and administrative help to these agencies, particularly at the early stages of their development. They provide expertise related to grant funding, including potential sources of grant, whom to contact, and how to write grants. The KAC funding not only helps agencies financially, but also gives the local arts group a stamp of legitimacy, which can be very valuable, especially during the early stages of development.

The existence of the activities stimulated by local arts agencies has a positive effect on local economic development. Economic development professionals in the areas in which the case studies were conducted were unanimous in their belief that the cultural climate provided by the local arts agencies was a crucial factor in the location of many firms in the area. Thus, the Kansas Arts Commissions activities may have an economic impact through

their effect on economic growth that is not captured in a traditional economic impact study.

V. THE HOUSEHOLD SURVEY

Introduction

In the second section of this report we quantified the size of the KAC economy. In the third section we reported on the results of a traditional economic impact study of the Kansas Arts Commission. In the fourth section we used case studies to describe the major interactions that take place within the KAC economy. In this section, we report on what Kansans think of state supported arts in Kansas. The tool used to evaluate what Kansans think is a random household survey of 515 households in Kansas.

The survey was designed to ask about two types of opinions. The respondents were asked whether they were willing to forgo money, in the form of a tax increase, to substantially increase the arts activities in their area. In addition, the respondents were asked about their participation in arts activities and what type of arts activities they would like to see available in their area. The survey also asked for a small amount of demographic information from the respondents. The demographic information has several uses, two of which are to examine how representative the survey sample is and to uncover potential sources of bias in the survey results.

First, we analyze the responses to the valuation questions. Next we discuss the responses to the marketing questions. Finally, we examine the demographic data. A copy of the survey instrument is provided in Appendix D

The Value of the Arts to Kansans

One of the major goals of the survey was to determine the level of support for state assistance for the arts among Kansans. We begin by analyzing the awareness of Kansans of the current situation regarding state support for the arts, and then examine public support for two fundamental aspects of the Kansas Arts Commission's purpose for existence:

(1) *How many Kansans want government to financially support the arts?*

(2) How much are Kansans willing to pay for a substantial increase in arts activities in their local area?

Kansans' Awareness of Current State Support for the Arts

Before analyzing the two basic questions, we present a picture of the knowledge and preconceptions of the survey respondents regarding the Kansas Arts Commission, local arts organizations, and the current amount of the state financial support for the arts.

In order to get some insight into the awareness of the presence of the Kansas Arts Commission and local arts organizations, we asked respondents whether they had heard of the Kansas Arts Commission and whether they were aware of a local arts organization active in their area. More than a third (36.4 percent) of the respondents said that they had heard of the Kansas Arts Commission, while almost two-thirds (63.4 percent) said that they had not heard of the Kansas Arts Commission. Respondents were more likely to have been aware of a local arts organization in their area than aware of the Kansas Arts Commission. Well over half (54.9 percent) of the respondents said that they were aware of a local arts organization in their area, about two-fifths (41.7 percent) said they were not aware of such an organization, and a small number (3.4 percent) said that they didn't know.

In order to gauge the degree of knowledge that Kansans have about the current level of state support for the arts, we asked the respondents how much money they thought the Kansas government provided to local arts organizations. The responses are summarized in Table 5 below.

Table 5
Perceptions of the Amount of Current State Financial Support for the Arts

	Number	Percent
Less than a dollar per Kansas	140	27.2
Between one dollar and five dollars	135	26.2
per Kansas resident		
More than 5 dollars per Kansas	45	8.8
Don't know / no answer	195	37.9
Total	515	100.0

Slightly more than one-fourth (27 percent) of the respondents correctly answered

that the current level of state support for the arts is less than one dollar per Kansas resident. More than a third of the respondents (35 percent) overestimated the current level of state support for the arts, while nearly 38 percent of the respondents did not know the level or did not answer the question. It is common for citizens who are asked about the cost of particular governmental programs to grossly overestimate. In this case, a significant number of persons overestimated the level of state support; however, 27.2 percent did select the correct range. Interestingly enough, there was no correlation between having heard of the KAC and estimating the correct amount of state funds provided to the arts. However, respondents who were aware of a local arts organization were better at estimating the correct amount of state funds provided to the arts than those who were not aware of a local arts organization.

How many Kansans Want State Financial Support for the Arts?

In order to assess the level of support for government financing of the arts we asked three questions. The first question asked whether the federal government should provide financial support for the arts. The second question asked whether state government should provide financial support for the arts. Respondents who answered "no" or "don't know" to the second question were asked: "given that the state government already financially supports the arts, should it continue?" The exact wording of the questions and the frequency of responses are presented in Table 6.

First note that while more than half of the respondents (58.2 percent) voiced approval of federal financial support for the arts, a much larger fraction of respondents (76.6 percent) approved of state financial support for the arts. This suggests that Kansans generally support some level of government support for the arts, and that they prefer that support to come from the state level rather than the federal level. The level of support for state financial assistance for the arts appears even stronger when the answers to the follow-up question are analyzed. When those who answered "no" or "don't know" to the

question of state support for the arts were asked if the current level of state support for the arts should continue, nearly half of them said "yes". When the positive responses to the follow-up question are added to those who said "yes" to state financial support, the percentage of approval of state financial support for the arts rises to 87.2 percent.

In order to provide an internal check on the degree of approval of state financial support for the arts, we included a similar question in another section of the survey. This question read, "Should Kansas have a state arts organization that provides money to promote the arts in Kansas?" Again, the approval rate was overwhelming: 71.3 percent answered yes and only 16.0 percent answered no.

Table 6
Approval of Governmental Financial Support for the Arts

Do you think the federal government should provide financial support for the arts?

Responses	Number	Percent
No	164	31.8
Yes	300	58.2
Don't know /No answer	52	10
Total	515	100

Do you think that the state government should provide financial support for the arts?

Responses	Number	Percent
No	92	18.0
Yes	394	76.6
Don't Know	28	5.5
Total	515	100.0

The state government currently provides some financial support for the arts. Do you think it should continue this financial support?

Responses	Number	Percent
No	50	41.6
Yes	55	45.2
Don't Know	16	13.2
Total	120	100.0

Note: Components may not add to totals due to rounding.
There are 120 responses because this question was only asked to those who did not think that state government should provide financial support for the arts

How much are Kansans willing to pay for a substantial increase in arts activities?

In addition to revealing the level of public support for state government assistance to the arts, we wanted to quantify that support. In particular, our goal was to estimate the aggregate willingness of Kansans to pay for a substantial increase in the level of arts activity in their local area. In order to collect the information required to achieve this objective, we began with a statement that was designed both to prepare the survey respondent for the valuation question, and to reinforce the idea that an increase in arts activity will take money from the respondent's budget. The introductory statement is:

Now I am going to ask you to hypothetically consider the value to you of an increase in the amount of arts activity in your local area. The increase in the arts activity will cost money and will be paid by an increase in state taxes. This means you will have less money to spend on other goods and services.

After reading this statement, the survey respondent was then asked:

Would you be willing to pay an additional (\$2, \$5, \$10, \$20) per year in state taxes to substantially increase the amount of arts activity in your area?

Each respondent was asked one of the four amounts at random. Two aspects of this question should be emphasized. First, the respondents were given a specific choice. We wanted the respondents to be aware that substantially increasing arts activities in their local area was going to raise their taxes, giving them less money to spend. Second, we did not give people a choice on the size of the tax increase. Giving people a menu of payment choices tends to bias the results. Instead, prior to the beginning of the survey, we randomly separated the randomly chosen phone numbers into four groups. For this question, one group of respondents was given the choice of a \$2 tax increase, one group the choice of a \$5 tax increase, one group a choice of a \$10 tax increase, and one group a choice of a \$20 tax increase. Respondents who did not support state government assistance to the arts were not asked the tax-increase question; we assumed that such people would not be willing to pay any additional amount in taxes for additional arts activity in their local area. Because the random assignment of the size of the tax increase was made before the respondents answered questions about state support for the arts, the four subsamples created by this random assignment have different numbers of respondents.

Responses to the Valuation Question

The responses to the valuation question are presented in Table 7. Several interesting results are illustrated in the table. First, as one would expect, the percentage of households indicating a willingness to pay an additional amount for a substantial increase in

the arts in their local area declines as the amount off the tax increment increases. Second, more than two-thirds (67.5 percent) of households would be willing to pay the smallest tax increase (\$2) that was asked. Although this amount seems small, an increase of even \$2 per household would substantially increase the state’s support for the arts. Third, the percentage of households willing to pay an additional \$10 in taxes (55.1 percent) is essentially the same as the percentage of households willing to pay an additional \$5 in taxes (55.7 percent). Finally, even at \$20, the greatest tax increase that was asked about, nearly half (47.3 percent) of the households would be willing to pay the increase to get a substantial increase in the level of arts activity in their local area.

Table 7
Responses to the Valuation Question

	Amount of Tax Increase				Total
	\$2	\$5	\$10	\$20	
Yes	100	82	68	45	295
Percentage	67.5%	55.7%	55.1%	47.3%	
No	48	65	55	50	218
Percentage	32.5%	44.3%	44.9%	52.6%	
Against Gov. Support of the Arts	18	24	14	11	67
Percentage	12.1%	16.2%	11.2%	11.0%	
Will not Pay	23	30	35	26	114
Percentage	15.4%	20.3%	28.5%	27.6%	
Don't Know	7	11	6	13	37
Percentage	5.0%	7.8%	5.2%	14.0%	

Willingness to Pay Curve for an Increase in Arts Activity

The information summarized in Table 7 makes it possible to construct a willingness to pay, or demand, curve and to calculate an aggregate willingness to pay by Kansans for a substantial increase in the arts in their local area. Figure 3 is an illustration of the estimated

willingness to pay curve.² The area under this curve represents the aggregate value to survey respondents of a substantial increase in arts activity in their local area.

The actual calculation of the net benefit of a substantial increase in arts activity simply requires calculating the area of triangle under the willingness to pay curve. For that net benefit to reflect all Kansas households, not just the households represented in the survey, the percentages must be multiplied by the total number of Kansas households. The Bureau of the Census has estimated the number of Kansas households through 1997. We estimated the trend in household growth and then used this estimate to estimate the number of Kansas households in 1999. Our estimate of Kansas households is 994,897 households. Using this estimate for the number of Kansas households, we estimate that the willingness to pay for a substantial increase in arts activities on the part of Kansans is about \$19 million. That is to say, our survey results indicate that in aggregate, Kansans would be willing to pay about \$19 million dollars in increased state taxes in order to get a significant increase in arts activity in their local area.

Willingness to Pay among Subgroups of Respondents

In order to provide a deeper understanding of Kansans' willingness to pay for additional arts activities, we break down the willingness to pay responses by subgroups of respondents. Specifically, we examine willingness to pay by participation in arts events (Table 8), education level (Table 9), age group (Table 10), and perceptions about the current level of state support for the arts (Table 11).

The first breakdown (Table 8) distinguishes those who participated in the arts in the past year from those who did not. Participants are defined as those who attended arts performances or exhibitions or who participated in arts education programs. According to

²Ordinary least squares is used to estimate the willingness to pay curve. The constant is 57.0 and the slope is -0.85.

this definition, 55.5 percent had participated in the arts during the past year, 43.8 percent had not participated, and 0.7 percent did not know or did not answer the questions. We wish to know whether those who attended or participated in arts activities are more likely to support a tax increase to substantially increase the amount of arts activity in their local area.

Table 8
Arts Participants and Non-Participants
And the Valuation Question

(All 515 Responses, Percentages may not add to 100% due to rounding)

Participation in or Attendance at Arts	Response to Valuation Question			Not Asked Valuation
	Yes	No	Don't Know	
<i>\$2 Tax Increase</i>				
Yes	71.1%	10.8%	6.0%	12.0%
No	63.1%	21.5%	3.1%	12.3%
<i>\$5 Tax Increase</i>				
Yes	70.0%	13.8%	6.3%	10.0%
No	37.9%	28.8%	9.1%	24.2%
<i>\$10 Tax Increase</i>				
Yes	65.2%	20.3%	5.8%	8.7%
No	43.4%	37.7%	5.7%	13.2%
<i>\$20 Tax Increase</i>				
Yes	57.4%	22.2%	9.3%	11.1%
No	31.0%	35.7%	21.4%	11.9%

*NOTE: Before the survey was begun, the survey sample was split into four subsamples. The division into subsamples was based on the amount of tax increase the respondent would be asked to support for increased spending on the arts. One subsample was asked if they would support a \$2 tax increase to increase arts activities. The other subsamples were asked \$5, \$10, and \$20. Since the separation into subsamples was done before the survey was begun, and since those who opposed government support for the arts were not asked the valuation question, some people in each of the subgroups were not asked the valuation question.

Table 8 has a three-way breakdown of this question: participation/non-participation by response to the valuation question further separated by the amount of the tax increase

the respondent was asked. Except for the smallest tax increase, the participants in arts activities are more likely to support the tax increase than the non-participants. Some non-participants favor an increase in the financial support for the arts, but they are a minority except in the case of the \$2 tax increase, where 63.1 percent of those who had not participated favored the increase. Nevertheless, a significant fraction of non-participants were willing to pay for a substantial increase in arts activities in their local area. Also of interest is the fact that about 10 percent of the participants in the arts activities of local arts organizations do not believe that the government — federal or state — should financially support the arts.

Table 9 has the percentage of responses to the valuation question by the different education categories used in the survey. In general, those with a higher level of formal education are more supportive of a tax increase to substantially increase the amount of arts activity. A \$2 tax increase meets with about 60 percent approval for those with less than an undergraduate degree, and has more than an 80 percent approval rating for those with at least an undergraduate degree. For both the \$5 and \$10 tax increases, the approval levels are slightly greater than 50% except for two cases where support is lower: at the \$5 level, those without a high school degree; and at the \$10 level, those with only a high school degree. For the \$20 tax increase, the split is between those with a high school degree or less (less than 40% approval rate), those with some college, vocational training or a college degree (between 55 percent and 60 percent approval rating), and those with an advanced degrees (a 22.8 percent approval rating).

Table 10 has the breakdown between response to the valuation question and the age categories used in the survey. In general, those in the age 31 to 45 age group were the most likely to favor a tax increase to expand local arts activities. This age group had the highest approval rate for all categories of tax increase except the \$20 increase, where it had the second highest approval rate. The 65 and older group was the least likely to favor a tax increase to expand local arts activities. This age group had the lowest approval rate for all

categories of tax increase except the \$2 increase, where it had the second lowest approval rate. The 18-30 age group was slightly more likely to favor a tax increase than was the 46-64 age group. The 18-30 group had a higher approval rate than the 46-64 age group for all categories of the tax increase except the \$20 increase, where the 46-64 age group had the higher approval rating.

Table 9
Level of Education and the Valuation Question

(511 Responses, Percentages may not add to 100% due to rounding)

Education Category	Response to Valuation Question			Not Asked
	Yes	No	Don't Know	
<i>\$2 Tax Increase</i>				
No High School	57.1%	14.3%	14.3%	14.3%
High School or GED	64.3%	17.9%	3.6%	14.3%
Some College or Vocational	57.4%	24.6%	8.2%	9.8%
Bachelor's Degree	85.0%	5.0%	0.0%	10.0%
Advanced Degree	80.0%	10.0%	10.0%	10.0%
<i>\$5 Tax Increase</i>				
No High School	25.0%	62.5%	12.5%	0.0%
High School or GED	51.4%	22.9%	5.7%	20.0%
Some College or Vocational	61.4%	12.3%	8.8%	17.5%
Bachelor's Degree	52.8%	19.4%	8.3%	19.4%
Advanced Degree	60.0%	30.0%	10.0%	0.0%
<i>\$10 Tax Increase</i>				
No High School	50.0%	33.3%	16.7%	0.0%
High School or GED	43.6%	38.5%	5.1%	12.8%
Some College or Vocational	51.4%	27.0%	8.1%	13.5%
Bachelor's Degree	54.2%	29.2%	0.0%	16.7%
Advanced Degree	87.5%	6.3%	6.3%	0.0%
<i>\$20 Tax Increase</i>				
No High School	28.6%	42.9%	28.6%	0.0%
High School or GED	36.4%	36.4%	13.6%	13.6%
Some College or Vocational	60.6%	21.2%	12.1%	6.1%
Bachelor's Degree	56.0%	32.0%	4.0%	8.0%
Advanced Degree	22.2%	22.2%	33.3%	22.2%

*NOTE: for a detailed explanation of the meaning of this row, see the note at the bottom of Table 8.

Table 10
Age Categories and the Valuation Question
(511 Responses, Percentages may not add to 100% due to rounding)

Age Category	Response to Valuation Question			Not Asked
	Yes	No	Don't Know	
<i>\$2 Tax Increase</i>				
18 to 30 Years of Age	70.3%	18.9%	8.1%	2.7%
31 to 45 Years of Age	81.8%	9.1%	0.0%	9.1%
46 to 64 Years of Age	60.0%	11.1%	4.4%	24.4%
65 or Older	62.5%	25.0%	9.4%	3.1%
<i>\$5 Tax Increase</i>				
18 to 30 Years of Age	58.8%	23.5%	5.9%	11.8%
31 to 45 Years of Age	60.8%	13.7%	9.8%	15.7%
46 to 64 Years of Age	53.3%	10.0%	6.7%	30.0%
65 or Older	41.4%	41.4%	10.3%	6.9%
<i>\$10 Tax Increase</i>				
18 to 30 Years of Age	54.2%	20.8%	12.5%	12.5%
31 to 45 Years of Age	63.2%	26.3%	5.3%	5.3%
46 to 64 Years of Age	51.3%	27.3%	3.0%	18.2%
65 or Older	48.3%	37.9%	3.4%	10.3%
<i>\$20 Tax Increase</i>				
18 to 30 Years of Age	46.2%	38.5%	4.0%	0.0%
31 to 45 Years of Age	48.1%	14.8%	18.5%	18.5%
46 to 64 Years of Age	53.8%	23.1%	11.5%	11.5%
65 or Older	43.8%	43.8%	6.3%	6.3%

*NOTE: for a detailed explanation of the meaning of this row, see the note at the bottom of Table 8.

Table 11 has a comparison of the answers to the perceptions of state expenditures with the valuation question. Earlier we found that 27.2 percent of the respondents estimated the correct amount of per capita expenditure, less than a dollar. People who thought per capita expenditure was between a dollar and five dollars were 26.1 percent of the survey

sample, and 8.7 percent thought the per capita expenditure was over five dollars. Finally, 38.0 percent did not know or gave no answer.

Table 11
Perceptions of the Amount of Current State Financial Support for the Arts
And the Valuation Question

(512 Responses, Percentages may not add to 100% due to rounding)

Perceptions of the Amount of	Response to Valuation Question			Not Asked
	Yes	No	Don't Know	
<i>\$2 Tax Increase</i>				
Less than a dollar per Kansas resident	75.7%	13.5%	2.7%	8.1%
Between one dollar and five dollars per Kansas resident	75.9%	20.7%	0.0%	3.4%
More than 5 dollars per Kansas resident	80.0%	13.3%	0.0%	6.7%
Don't know / no answer	56.7%	14.9%	10.4%	17.9%
<i>\$5 Tax Increase</i>				
Less than a dollar per Kansas resident	80.0%	10.0%	6.7%	3.3%
Between one dollar and five dollars per Kansas resident	52.9%	23.5%	2.9%	20.6%
More than 5 dollars per Kansas resident	50.0%	33.3%	0.0%	16.7%
Don't know / no answer	48.6%	21.4%	11.4%	18.6%
<i>\$10 Tax Increase</i>				
Less than a dollar per Kansas resident	66.7%	22.2%	5.6%	5.6%
Between one dollar and five dollars per Kansas resident	61.5%	23.1%	5.1%	10.3%
More than 5 dollars per Kansas resident	36.4%	54.5%	9.1%	0.0%
Don't know / no answer	43.2%	35.1%	2.7%	18.9%
<i>\$20 Tax Increase</i>				
Less than a dollar per Kansas resident	58.3%	22.2%	8.3%	11.1%
Between one dollar and five dollars per Kansas resident	54.8%	29.0%	16.1%	0.0%
More than 5 dollars per Kansas resident	25.0%	25.0%	0.0%	50.0%

performances or exhibitions? and

In the past year have you or any members of your family participated in any arts education programs, such as music, theatre, dance, or visual arts workshops or classes?

Table 12 has the percentage of responses to these two questions in columns two and three. The last column is the number of people who said "yes" to either the two questions. If a respondent answered "no" to the one question and "don't know" to the second question, the person was counted as having said "don't know" in the fourth column.

Table 12
Arts Participants and Non-Participants

(All 515 Responses, Percentages may not add to 100% due to rounding)

In the past year have you or family members participated in or attended any ...	Arts Performances or Exhibitions?	Arts Education Programs?	Arts Performances or Exhibitions or Educational Programs
Yes	49.7%	23.2%	55.5%
No	49.4%	76.6%	43.8%
Don't know / no answer	0.9%	0.2%	0.7%
Total	100%	100%	100%

About half the survey sample attended an arts performance or exhibition in the past year. More than twice as many people attend or participate in arts performances and exhibitions than participate in arts education programs. Combining the two categories increases the percentage of participants to 55.5% which suggests that most of those people who participated in arts education programs also attended arts performances or exhibitions.

Table 13
Frequency of Participation

(Percentages may not add to 100% due to rounding)

How often in the past year have you or any members of your family participated in or attended an arts performance or exhibition?	Number	Percent
Rarely (less than 6 times in the past year)	153	29.8%
Occasionally (6 or more times in the past year)	61	11.8%
Frequently (once a month or more)	41	8.0%
Not Asked/Didn't Answer	259*	50.4%
Total	515	100.0%
How frequently have you or members of your family participated in arts education programs?	Number	Percent
Rarely (first time in quite a while)	18	3.4%
Occasionally (once a year)	31	6.0%
Frequently (twice a year or more)	71	13.8%
Not Asked/Didn't Answer	395**	76.8%
Total	515	100.0%

Note: Numbers may not sum to totals because of rounding.

*Those who said that they had not attended an arts event in the last year were not asked

about their frequency of attendance.

**Those who said that they had not attended an arts education program in the last year were not asked about their frequency of attendance.

The survey next asked the respondents who participated in arts activities how frequently they participated. The responses are summarized in Table 13. It is interesting to note that not only did nearly half of Kansas households have a member who attended an arts event in the last year, but that in nearly one-fifth of the households (19.8 percent) the frequency of attendance was at least 6 times during the past year. Furthermore, the data seem to indicate that if people are going to participate in an educational program, they are not going to do it just once. Once they engage in one, they seem to be hooked into attending at least one a year, and probably more than one a year. A similar conclusion follows for arts education programs. Of those who said that they had attended an arts education program in the last year, nearly three-fifths (71 of 120) attended with a frequency of twice a year or more.

The respondents who had attended arts activities or arts education programs were asked to name the types of activities that they had participated in. Of the 288 who said someone in their household had participated in an arts activity, 117 could name one activity, 64 could name two activities, and 23 could name three activities. Although this type of open-ended question is difficult to fully evaluate, one interesting result is that of those 256 who attended an arts performance or exhibition, less than 35% could name one activity, while of those 120 who participated in an educational program, over 95% could name at least one activity. Again, we add the caution that these questions are difficult to analyze, but it does seem that this open-ended question along with the frequency of activity question point to the hypothesis that those who participate in an educational program are more intensely affected by the experience.

Local Arts Organizations and Arts Activity

In the previous section, we discussed respondents' participation in general arts activities. This section is devoted specifically to the arts activity associated with arts organizations in the local area of the respondent. First, 54.9 percent of the respondents were aware of arts organizations active in their local area while 41.7 percent were unaware of such activity and 3.4 percent were unsure. Of those respondents aware of a local arts organization, more than half (54.3 percent) said that they could remember activities sponsored by that organization. They were then asked to identify the activities they remembered being sponsored by a local arts organization. Their responses are summarized in Table 14.

Although 515 responses are summarized in Table 14, only 153 respondents were asked to identify the activities. So of those people who said they could remember activities, more than half the respondents remembered activities in each of the categories. However, among those who were aware of a local arts organization from 29 percent to 40 percent can remember a particular category of activity.

Table 14
Types of Activities Sponsored by Local Arts Organizations
 Of 282 Respondents Who Were Aware of a Local Arts Organization
 (Percentages may not add to 100% due to rounding)

Which types of activities do you remember being sponsored?		Remembered Activities Sponsored by Local Arts Organization		Did Not Remember Activities Sponsored by Local Arts Organizations or Missing
		Yes	No	
Arts education in the public school, such as music, theatre, dance, visual arts, or a literary program	Number	81	51	150
	<i>Percent</i>	<i>28.7%</i>	<i>18.1%</i>	<i>53.2%</i>
Adult or children's workshops where artists provide instruction	Number	86	49	147
	<i>Percent</i>	<i>30.5%</i>	<i>17.4%</i>	<i>52.1%</i>
Local or touring theatre productions for	Number	106	36	140

children, adults, or families	<i>Percent</i>	37.6%	12.8%	49.6%
Local or touring dance and music performances for children, adults, or families	<i>Number</i>	98	44	140
Art exhibitions	<i>Percent</i>	34.8%	15.6%	49.6%
Art education workshops or classes for children or adults	<i>Number</i>	111	29	142
	<i>Percent</i>	39.4%	10.3%	50.4%
	<i>Number</i>	87	48	147
	<i>Percent</i>	30.9%	17.0%	52.1%

Next the respondents were asked if they or someone in their household had participated in any of these activities. Slightly less than 30 percent of the total sample (slightly less than 55 percent of those who were aware of a local arts organization) said "yes". They were then asked to identify the activities in which they had participated. The respondents' answers are summarized in Table 15.

Table 15 shows that respondents were much more likely to have attended local or touring theater productions, local or touring dance and music performances, or art exhibitions, than they were to have participated in educational activities such as arts education in public schools, workshops with visiting artists, or art education classes. Given that there are nearly a million households in Kansas, these responses indicate that more than 100,000 households participated in the three categories of attendance at a performance or exhibition sponsored by a local arts organization. In addition, more than 50,000 households participated in each of the three categories of educational categories sponsored by a local arts organization.

Table 15
Participation Rates in Activities Sponsored by Local Arts Organizations
 Of 282 Respondents Who Were Aware of a Local Arts Organization
 (Percentages may not add to 100% due to rounding)

Remembered Activities Sponsored by Local Arts	Did Not Remember Activities Sponsored by
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What activities sponsored by your local arts organizations have you participated in?		Organization		Local Arts Organizations or Missing
		Yes	No	
Arts education in the public school, such as music, theatre, dance, visual arts, or a literary organization	Number	43	61	178
	Percent	15.2%	21.6%	63.1%
Adult or children's workshops where artists provide instruction	Number	35	69	178
	Percent	12.4%	24.5%	63.1%
Local or touring theatre productions for children, adults, or families	Number	63	40	179
	Percent	22.3%	14.2%	63.5%
Local or touring dance and music performances for children, adults, or families	Number	57	47	178
	Percent	20.2%	16.7%	63.1%
Art exhibitions	Number	66	38	178
	Percent	23.4%	13.5%	63.1%
Art education workshops or classes for children or adults	Number	32	72	178
	Percent	11.3%	25.5%	63.1%

Furthermore, these estimates may well underestimate the true involvement of Kansas households with activities sponsored by local arts organizations. Some respondents probably participated in arts activities that were related to a local arts organization even if it was not sponsored by such an organization. For example, a number of local arts organizations are directly or indirectly involved with high school music programs and the school band. However, few of the people who listed a high school band performance as one of the activities they had participated in were likely to have associated that event with a local arts organization.

The last of the marketing questions has to do with what people would like local arts organizations to do. First we asked all of those who said they were aware of a local arts organization (282 persons) which of the activities they thought were most important. Table

16 summarizes the survey responses. In general, respondents found all of the categories of activities to be important. However, they rated activities that were focused on education (arts education in the public schools, workshops where artists provide instruction, and art education workshops or classes) as more important activities for their local arts organizations to sponsor than activities focused on performances and exhibitions (theater productions, dance and music performances, and art exhibitions).

Table 16
Participation Rates in Activities Sponsored by Local Arts Organizations
 Of 282 Respondents Who Were Aware of a Local Arts Organization
 (Percentages may not add to 100% due to rounding)

Which of these activities do you think are the most important for your local arts organization to sponsor?		Yes	No	Missing
Arts education in the public school, such as music, theatre, dance, visual arts, or a literary artist in-residence program	Number	263	20	0
	Percent	93.1%	6.0%	0.0%
Adult or children’s workshops where artists provide instruction	Number	254	28	0
	Percent	90.1%	9.9%	0.0%
Local or touring theatre productions for children, adults, or families	Number	241	38	4
	Percent	85.3%	13.4%	1.3%
Local or touring dance and music performances for children, adults, or families	Number	245	36	2
	Percent	86.6%	12.7%	0.7%
Art exhibitions	Number	245	32	6
	Percent	86.6%	11.3%	2.2%
Art education workshops or classes for children or adults	Number	261	22	0
	Percent	92.4%	7.6%	0.0%

Note: Numbers may not add to total because of rounding.

Respondents who were aware of a local arts organization were asked if they

would like to have an additional local arts organization. Of the 282 respondents who were aware of a local arts organization, nearly 41 percent (115) said that they would like to have an additional local arts organization. Respondents who were not aware of a local arts organization were asked if they would like to have a local arts organization. Of the 233 respondents who said that they were not aware of a local arts organization, 48 percent (112) said that they would like to have a local arts organization. Those respondents who either were aware of a local arts organization and would like to have an additional local arts organization, or were not aware of a local arts organization but would like to have one, were asked which activities of such new local arts organizations would be most important. The results are shown in Table 17. The results in Table 17 are consistent with the results in Table 16, in the sense that in general all of the types of activity are important. However, in Table 17 it is difficult to find any discrimination even across broad categories of activities. For example, although the percentages for educational activities are slightly higher than the percentages for performance and exhibition activities, the difference is too small to be significant.

Table 17
Programs That Respondents would like to have provided by New Local Arts Organizations

Of 227 Respondents who would like a Local Arts Organization or an Additional Local Arts Organization

Which of these activities would you like to have provided by a new local arts organization?		Yes	No	Missing
Support for Arts Education in Public Schools	Number	206	14	7

Adult or Children's Workshops Where Artists Provide Instruction	<i>Percent</i>	90.7%	6.2%	3.1%
	<i>Number</i>	206	14	7
Local or Touring Theater Productions for Children, Adults or Families	<i>Percent</i>	90.7%	6.2%	3.1%
	<i>Number</i>	203	19	5
Local or Touring Dance and Music Performance for Children, Adults or Families	<i>Percent</i>	89.4%	8.4%	2.2%
	<i>Number</i>	204	16	7
Art Exhibitions	<i>Percent</i>	89.9%	7.0%	3.1%
	<i>Number</i>	202	19	6
Art Education Workshops or Classes for Children or Adults	<i>Percent</i>	89.0%	8.4%	2.6%
	<i>Number</i>	211	8	8
	<i>Percent</i>	93.0%	3.5%	3.5%

The Distribution of the Survey Sample

We have used a comparison of the demographic information generated by the survey with other reliable sources of similar information to gauge how representative the survey sample is and to reduce bias. The survey provided four basic demographic variables for each respondent: gender, age group, income group, and residence within or outside of a metropolitan county. Location, gender, and age data are easier to evaluate than income data for two reasons: (1) the response rate for location, gender, and age questions was high, better than 99% in all cases, and (2) good data for comparison are available from the U.S. Bureau of the Census. We begin by looking at the survey data on county of residence, age structure, and gender of the respondents. We then examine the income data from the survey for bias and explain some of the problems in evaluating this data.

Location of the Respondents

Kansas has nine counties designated as metropolitan counties by the U.S. Census Bureau: Butler, Douglas, Harvey, Johnson, Leavenworth, Miami, Sedgwick, Shawnee, and Wyandotte Counties. Table 18 has a comparison of the distribution of metro and non-metro respondents to metro and non-metro households in Kansas. As can be seen, the non-metro households are significantly overrepresented in our sample. This was a bias that we did not think could be ignored. To compensate for this bias, we weighted the survey respondents according to location. Metro respondents were given a 1.233429 weight and non-metro respondents were given a 0.793866 weight. The weighting resulted in 290 metro responses and 225 non-metro responses.

TABLE 18
Comparison of Population and Survey Response Rates

	Survey Respondents		Kansas Households	
	Number	Percent	Number	Percent
Non-Metro	284	55.1	435,549	43.8
Metro	231	44.9	559,349	56.2
Total	515	100.0	994,897	100.0

Age Structure of the Respondents

The survey sample is slightly older than the Kansas population in 1997. Table 19 has a comparison of the survey sample with the Bureau of the Census estimate of the Kansas age structure on July 1, 1997. The survey sample slightly underrepresents those people 31 to 45 and slightly overrepresents those persons 65 and older. The other two age categories are closely represented. This slight misrepresentation of age structure in the survey sample does not significantly bias the survey results.

TABLE 19
Comparison of the Age Structure of the Kansas Population
And the Survey Respondents

	18 to 30 years old	31 to 45 years old	46 to 64 years old	65 or older	Total
Kansas Households	24.0	32.1	25.4	18.4	100.0%
Survey Respondents	23.9	29.0	26.0	20.8	100.0%

Gender of the Respondents

One of the most difficult biases to avoid in a telephone survey is the over sampling of females. Our experience has been that unless costly and time-consuming techniques are used, such as pre-calling, sending a letter, and then engaging in the telephone interview, women will be a significantly larger portion of the survey sample than men. For this survey the split was 68.2% women and 31.7% men. However, the over sampling of women does not cause a problem in evaluating the responses to most questions in the survey for two reasons: (1) for many questions there is no discernable difference between the responses of men and women, including the valuation questions, and (2) we asked each respondent to answer for the entire household.

The Income Distribution of the Respondents

We ignored the income response for three reasons: (1) only 81.2 percent answered the income question, (2) two obvious factors affect the income distribution of the survey sample and little can be done about these factors, and (3) good data for a comparison with the survey sample does not exist. First, an 81.2 percent response rate leaves 18.2 percent of the respondents who refused to answer the question. Since we do not know the income distribution of the non-respondents, we do not know how the income distribution of those who responded compares to the income distribution of the total survey sample. Second, by their very nature, telephone surveys exclude two groups of people: people without telephones and people who answered with a cellular phone. About 2% of Kansas households do not have a telephone at any one time for several reasons such as moving from one residence to another or simply not being able to afford a phone. People with cellular phones are rarely interested in paying for the air time to answer a survey. One would expect that the exclusion of these two groups of people would leave the survey sample with fewer people at the extremes of the income distribution scale than in the state's income distribution scale. However, suspecting this bias and somehow quantifying it so the survey sample can be adjusted for it, are two different matters. Third, the best household income distribution data is from the 1990 census and is for 1989, ten years removed from the time of the survey. Since 1992, Kansas has had steady per capita personal income growth and slight, but steady inflation. Both of these factors make comparison of 1999 income data with 1989 income data meaningless.

Summary

More than three-fourths of the Kansans surveyed expressed approval of state government support for the arts. Furthermore, of the other one-fourth, nearly half said that given the fact that the state already supports the arts, that support should continue. When these two groups are considered together, more than 87 percent of the respondents expressed approval for continued state government support for the arts. Kansans' aggregate willingness to pay for a substantial increase in arts activities in their local areas is estimated to be \$19 million. Willingness to pay was higher among those who participated in arts activities than among those who did not, and was higher among those who correctly identified the current level of state government support for the arts than among those who overestimated that level.

More than half of the survey respondents attended some type of arts performance, exhibition or education event during the past year. Furthermore, nearly 55 percent of those surveyed were aware of a local arts organization in their area, and more than half of those could remember the activities of their local organization.

VI. Findings and Conclusions

The results of our investigation of the economic influence of the Kansas Arts Commission have led us to a series of findings and conclusions, which are summarized below.

Annually, the KAC influenced economy is about \$20 million, and this economy generates about \$2.1 million in state and local taxes. During 1998, the Kansas Arts Commission provided 265 grants to local arts organizations. These grants were generally a small part of the total project cost; for most grants local matches provided more than 70 percent of the project cost, so that local funding provided more than \$18 million of the total \$20 million KAC economy. The KAC economy is spread throughout the state with 67 counties receiving at least one arts grant. The projects supported by KAC grants generated 120 full-time jobs and 965 part-time jobs. In addition, voluntary employment valued at \$1.2 million was contributed to these projects. KAC supported arts projects generated \$1.35 million in state taxes and \$750,000 in local taxes.

Kansas' current economic output is \$1 million greater because of the existence of the Kansas Arts Commission. The Kansas Arts Commission leverages its state funding by bringing in nearly a half million federal dollars. Even after accounting for the fact that funding for the Kansas Arts Commission activities comes partly from the State of Kansas, this inflow of federal dollars and its indirect effects cause a substantial \$1 million increase in current Kansas output.

The five case studies indicate that KAC has effectively nurtured the development of successful small arts organizations. Members of each of these organizations believe that without the help of the KAC their organization would not have survived, let alone thrived. The basic model that the KAC has created to help new arts organizations has

been successful in each of these cases. These local arts organizations pass through two basic early stages in their development: the initial struggle to survive and the establishment of a durable organization. In each of these stages the KAC plays a different role.

- ✿ During the initial struggle to survive, the KAC provides:
 - A large part of the initial funding for the organization
 - Technical assistance in organizing the original group
 - A stamp of credibility to the organization

- ✿ As the organization establishes itself as an ongoing organization, the KAC provides:
 - A stable source of funding which allows longer-run budgeting
 - Technical assistance in creating a permanent administration
 - Technical assistance in finding additional sources of funding and in writing grants to get the funding

Without the KAC, arts activities in Kansas would be much different than they are today. Specifically, the KAC has nurtured the development of local arts organizations in the non-metropolitan areas of Kansas. In addition, the KAC has helped develop a diversified group of arts organizations that provide a wide variety of arts activities in both the metropolitan and non-metropolitan areas of Kansas.

The existence of a geographically diverse arts community makes the state as a whole a more attractive place for businesses to locate. Local economic development professionals in communities with strong local arts organizations feel that the existence of these local organizations makes the community more attractive to business for four reasons:

The availability of the organization's activities to management, workers, and their families;

The effects of the organization's activities on the quality of education in the schools;

The increased vitality of the community that comes about as a result of the community's pride in having this unique institution;

As a symbol and evidence of the energy in the community.

The effects of local arts organizations and their activities on local economic development are likely to be particularly strong in non-metropolitan communities.

State government support for the arts in Kansas ranks low nationally and regionally

when compared to other states' support of the arts. In fiscal year 1999, the KAC received state funding at the rate of \$0.57 per capita. For the same period, the national average was \$1.16 per capita. Per capita state funding for the arts in Kansas has not kept pace with inflation; in 1999 dollars, per capita state funding has declined nearly ten percent from its 1990 level of \$0.63. Kansas ranked fifth among six surrounding states in per capita state funding for the arts, and 39th nationally. For Kansas to have achieved the national average in FY1999, the legislature would have needed to spend about an additional \$1.5 million. Kansas was second among the six surrounding states and 19th nationally in per capita NEA block grant funding.

Kansans overwhelmingly approve of state government support for the arts. More than

87 percent of surveyed Kansas households expressed approval for continued state government support for the arts in Kansas.

Kansans expressed an aggregate willingness to pay \$19 million for a substantial

increase in arts activities in their local areas. When explicitly asked if they supported specified state tax increases in order to substantially increase the level of arts activities in their local areas, survey respondents indicated that the total value of such increased activities to all Kansas households is approximately \$19 million.

Given the broad support for the arts in Kansas, it makes sense for state support for the arts to be moved toward the national average. The household survey indicated that Kansans place a high dollar value on increased arts activities in their local areas. Efforts should be made to move the level of state financial support to the national average. Alternative methods of funding should be investigated; the establishment of a cultural trust is one possibility, although the form of the trust and the mechanics of funding should be carefully considered.

Most Kansans either overestimate or don't know the level of state government support for the arts. Only 27.2 percent of households surveyed correctly stated that state government support for the arts was less than \$1 per capita. Those who did correctly specify the current level of state government support for the arts were more likely to support increased state funding for the arts than those who overestimated the current level or did not know. It seems likely that a more accurate knowledge of the current level of state support and a greater awareness of Kansas Arts Commission supported activities would increase the substantial reservoir of support that clearly already exists.

Participants in arts events or arts education activities were more likely to favor increased state government support for the arts. Those who had participated in arts events or arts education activities were almost twice as likely to favor substantial increases in state funding for the arts as were non-participants.

More than half of the households surveyed had a member who attended an arts event or arts education activity during the past year. Those who had attended such an event were likely to have attended such events multiple times during the year.

Kansans expressed support for additional local arts organizations in their area.

Nearly 41 percent of Kansans who were aware of a local arts organization expressed a preference for an additional local arts organization in their area, while nearly half of the Kansans who were not aware of a local arts organization in their area expressed a desire to have such a local arts organization.