National Assembly of State Arts Agencies KNOWLEDGE * REPRESENTATION * COMMUNITY

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STATE ARTS FUNDING DOWN BY FOUR PERCENT, SLOWING RATE OF DECLINE

WASHINGTON, D.C.—Legislative appropriations to state arts agencies decreased by 4.0% in fiscal year 2012, according to the *Legislative Appropriations Annual Survey* report, published by the National Assembly of State Arts Agencies (NASAA). Between FY2011 and FY2012, state arts agencies lost \$10.9 million in total legislative appropriations. These funds, at \$263.0 million for FY2012, equate to an investment of \$0.83 per capita. Appropriations to state arts agencies represent 0.035% of total state general fund expenditures for FY2012.

Fiscal year 2012 marks the fourth consecutive year of declines to legislative appropriations, but the rate of decline has decreased in each of the past three years. In 2010, the cumulative decrease in state arts agency appropriations was 10.0%. In 2011, appropriations declined by 7.2%. This slowing rate of decline follows minor improvements in the overall state budget

environment. State budgets continue to show signs of structural stress, with \$95 billion in budget gaps in FY2012 and another \$40 billion in shortfalls projected for FY2013, according to the National Association of State Budget Officers. However, state revenues achieved some modest gains in FY2012, leading to fewer midyear budget reductions in FY2011 and more robust general fund spending in FY2012.

While the slowing rate of appropriations declines is welcome news, the long-term trend remains

State Arts Agency Facts

- States currently invest \$263.0 million about \$0.83 per capita—in state arts agencies.
- State arts agency appropriations comprise 0.035% (less than one-half of one-tenth of one percent) of total state general fund expenditures in FY2012.
- Each year, state arts agencies fund more than 17,000 organizations, schools and artists in more than 4,700 communities across the United States.

challenging for state arts agencies. Since 2001, appropriations have declined by more than 40%, resulting in significant cutbacks to state arts agency services to schools, communities and the public.

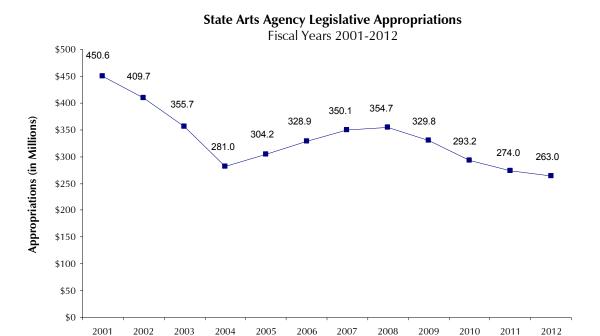
Fiscal year 2012 marked the first year in which a state eliminated all funds for the arts. Although the Kansas Arts Commission continues to maintain a governing council and to exist per state statute, all of its FY2012 state funding was zeroed out by gubernatorial veto. The agency subsequently lost its National Endowment for the Arts grant for the year. "The Kansas veto did not set a policy precedent," said Jonathan Katz, NASAA CEO. "Lawmakers in the other 49 states maintained a public investment in the arts because they recognized that the arts offer a net gain. Beyond their cultural and civic benefits, the tax payments, jobs and tourism revenues catalyzed by the arts result in increased public resources to address other policy goals like health care and education."

The National Assembly of State Arts Agencies (NASAA) is the membership organization that unites, represents and serves the nation's state and jurisdictional arts agencies.

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NASAA serves as a clearinghouse for data and research about public funding and the arts. NASAA and state arts agencies work to broaden access to the arts in every corner of America and to serve the public good by making the arts an essential ingredient of state policy.

Additional information on state arts agency <u>funding</u> and <u>why government should support the arts</u> is available on the <u>NASAA website</u>.



SAA Total Legislative Appropriations Changes

Fiscal Year

Fiscal Years 2011-2012

Increases	
Number of SAAs	15
Number of SAAs up 10%+	6
Median percent increase	7.9%
Flat Funding*	
Number of SAAs	6
Decreases	
Number of SAAs	35
Number of SAAs down 10%+	19
Median percent decrease	-11.5%
All States	
Aggregate percent change	-4.0%
Median percent change	-5.4%

^{*}Flat funding includes changes of less than 0.5% in magnitude.

Source: National Assembly of State Arts Agencies, Legislative Appropriations Annual Survey, February 2012

State Arts Agency Total Legislative Appropriations

Fiscal Years 2011-2012

	Legislative Appropriation Percent			
State	-	Percent		
or Special		Line Items	Change	
Jurisdiction	FY2011	FY2012	FY11 to FY12	
Alabama	\$ 4,625,624	\$ 3,484,517	-24.7%	
Alaska	692,800	790,100	14.0%	
American Samoa	50,000	45,000	-10.0%	
¹ Arizona	665,600	0	-100.0%	
² Arkansas	2,097,661	2,943,260	40.3%	
California	4,158,000	3,893,000	-6.4%	
Colorado	2,433,347	2,022,362	-16.9%	
Connecticut	6,111,899	7,526,268	23.1%	
Delaware	1,683,300	1,682,300	-0.1%	
District of Columbia	5,126,000	4,798,246	-6.4%	
³ Florida ♦	6,356,661	6,023,339	-5.2%	
Georgia	790,735	574,268	-27.4%	
Guam	357,500	340,000	-4.9%	
Hawaii	5,079,760	5,151,798	1.4%	
Idaho	715,600	674,600	-5.7%	
Illinois ♦	9,471,900	8,997,700	-5.0%	
4 Indiana	3,202,368	2,722,013	-15.0%	
lowa ^	1,023,712	933,764	-8.8%	
⁵ Kansas	811,290	933,704	-100.0%	
6 Kentucky	3,069,700	3,055,600	-0.5%	
Louisiana ♦	3,924,939	3,277,421	-16.5%	
Maine V	654,377	688,593	5.2%	
Maryland	13,267,237	13,163,297	-0.8%	
7 Massachusetts	9,098,781	9,199,866	1.1%	
Michigan	1,417,400	, ,		
⁸ Minnesota		1,317,400	-7.1%	
	29,990,000	29,673,000 1,662,799	-1.1%	
Mississippi ⁹ Missouri	1,681,564 7,611,505	7,000,000	-1.1% -8.0%	
Montana ^	440,184		8.6%	
Nebraska ♦	,	477,941	-4.5%	
Nevada Nevada	1,432,887 1,106,460	1,367,717	-4.5% -13.1%	
Nevaua		961,883	-13.1%	
New Hampshire	462,065	354,871		
² New Jersey ♦ New Mexico ♦	20,699,000 1,779,100	16,397,000 1,477,700	-20.8% -16.9%	
New Mexico ♥ New York	43,135,000	36,209,000	-16.9% -16.1%	
New York North Carolina ♦		7,321,321	-16.1% -15.9%	
	8,709,563			
North Dakota	684,367	681,801	-0.4%	
Northern Marianas	242,468	154,743	-36.2%	
Ohio	6,594,290	7,605,704	15.3%	
Oklahoma	4,406,689	4,010,087	-9.0%	
Oregon ^	1,916,679	1,995,468	4.1%	
Pennsylvania Puorto Pico	8,422,000	9,065,000	7.6%	
I dello Rico	14,353,000	23,474,000	63.5%	
Rhode Island	2,499,613	2,113,862	-15.4%	
South Carolina	2,050,846	1,937,598	-5.5%	
South Dakota	668,509	668,509	0.0%	
Tennessee ⁵ Teyas	8,105,700	8,191,600	1.1%	
1 CAUS	6,074,544	2,543,272	-58.1%	
Otan ♥	2,814,900	5,148,500	82.9%	
Vermont	507,607	507,607	0.0%	
Virgin Islands	743,208	372,402	-49.9%	
Virginia	3,794,813	3,794,813	0.0%	
⁷ Washington	1,228,000	1,107,000	-9.9%	
West Virginia	1,203,645	1,214,824	0.9%	
⁸ Wisconsin	2,417,700	839,800	-65.3%	
⁹ Wyoming	1,295,439	1,397,439	7.9%	
Total	\$273,957,536	\$263,031,973	-4.0%	
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Source: National Assembly of State Arts Agencies, Legislative Appropriations Annual Survey, February 2012

Table Notes

- ^ Figures reflect SAA appropriations only and do not include appropriations to the state's cultural endowment.
- ♦ Percent change is significantly affected by a change in line items.

1 Arizona

In FY2011 the agency received funding from two sources: a general fund appropriation and a percentage of state business licensing fees. All general fund dollars for the agency were eliminated for FY2012. \$1.3 million will be transferred from state business license revenues, a reduction of 8% from FY2011.

²Arkansas

\$1.3 million of the FY2012 appropriation will be released at the governor's discretion.

3 Florida

Appropriation includes \$2.1 million in operating funds for the Museum of Florida History.

⁴Indiana

Both fiscal years reflect mandatory reserves.

5 Kansa

State funding for the SAA was eliminated by gubernatorial veto. Although the Kansas Arts Commission continues to exist per state statute, it received no legislative appropriation in FY2012.

⁶ Kentucky

FY2012 appropriation is subject to a \$58,800 midyear reduction.

7 Massachusetts

Figures reflect SAA budget only and do not include appropriations to the Massachusetts Cultural Facilities Fund.

8 Minnesota

Funding change includes a decrease in general fund appropriations to the SAA largely offset by a projected increase in sales tax revenues from the Minnesota Legacy Fund.

9 Missouri

The source of this appropriation is the state-run cultural endowment fund. The budget enacted by the legislature authorizes the SAA to draw up to \$9,020,514 from the principal of the endowment. The actual amount drawn from the endowment is left to the discretion of the Missouri Arts Council Board and is reflected in the figures reported here.

10 Nebraska

The Nebraska legislature eliminated all line item funding for FY2012, but added funds designated for former line item recipients to the SAA's grants appropriation.

11 Nevada

General fund appropriations to the agency were cut by 45%, but this cut was partially offset by the addition of room tax revenue from the Tourism Commission into the agency's appropriation.

12 New Jersey

The New Jersey legislature eliminated all line item funding for FY2012, but has stipulated that former line item recipients should seek support from SAA grant programs.

13 New York

Reported figures taken from state budget documents.

14 Puerto Rice

Appropriation increase coincided with an \$8 million decline in other state funding.

15 Texa

Appropriation from state general fund declined by 50%. Additional funds appropriated from other state sources in FY2011 also were eliminated in FY2012.

16 Utah

Appropriation for agency grants and services declined by 9%. Increase was comprised of \$2.7 million in new line item funds. Figures here reflect the SAA budget only and do not include appropriations for the Beverly Sorenson Arts Learning Program.

17 Washington

Source of funding for FY2012 has changed from the state general fund to the Heritage Center Account.

18 Wisconsin

Appropriation reflects reductions to agency programs and operations. Percent for art funds (a separate funding mechanism) were also eliminated.

19 Wyoming

The total appropriation for the agency's FY2011-2012 biennium was flat, but funds were allocated unevenly between the two years.

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