

## Summary of State Arts Agency Fiscal Year 2012 Budget Proposals

Updated April 2011

This document provides a snapshot of how the arts are faring in states' fiscal year 2012 budgeting discussions to date. The analysis is based on information from all 50 states. Most data is drawn from governors' recommendations released between December 2010 and March 2011. Where available, legislative proposals have been factored into the analysis.

Note that this summary describes appropriations scenarios under discussion, not enacted budgets. There is often a big difference between the two. Funding debates are expected to continue through the spring as lawmakers, many of whom were newly elected last fall, try to cope with sluggish revenue growth, expenditure pressures and large budget gaps. Constantly changing—and conflicting—legislative proposals will emerge in the weeks ahead as legislatures work to resolve their budgets before July 1, 2011, when most states' 2012 fiscal year begins.

New legislative activity unfolds daily. For additional details about specific states, or to share an update on your own agency's situation, please [contact NASAA](#). For more information on state arts agency revenue sources and current (FY2011) state appropriations, visit the [funding](#) page of the NASAA website.

### Arts Appropriations Proposals

**Appropriations cuts have been proposed for 61% of state arts agencies for FY2012.**

The median proposed decrease is 19%. Cuts of more than 30% have been proposed in Arizona, Colorado, Florida, Georgia, New Hampshire, Texas, Washington and Wisconsin. For information on major budget reduction or agency elimination threats, consult NASAA's [Major State Arts Agency Budget and Restructuring Proposals](#) report, which is regularly updated as new information is made public.

**Flat funding has been proposed for 27% of state arts agencies for FY2012.**

**Increases have been proposed for 12% of state arts agencies for FY2012.** The median proposed increase is 12%. Substantial increases have been proposed in Hawaii and West Virginia, but most others are modest in size.

### State Budget Context

**86% of states are facing FY2012 budget gaps.** The Center on Budget and Policy Priorities (CBPP) [reports](#) that 44 states and the District of Columbia expect income to fall short of projected expenditures, forcing governors and legislatures to raise revenues, cut expenses, tap already depleted reserves or invoke some combination of those tactics.

**79% of governors' FY2012 budgets proposed major reductions in core public services,** according to a CBPP [analysis](#). These cutbacks will affect many branches of state government, including education, health care, salaries and benefits for public workers. Three-quarters of governors' budget proposals included plans to spend less overall in FY2012 than in FY2008, when the recession began.

## Related Policy Proposals

**Restructuring:** A National Governors Association analysis of 2011 State of the State addresses found that more than half of governors (20 of 35) identified reorganization or restructuring plans as priorities.

To date, restructuring has been proposed for eight state arts agencies. Most of these proposals have included relocating the state arts agency into departments of economic development, tourism, or parks and recreation. A proposal in Kansas to create a private nonprofit organization to serve as the state arts agency was defeated recently by the legislature. About half of all state arts agencies are currently [part of a larger division](#) within state government. For more information on FY2012 reorganization proposals, see NASAA's [Major State Arts Agency Budget and Restructuring Proposals](#) report.

**Public art:** Legislation affecting public art and percent for art programs has been proposed in six states. These proposals range from enacting eligibility restrictions to reduction of funding to suspension or elimination of the program. Currently there are 28 active state percent for art or public art programs across the country.

**Cultural trusts:** At least three states are facing the prospect of reductions to cultural endowments or trusts. The Nebraska legislature has proposed reducing payments into the Nebraska Cultural Endowment. The governor in Arizona has proposed reducing by 8% the principal of the Arizona Arts Trust Fund (a government mechanism for funding the arts using business filing fees). In Missouri, the arts council anticipates having to cover operating expenses for fiscal year 2012 using principal funds from their cultural trust. Eighteen states have established cultural trusts or endowments, though not all are active at this time.



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