

State Arts Agency Legislative Appropriations Preview Fiscal Year 2012

August 10, 2011

This report provides a forecast of state government funding for the arts in the year ahead as budgets for FY2012 are being finalized and national funding trends are beginning to emerge. Please note that this is *preliminary* information. Many states will revisit enacted budgets in the coming months in order to adjust for shifting revenue and expense conditions.

The Climate for Arts Funding

State budgets continue to feel the effects of the recession, which triggered the largest collapse in state revenues ever recorded. As they began planning for FY2012, governors and legislators in 42 states struggled to close budget shortfalls. Compounding this challenge was a great deal of political churn. Twenty-nine new governors and 1,620 new state legislators took office early this year, and many of those individuals campaigned on platforms of government downsizing. These conditions all led to significant cutbacks in many public services as well as reductions in spending for education, health care, aid to localities and compensation for state workers.

State Arts Agency Appropriations

Legislative appropriations to state arts agencies (SAAs) are expected to decrease by 2.6% heading into fiscal year 2012. Between FY2011 and FY2012, appropriations to SAAs will drop by a projected \$7.2 million to \$268.9 million, about \$0.86 per capita. Among the nation's 56 states and jurisdictions:

- thirty-one state arts agencies predict decreases in their appropriations for FY2012;
- fifteen states expect their appropriations to increase;
- ten states predict flat funding;
- one state (Kansas) eliminated funding for its arts agency. Although the Kansas Arts Commission still exists by statute, the agency will receive no legislative appropriation for FY2012. Agency elimination threats in four other states were defeated.

Projected Changes in SAA Total Legislative Appropriations Fiscal Years 2011-2012

Increases	
Number of SAAs	15
Number of SAAs up 10% or more	10
Median percent increase	15.4%
Flat Funding*	
Number of SAAs	10
Decreases	
Number of SAAs	31
Number of SAAs down 10% or more	15
Median percent decrease	-9.9%
All States	
Aggregate percent change	-2.6%
Median percent change	-1.7%

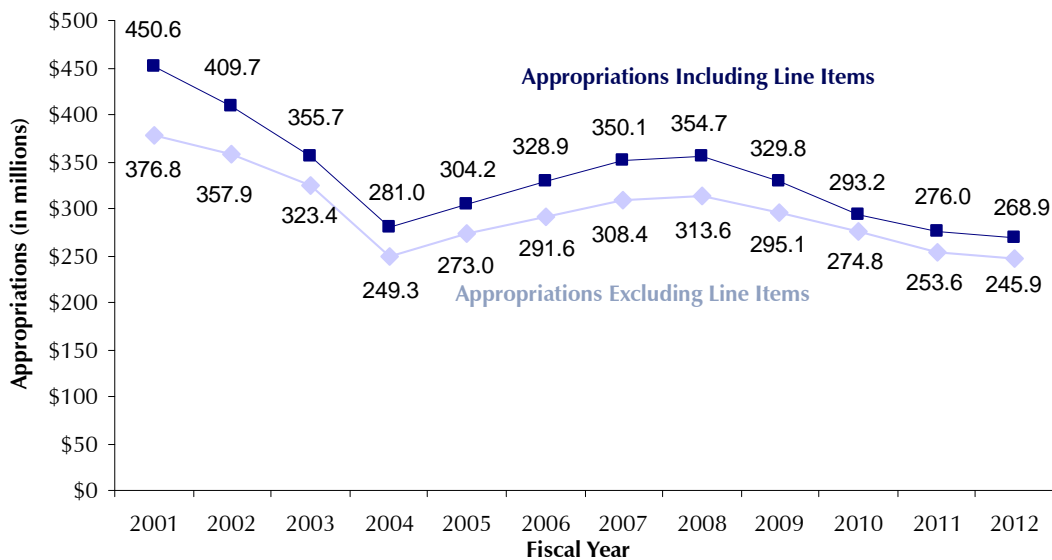
*Flat funding includes changes of less than 0.5% in magnitude.

For state-by-state details, see the [table and notes](#) on page 3 of this report. For additional information about agencies undergoing significant changes in FY2012, consult NASAA's [Major Budget and Restructuring Log](#).

Total appropriations to state arts agencies have declined by 40% since 2001, the peak year for state arts agency funding since most state arts agencies were founded 46 years ago.

Between fiscal years 2001 and 2004, state arts agencies sustained losses of 38%. Although some resources were rebuilt between fiscal years 2004 and 2007, the recession in 2008 triggered another decline.

State Arts Agency Legislative Appropriations
Fiscal Years 2001-2012



State Arts Agency Structure

In addition to budget changes, agency restructuring has been enacted for four state arts agencies in FY2012:

- In Connecticut, the Arts Division (with its parent agency, the Commission on Culture and Tourism) was made part of the Department of Economic and Community Development, becoming the Office of the Arts within that department.
- The Georgia Arts Council has become part of the Department of Economic Development.
- The Nevada Arts Council (and its parent agency, the Department of Cultural Affairs) was merged into the Department of Tourism and Cultural Affairs.
- The Wisconsin Arts Board has been consolidated into the state Department of Tourism.

About This Data

Based on survey data reported to NASAA in June 2011, this preview contains information on the legislative appropriations that each state arts agency expects to receive for FY2012, which began on July 1, 2011, for most states. This report does not include information on other sources of funding (federal money, state transfer funds or other revenue sources) that state arts agencies may receive. NASAA will collect comprehensive state arts agency budget statistics in the fall and will report those findings in early winter. Meanwhile, background information on total state arts agency revenues for FY2011 is available in the [Funding](#) section of the NASAA website.

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State Arts Agency Appropriations, Fiscal Years 2011-2012
Total Legislative Appropriations Including Line Items

State or Special Jurisdiction	FY2011 Enacted	FY2012 Projected	Percent Change FY11 to FY12
Alabama	\$ 4,625,624	\$ 4,251,968	-8.1%
Alaska	684,700	790,100	15.4%
American Samoa	49,000	49,000	0.0%
¹ Arizona	665,600	0	-100.0%
² Arkansas	2,125,679	2,943,260	38.5%
³ California	4,157,309	3,893,000	-6.4%
Colorado	1,121,726	1,172,000	4.5%
Connecticut*	6,431,417	7,626,030	18.6%
Delaware	1,710,300	1,682,200	-1.6%
⁴ District of Columbia*	4,547,000	9,798,246	115.5%
⁵ Florida*	6,356,661	5,673,420	-10.7%
Georgia	763,358	574,268	-24.8%
Guam	307,500	307,500	0.0%
Hawaii †	5,079,760	6,409,968	26.2%
Idaho	715,600	674,600	-5.7%
Illinois*	12,106,903	8,997,700	-25.7%
Indiana †	2,722,013	2,722,013	0.0%
Iowa	993,366	933,764	-6.0%
⁶ Kansas	811,290	0	-100.0%
Kentucky †	3,069,700	3,055,600	-0.5%
⁷ Louisiana	3,924,939	3,334,466	-15.0%
Maine	662,193	738,866	11.6%
Maryland	13,267,237	13,298,434	0.2%
Massachusetts	9,098,781	8,449,866	-7.1%
Michigan	1,417,400	1,530,300	8.0%
⁸ Minnesota	29,990,000	29,673,000	-1.1%
Mississippi	1,681,564	1,662,799	-1.1%
⁹ Missouri	7,611,505	7,000,000	-8.0%
Montana	440,184	454,481	3.2%
¹⁰ Nebraska	1,432,887	1,367,717	-4.5%
¹¹ Nevada	1,036,460	961,883	-7.2%
New Hampshire	462,065	354,871	-23.2%
¹² New Jersey	20,699,000	16,000,000	-22.7%
¹³ New Mexico	1,776,500	1,477,700	-16.8%
New York*	41,522,000	36,211,000	-12.8%
North Carolina*	8,488,087	7,255,593	-14.5%
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	2,281,451	2,005,242	-12.1%
Pennsylvania	9,317,000	9,065,000	-2.7%
Puerto Rico*	15,225,000	23,474,000	54.2%
Rhode Island*	2,151,124	2,113,862	-1.7%
South Carolina	2,050,846	1,927,795	-6.0%
South Dakota	668,509	782,376	17.0%
¹⁴ Tennessee*	8,105,700	8,291,600	2.3%
¹⁵ Texas	6,462,356	1,443,272	-77.7%
¹⁶ Utah*	2,814,900	5,148,500	82.9%
Vermont	507,607	507,607	0.0%
Virgin Islands	743,208	744,805	0.2%
Virginia	3,794,813	3,794,813	0.0%
¹⁷ Washington	1,228,000	1,107,000	-9.9%
West Virginia*	2,488,470	2,488,720	0.0%
¹⁸ Wisconsin	2,417,700	790,900	-67.3%
¹⁹ Wyoming	1,295,439	1,395,439	7.7%
Total	\$276,035,245	\$268,858,879	-2.6%

Table Notes

- * Total FY2012 appropriation includes line-item funds designated by the legislature to pass through the state arts agency to other entities.
- † Agency has already been notified that FY2012 funds are subject to holdbacks.
- ¹ **Arizona:** In FY2011 the agency received state funding from two sources: a general fund appropriation and a percentage of state business licensing fees (reported separately as a transfer of funds). All general fund dollars for the agency were eliminated for FY2012. The legislature approved the agency's receipt of an estimated \$1.4 million generated from business license revenues in FY2012, but the state has applied a preemptive 8% reduction to those receipts.
- ² **Arkansas:** New FY2012 funds will be released at the discretion of the governor.
- ³ **California:** Decrease is due to the conclusion of a special three-year initiative.
- ⁴ **District of Columbia:** The agency is slated to receive \$5 million in line-item funds from the Commission on Fine Arts to administer National Capital Arts and Cultural Affairs grants.
- ⁵ **Florida:** Decline includes reductions of more than \$1 million in line-item funds. Appropriation for core agency grants and services increased by 10%.
- ⁶ **Kansas:** Legislative funding for the agency was eliminated by gubernatorial veto. Although the Kansas Arts Commission continues to exist per state statute, it will receive no legislative appropriation in FY2012.
- ⁷ **Louisiana:** The legislature eliminated all line-item funding (totaling \$775,000 in FY2011) for FY2012.
- ⁸ **Minnesota:** Projections include a decrease in general fund appropriations to the agency largely offset by an increase in projected sales tax revenues from the Minnesota Legacy Fund.
- ⁹ **Missouri:** The legislature has directed the state arts agency to draw dollars from the state-run cultural endowment fund in lieu of a general fund appropriation.
- ¹⁰ **Nebraska:** The legislature eliminated all line-item funding (totaling \$186,200 in FY2011) for FY2012. Funds designated for former line-item recipients are included in the state arts agency's grants appropriation.
- ¹¹ **Nevada:** Approximately half of the FY2012 appropriation will come from Department of Tourism Room Tax revenues.
- ¹² **New Jersey:** The state eliminated all line-item funding (totaling \$4.3 million in FY2011) for FY2012.
- ¹³ **New Mexico:** The legislature eliminated all line-item funding (totaling \$202,400 in FY2011) for FY2012.
- ¹⁴ **Tennessee:** Appropriation includes \$674,900 in nonrecurring dollars.
- ¹⁵ **Texas:** Appropriation for core agency grants and services declined by 50%. Additional funds appropriated from other state sources in FY2011 were eliminated in FY2012.
- ¹⁶ **Utah:** Increase is comprised of \$2.7 million in new line-item funds. Appropriation for agency grants and services declined by 9%.
- ¹⁷ **Washington:** In FY2012, the source of funding 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 eliminated.
- ¹⁹ **Wyoming:** The total appropriation for the agency's FY2011-2012 biennium was flat, but funds were allocated unevenly between the two years.