



'08 MAYORS' ACTION FORUM ON ARTS

# NATIONAL AGENDA ON ARTS AND TOURISM FOR THE NEXT PRESIDENT OF THE UNITED STATES

Palm Beach  
October 2-3, 2008

**Manuel A. (Manny) Diaz**  
Mayor of Miami  
President  
The U.S. Conference of Mayors

[usmayors.org](http://usmayors.org)



THE UNITED STATES CONFERENCE OF MAYORS



**THE UNITED STATES  
CONFERENCE OF MAYORS**

**Manuel A. (Manny) Diaz**

Mayor of Miami  
President

**Greg Nickels**

Mayor of Seattle  
Vice President

**Elizabeth B. Kautz**

Mayor of Burnsville  
Second Vice President

**Tom Cochran**

CEO and Executive Director



**DO YOUR PART! PLEASE RECYCLE!**



# THE UNITED STATES CONFERENCE OF MAYORS

1620 EYE STREET, NORTHWEST  
WASHINGTON, D.C. 20006  
TELEPHONE (202) 293-7330  
FAX (202) 293-2352  
TDD (202) 293-9445  
URL: [www.usmayors.org/uscm](http://www.usmayors.org/uscm)

October 4, 2008

## **An Open Letter to the Next President of the United States**

The nation's arts and tourism activities are an important component of our national economy. For too long, we have dealt with these issues in a piecemeal fashion and have not addressed our needs in a comprehensive manner.

More than 40 mayors and other leaders from across the nation met in Palm Beach on October 3, 2008 to develop an action agenda for arts and tourism to present to the next President of the United States. This meeting was the last of five '08 Mayors' Action Forums to define for our next President the partnership that must exist between Washington and our cities if we expect to successfully confront the challenges of crime, infrastructure, poverty, arts and tourism, and the environment.

Mayors recognize that travel and tourism is a driving force for America's diplomacy and economy. Protecting our nation must remain paramount, but a better balance is needed between homeland security and economic vitality. Mayors also recognize that the arts, humanities and museums are critical to the quality of life and livability of American cities.

This document provides recommendations for a new and stronger relationship between the nation's mayors and the federal government to assure that the arts and tourism continue to be a driving force for the American economy.

We look forward to working with you during your transition and after your inauguration to further develop and implement these recommendations. With your help, we can establish a working relationship that will begin to restore the values, principles, and sense of purpose that Washington has lost.

Sincerely,

A handwritten signature in black ink, appearing to read "Manuel A. Diaz", with a long, sweeping flourish extending to the right.

Manuel A. (Manny) Diaz  
Mayor of Miami  
President

## FOREWORD

When he was inaugurated President of The U.S. Conference of Mayors at our organization's 76<sup>th</sup> Annual Conference, Miami Mayor Manuel A. (Manny) Diaz declared that "Washington has lost its values, lost its principles, lost its sense of purpose. They no longer invest in our cities, they no longer invest in our people." Mayor Diaz strongly believes that national problems demand national investment and that the next President of the United States must understand why "an investment in America's cities is an investment in America's future."

Addressing the National Press Club luncheon in Washington on August 4, Mayor Diaz announced the launch of a series of national forums on crime, infrastructure, poverty, arts and tourism, and the environment he was convening in Philadelphia, New York City, Los Angeles, and Miami. The fifth of these, the forum on Arts and Tourism was held October 3<sup>rd</sup> in Palm Beach with more than 40 mayors meeting in a working session to develop an arts and tourism agenda that would be presented to the next President.

In Palm Beach there was significant consensus on the arts and tourism challenges that cities face.

- Mayors recognized the need for a cabinet level Secretary of Culture and Tourism. All of the major countries in Europe and South America recognize the importance of arts and tourism to their cultures and economies and have established a similar position.
- Mayors call for full federal funding of arts and tourism programs including the National Endowment for the Arts; and passage and implementation of The Travel Promotion Act to encourage international travel to the United States.
- Mayors call for the Transportation Security Administration to implement the most up-to-date passenger friendly technology and attach a high priority to fully implement the Secure Flight Program

The recommendations contained in the national action agenda which follows are direct responses to these and other challenges – responses in which the federal government has a critical role to play.

We especially appreciate the time and effort devoted by all the mayors, especially the Chair of our Standing Committee on Tourism, Arts, Parks, Entertainment, and Sports Honolulu Mayor Mufi Hannemann. Their efforts have produced an agenda in which Washington's responsibility to support local arts and tourism efforts is clear.



Tom Cochran  
CEO and Executive Director  
The U.S. Conference of Mayors

# AMERICAN INVESTMENTS

## ARTS

*The arts reflect the diversity of our experiences as individuals and our communities as a whole. They remind us of our past and help us imagine the future. The arts and artists of America are our national treasure that this great nation needs, deserves, and must support.*

America's nonprofit arts and culture industry generates \$166.2 billion in economic activity every year - \$63.1 billion in spending by organizations and an additional \$103.1 billion in event-related spending by audiences. The national impact of this activity is significant, supporting 5.7 million jobs and generating \$29.6 billion in government revenue.

Artists represent 1.4 percent of the U.S. labor force, they are one of the largest classes of workers in the nation (1.9 million), only slightly smaller than the U.S. military's active duty and reserve personnel (2.2 million). Between 1970 and 1990, the number of artists more than doubled, from 737,000 to 1.7 million. Opportunities for artistic employment are greater in metropolitan areas with half of all artists living in 30 metropolitan areas. While artists are twice as likely to have a college degree as other U.S. workers, they generally earn less than workers with similar education levels.

The following actions are needed by the new President.

- Create a cabinet level Secretary of Culture and Tourism.
- Increase support for the National Endowment for the Arts not just to its 1992 funding level of \$176 million, but set it on a path towards a \$500 million annual appropriations.
- Increase support for the National Endowment for the Humanities, Office of Museum Services (at the Institute of Museum & Library Services).
- Expand the National Endowment for the Arts' Local Arts Agency Grant Program to a priority re-granting program, allowing for efficient and effective grant distribution of arts dollars to every corner of the country in partnership with local arts agencies.
- Declare the arts central to a balanced education. The next president needs to declare literacy in the arts central to an educated citizenry as much reading, math, and science are considered now.
- Encourage arts as a component of federal economic development and community development programs and strengthen historic preservation and design programs such as Preserve America, and the Mayors' Institute for City Design.
- Call for a White House Conference on the Arts to expand the dialogue of the importance of the arts.
- Include in the federal budget funding for local parks programs, such as funding the Urban Parks and Recreation Recovery Program (UPARR).

# TOURISM

*Travel and tourism is a diverse industry with a unique impact on the domestic and global economies. The 1950s industrial economy has give way to the 21<sup>st</sup> Century service economy, and travel and tourism defines that service economy. Travel and tourism contributes more than \$100 billion in federal, state and local revenues and at the same time helps to fulfill important social policy goals, such as moving people from welfare to work. Travel and tourism is an important element in our cities and our nation.*

Travel and tourism is the nation's leading service sector export, generating a balance of trade surplus of \$17.4 billion. Travel and tourism's economic contribution to the economy is \$740 billion in direct expenditures, \$109 billion in local, state and federal tax revenue, \$177 billion in payroll and 7.5 million jobs (one of every eight non-farm jobs is created directly or indirectly by travel and tourism). Travel is America's leading service sector export. Foreign travelers spent more than \$122 billion in the United States in 2007, generating a positive trade balance of \$17.4 billion in travel and related services (the trade balance peaked at \$26.3 billion in 1996). As travel all around the world increases and the value of the dollar decreases, sadly, overseas travel to the U.S. has still not rebounded to pre-9/11 levels. From 2000 to 2007, there has been a worldwide increase in long-haul travel of 35 million. Unfortunately, over the same period, the U.S. saw 2 million fewer travelers from overseas. This decline in overseas travel since 2000 has cost America \$150 billion in lost visitor spending and 250,000 American jobs – losses that affect every state and city in the country.

The following actions are needed by the new President.

- Create a cabinet level Secretary on Culture and Tourism
- Pass and implement the Travel Promotion Act to promote international travel to United States and create a public-private partnership that will restore the U.S. to it's place as the world's premier international visitor destination.
- Encourage Congress to expand the Travel VISA Waiver Program to qualified countries, especially in Latin and South America and Asia.
- Encourage Congress to increase staffing and implement customer training programs for Customs and Border Service and TSA personnel.
- Ensure TSA is using the most up-to-date passenger friendly technology.
- Expand the Global Entry program which allows for expedited clearance for pre-approved US residents upon their arrival in United States.
- Expand TSA's Black Diamond/Passenger Self-Select Lanes Program and Model Ports program to allow foreign visitors to more easily enter the country.
- The TSA must attach a high priority to fully implement the Secure Flight program in 2009-2010. According to the TSA, successful Secure Flight implementation will drastically reduce misidentifications by moving watch list matching responsibilities away from the airlines and centralizing it in-house. Additionally, bringing watch list matching into TSA will provide consistent application for an expedited and integrated redress process for passengers that believe they have been misidentified as a threat.
- Full Federal Government support for Chicago's 2016 Olympic and Paralympic bid.

## MODERNIZING AMERICA'S AVIATION SYSTEM FOR THE 21<sup>ST</sup> CENTURY

*The current aviation system urgently needs reform and modernization. While dependence on oil, and in turn high jet fuel prices, have exacerbated the troubles of the industry, longer term issues such as an aging fleet, a 1950s navigational system, insufficient R&D in alternative fuels and engines that consume less fuel, and the elimination of routes must be addressed in the pending reauthorization of the Federal Aviation Administration (FAA). In addition, it is time for a significant paradigm shift in federal aviation policy, one that moves from a single mode to an intermodal approach - an approach that includes a strong complimentary rail service.*

After finally regaining profitability in 2006 and 2007 for the first time since 2000, the air travel industry again finds itself in dire financial straits. The six most established carriers (American, Continental, Delta, Northwest, United, and US Airways) lost nearly \$6 billion in the second quarter of 2008, and they are expected to lose more than \$10 billion for the year. Fees on checked baggage; fees on basic in-flight amenities, and a 10 percent increase in airfares have not been enough to counter the historically high and volatile cost of jet fuel. Regarding increasing delays, a recent Congressional report (Joint Economic Committee) estimates that the total cost of domestic air traffic delays to the U.S. economy was as much as \$41 billion for 2007 – including \$19 billion in additional operating cost, \$12 billion in passenger lost time, and \$10 billion in indirect cost to other industries. The FAA forecasts that the number of U.S. air travels will grow by at least 2.7 percent per year through 2025, from more than 689 million passengers today to more than 1.1 billion in 2025. The volatility of the airline industry will continue to worsen without important reforms and modernization to the system. According to the U.S. Travel Industry Association, 78 percent of respondents believe the air travel system is either “broken” or in need of a “moderate correction.”

The following actions by the new President are urgently needed to reform and modernize America's aviation system in the pending reauthorization of the FAA:

- Fully fund a new air traffic control system, such as Next Gen, which would convert the nation's radar-based aviation tracking system to a satellite based one.
- Reduce the aviation industry's dependence on oil and reduce carbon emissions per passenger mile (air .48kg, car .35kg, rail .21kg) by providing resources to finance research and development of alternative fuels and engines that consume less fuel.
- Take steps to inoculate our nation's metropolitan areas from financial woes of the airline industry – for example preservation of existing routes and flight levels.
- Raise the maximum Passenger Facility Charge (PFC) cap to \$7.50 per flight, and index this increase to inflation and authorize at least \$3.8 billion in Airport Improvement Program (AIP) funding, with an increase of \$100 million each year thereafter.
- Ensure that the successor legislation to SAFETEA-LU increases flexibility and streamlines planning processes to encourage a more systemwide intermodal approach to transportation planning and development in order to deliver more integrated air and rail networks, whereby many short-range flights are replaced by rail.
- Fully fund the Essential Air Service (EAS) and Universal Service program.

## **EXECUTIVE ORDERS AND ADMINISTRATIVE ACTIONS**

Many of the actions called for in this plan will require legislation. There are, however, many actions which the next President of the United States can take that would have an immediate impact on arts and tourism in cities:

- Nominate a Secretary of Homeland Security that believes it is the department's mission to welcome visitors to this country, as well as protect the homeland.
- Direct the National Endowment for the Arts to again place a priority on funding local arts agencies programs, something which has not happened over the past eight years.



**THE UNITED STATES CONFERENCE OF MAYORS**

*Tom Cochran*

Tom Cochran, CEO and Executive Director

1620 Eye Street, NW  
Washington, DC 20006  
Tel: 202.293.7330  
Fax: 202.293.2352  
[usmayors.org](http://usmayors.org)