

National Assembly of State Arts Agencies

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State Arts Agency Legislative Appropriations Preview Fiscal Year 2021

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This report provides a forecast of state government funding for the arts in fiscal year 2021. **The preliminary information published within this report has a far greater degree of uncertainty than normal, due in large part to the global COVID-19 pandemic, which is adversely affecting state and jurisdictional budgets across the nation.**

Data presented in this report were collected before most states began a new fiscal year on July 1. Thirty-three states went through the budgeting process this year, and 17 states will continue into the second year of their biennial budget. Normally, 46 states would begin their fiscal years on July 1. Due to COVID-19, however, several states are changing their budget processes, whether that be extending FY2020 past July, passing continuing resolutions or enacting short-term budgets.

As of August 4, 2019, 43 states have enacted full-year budgets for FY2021. In addition, many states will revisit enacted budgets in the coming months to adjust for shifting revenue and expense conditions. For the latest information on state arts agency funding fluctuations, contact [Patricia Mullaney-Loss](#).

COVID-19 and State Budgets

Before COVID-19, 42 states were expecting to exceed revenue growth forecasts in FY2020. Consequently, governors' budgets proposed an increase of general spending by 2.8% in FY2021 ([National Association of State Budget Officers](#) [NASBO]). Following a decade of growth, states were at an all-time aggregate high in rainy-day funds and were better off financially than they were before the Great Recession. However, no state was fully prepared for the pandemic and the severity of the related economic upheaval. COVID-19 has negatively affected nearly every type of revenue used to fund state government. All states expect significant revenue losses—income and sales taxes comprise about three-quarters of state general fund revenue and have been hit hard with the sharp increases in unemployment and business closures. Revenue projections are continuing to be revised and declines in revenue are expected to exceed losses experienced during the Great Recession. The [Federation of Tax Administrators](#) has estimated a \$152 billion state revenue loss between April and June 2020 alone.

Most states are required to balance their budgets, and some have already employed combinations of spending cuts, layoffs and furloughs, and reserve fund spending in the last half of FY2020. According to [NASBO](#), use of these measures is expected increase in FY2021, with budget cuts for many states expected to reach 15-20%, particularly if there is no more federal government relief. In the longer term, estimates from the [Center for Budget and Policy Priorities](#) suggest a total state budget shortfall of \$555 billion between FY2020 and FY2022. This is

PRELIMINARY FINDINGS

- **Total appropriations to state arts agencies (SAAs) are projected to decrease by 11%** between fiscal years 2020 and 2021, totaling \$387.6 million in FY2021.
- **Twenty-one SAAs reported projected increases** in total legislative appropriations and, among those, the median increase was 4.0%.
- **Twenty-one SAAs reported decreases**, with a median decrease of 10.7%.
- **Total per capita appropriations to SAAs are projected to be \$1.17** in FY2021, a decrease of 21 cents from FY2020.
- Overall state revenue projections for FY2020 are showing decreases across the board, with an **estimated loss of \$152 billion between April and June.**

likely a conservative estimate, since these projections do not take into consideration the increase in expenditures needed to contend with a public health crisis of this magnitude. Legislatures will continue to revisit FY2021 budgets as states adjust revenue projections and await news on further aid from the federal government.

State Arts Agency Appropriations Projections

Positive general fund spending growth before COVID-19 created healthy conditions for state arts agency (SAA) budgets to increase by 37.3% from FY2019 to FY2020, but state arts agencies are now bracing for, or are already coping with, appropriation cuts. From all 56 state arts agencies surveyed this spring, 22 indicated that their FY2020 budget estimate was extremely likely to change. Assessing revised FY2020 budget figures, 11 states are showing decreases in actual FY2020 budgets.

With current estimates, FY2021 legislative appropriations to state arts agencies are expected to decrease by 11.0%, bringing total appropriations to SAAs to \$ 387.6 million. In FY2021:

- 20 states and jurisdictions expect their arts appropriation to increase;
- 22 expect their appropriation to decrease;
- 14 expect their appropriation to remain unchanged.

Budgets will change throughout the summer and fall, as state legislatures reconvene to assess changing revenue estimates. Fourteen states are already expecting cuts of more than 5%, and the number of states receiving cuts will most likely grow over the next few months.

Among the 20 SAAs reporting increases, 18 indicated that those appropriations could change. For more state-by-state details, see the tables and notes on [page 5](#) and [page 6](#) of this report.

Federal Support

Federal support through the Coronavirus Aid, Relief and Economic Security (CARES) Act has been an important part of the toolkit that state government and SAAs are using to address losses caused by COVID-19. The CARES Act included \$75 million in funds distributed through the National Endowment for the Arts. By law, 40% of those dollars were allocated to state arts agencies and regional arts organizations, which are regranteeing them through state level arts relief programs. Apart from these Arts Endowment funds, the CARES Act also included \$150 billion in aid to states and localities. States may elect to use some of these funds for grants or loans to mitigate economic harm caused by the pandemic. At the time of publication, 12 states are in the process of tapping into this aid for the cultural sector. Eight of these states have officially allocated funding so far:

- Indiana's governor announced an allocation of [\\$10 million](#) from state CARES Act relief funds for arts and culture. The money will be distributed through the state tourism department under the lieutenant governor, but the Indiana Arts Commission will author the grant guidelines and collaborate on the program design and distribution of funds.
- The Maryland State Arts Council requested \$12.5 million and [received \\$3 million](#) from the Maryland Nonprofit Recovery Initiative for COVID-19 Relief for administering an emergency grant program. The initiative had a total of \$50 million allocated for nonprofit organizations across the state.
- Massachusetts allocated [\\$2 million](#) for arts and cultural grants, to be administered by the Massachusetts Cultural Council. There is potential for up to \$11 million in additional grant funding, which is still making its way through the legislative process.
- Oregon Cultural Trust and the Oregon Arts Commission [received nearly \\$26 million](#) in COVID-19 emergency arts funding, with \$24 million more in line items to cultural organizations. This is the largest state COVID-19 relief amount for the cultural sector announced at the time of publication.
- Pennsylvania's legislature passed a comprehensive COVID-19 response bill, [HB2510](#), which includes an appropriation of \$20 million from the COVID-19 Response Restricted Account for use in Cultural and

Projected Changes in SAA Total Legislative Appropriations Fiscal Years 2020-2021

Increases	
Number of SAAs	20
Number of SAAs up 10% or more	6
Median percent increase	4.0%
Flat Funding*	
Number of SAAs	14
Decreases	
Number of SAAs	22
Number of SAAs down 10% or more	11
Median percent decrease	-10.7%
All States	
Aggregate percent change	-11.0%
Median percent change	0.0%

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

Museum Preservation Grants. The grant and funds are administered by the Commonwealth Financing Authority, which is part of the Department of Community and Economic Development.

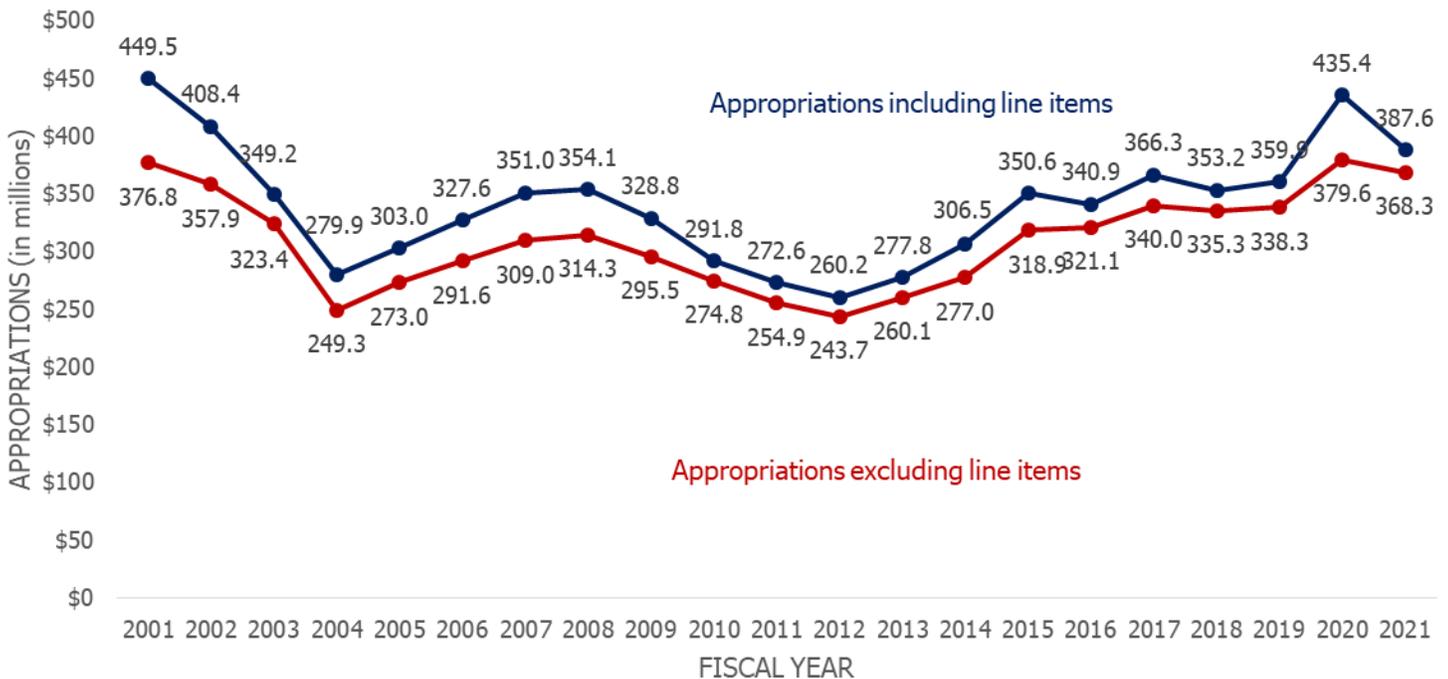
- Utah passed a comprehensive COVID-19 Economic Recovery Program bill, [HB5010](#). Out of \$62 million in appropriated funds, this bill included \$9 million for a COVID-19 Cultural Assistance Grant Program to be administered by the Division of Arts and Museums. Another [\\$7.5 million](#) for the COVID-19 Cultural Assistance Grant Program was passed on August 31, 2020, with additional funds to the Department of Heritage and Arts for administrative services, preservation and the STEM Action Center.
- Vermont passed a comprehensive COVID-19 appropriations bill, [H0966](#), allocating \$213.2 million in CARES Act relief funds. This bill included an appropriation of \$5 million from the Coronavirus Relief Fund for the Vermont Arts Council to grant to nonprofit arts and cultural organizations.
- Wisconsin's governor has made [\\$5 million](#) in CARES act funds available to nonprofit music, visual arts, live performance and other cultural organizations via the new COVID-19 Cultural Organization Grant Program, which is administered by the Wisconsin Department of Administration.

For more information on these relief funding programs, see NASAA's [August 2020 State to State column](#).

Historic Trends

Just as states were finally bouncing back from the Great Recession a decade earlier, another economic crisis has been unfolding. Total appropriations to state arts agencies in FY2021 decreased 11.0% from a high-water mark in FY2020 for aggregate state funding. The majority of the increase in FY2020 and the decrease in FY2021 are due to line items, which are historically volatile. (Line items are appropriations not controlled by SAAs but rather passed through SAA budgets to legislatively designated entities.) Appropriations excluding line items also are expected to be about equal to FY2001 levels, not adjusted for inflation.

STATE ARTS AGENCY APPROPRIATIONS FISCAL YEARS 2001-2021



Per Capita Funding

Projected appropriations to state arts agencies of \$387.6 million for the year ahead represent an aggregate investment of \$1.17 per capita. This is a decrease from \$1.38 in FY2020, and is 27% lower than the nominal all-time per capita high of \$1.60 reached in FY2001. Although aggregate appropriations are on par with FY2001 levels, population has continued to grow and the same amount of funding will not support the same level of programs and services for all residents.

About These Data

Based on survey data reported to the National Assembly of State Arts Agencies (NASAA) in May and July 2020, this preview contains information on the legislative appropriation that each state arts agency expects to receive for FY2021, which begins for most states on July 1, 2020. This report does not include information on other sources of funding (federal money, state transfer funds or other revenue sources) that SAAs may receive. NASAA will collect comprehensive FY2021 SAA budget statistics in the fall and will report those findings in winter. Background information on total SAA revenues for FY2020 is available in the [Funding](#) section of the NASAA website, including a suite of data visualizations detailing appropriations and revenue over time, regional comparisons and per capita rank estimations.

All references to historic trend data in this forecast are presented in nominal terms—i.e., they are not adjusted for inflation. Detailed discussion of inflation's effects (and accompanying constant-dollar adjustments) are included in NASAA's in-depth State Arts Agency Revenues report published each winter. Trend charts including inflation adjustments are available through our [appropriations and revenue explorers](#).

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Preliminary Projections: State Arts Agency Appropriations, Fiscal Years 2020-2021
Total Legislative Appropriations Including Line Items

State or Special Jurisdiction	FY2020 Enacted	FY2021 Projected	Percent
Alabama*	\$ 5,828,528	\$ 5,978,528	2.6%
¹ Alaska	\$ 704,400	\$ 686,200	-2.6%
American Samoa•	\$ 116,000	\$ 111,000	-4.3%
² Arizona*	\$ 2,200,000	\$ 0	-100.0%
Arkansas•	\$ 1,425,944	\$ 1,425,944	0.0%
³ California•	\$ 53,583,000	\$ 26,236,000	-51.0%
Colorado	\$ 2,023,000	\$ 1,300,000	-35.7%
Connecticut*	\$ 5,499,552	\$ 5,499,552	0.0%
Delaware	\$ 3,858,891	\$ 3,859,849	0.0%
District of Columbia	\$ 34,155,000	\$ 38,725,884	13.4%
Florida*	\$ 23,982,028	\$ 17,212,000	-28.2%
Georgia	\$ 1,462,217	\$ 1,503,217	2.8%
Guam	\$ 438,847	\$ 499,798	13.9%
Hawaii•	\$ 6,530,067	\$ 6,530,067	0.0%
Idaho•	\$ 884,700	\$ 874,800	-1.1%
⁴ Illinois*	\$ 13,396,800	\$ 13,246,800	-1.1%
Indiana	\$ 3,802,876	\$ 3,332,417	-12.4%
Iowa	\$ 1,467,188	\$ 1,017,188	-30.7%
Kansas	\$ 500,000	\$ 502,084	0.4%
Kentucky	\$ 1,711,600	\$ 1,578,200	-7.8%
Louisiana	\$ 2,069,865	\$ 2,271,730	9.8%
Maine	\$ 1,006,627	\$ 966,180	-4.0%
Maryland•	\$ 23,408,764	\$ 23,683,526	1.2%
Massachusetts†•	\$ 18,180,000	\$ 15,000,000	-17.5%
Michigan†•	\$ 9,000,000	\$ 9,000,000	0.0%
Minnesota*•	\$ 40,741,000	\$ 40,691,000	-0.1%
Mississippi†	\$ 1,719,421	\$ 1,563,509	-9.1%
Missouri*	\$ 4,890,656	\$ 5,022,305	2.7%
Montana*	\$ 525,305	\$ 528,036	0.5%
Nebraska	\$ 1,508,852	\$ 1,514,842	0.4%
Nevada•	\$ 1,672,681	\$ 1,850,065	10.6%
New Hampshire†•	\$ 805,229	\$ 816,615	1.4%
New Jersey†•	\$ 16,405,000	\$ 16,405,000	0.0%
New Mexico•	\$ 1,332,300	\$ 1,639,500	23.1%
New York*•	\$ 45,274,000	\$ 43,510,000	-3.9%
North Carolina*†	\$ 8,277,787	\$ 8,277,787	0.0%
North Dakota*	\$ 809,342	\$ 809,342	0.0%
Northern Marianas•	\$ 534,907	\$ 145,837	-72.7%
Ohio•	\$ 17,177,781	\$ 17,273,578	0.6%
Oklahoma	\$ 2,912,531	\$ 2,796,030	-4.0%
⁵ Oregon*	\$ 4,087,335	\$ 1,621,647	-60.3%
⁶ Pennsylvania†	\$ 10,474,000	\$ 8,892,900	-15.1%
Puerto Rico*	\$ 11,033,000	\$ 11,093,000	0.5%
Rhode Island*•	\$ 1,993,137	\$ 2,056,961	3.2%
⁷ South Carolina†•	\$ 11,830,498	\$ 4,380,498	-63.0%
South Dakota•	\$ 902,580	\$ 1,074,766	19.1%
Tennessee*	\$ 7,957,700	\$ 8,333,200	4.7%
Texas*	\$ 10,214,538	\$ 10,493,038	2.7%
⁸ Utah	\$ 5,133,000	\$ 5,377,100	4.8%
Vermont†	\$ 723,589	\$ 661,236	-8.6%
Virgin Islands•	\$ 375,000	\$ 375,000	0.0%
Virginia•	\$ 3,973,138	\$ 3,973,138	0.0%
Washington	\$ 2,169,000	\$ 2,574,000	18.7%
West Virginia	\$ 879,806	\$ 879,806	0.0%
Wisconsin	\$ 813,700	\$ 790,000	-2.9%
Wyoming•	\$ 1,038,975	\$ 1,112,067	7.0%
Total	\$ 435,421,682	\$ 387,572,767	-11.0%

Notes

As state governments recalculate revenue projections to adjust to the rolling effects of COVID-19, many expect to revise enacted budgets. 48 state arts agencies (SAAs) indicated that these preliminary numbers were either "likely" or "extremely likely" to change for this reason. For the latest information on SAA appropriations, contact [Patricia Mullaney-Loss](#).

* The total projected appropriation includes line item funds designated by the legislature to pass through the state arts agency to other entities.

• Denotes agencies that have indicated their budget is "extremely likely" to change.

† At the time of publication, the state does not have an enacted FY2021 budget.

¹ **Alaska:** Figures have been captured from budget documents.

² **Arizona:** Does not account for the \$2 million in relief funding from the state's Crisis Contingency and Safety Net Fund, nor revenue from business license filing fees.

³ **California:** FY2020 line items include \$27.5 million in pass-through funds for designated agencies.

⁴ **Illinois:** The total appropriation figure for the Illinois Arts Council Agency does not reflect the \$50 million in one-time appropriations for capital projects in FY2020. The agency is awaiting action from the governor's office before distributing funds over multiple years.

⁵ **Oregon:** The Oregon Arts Commission's line items are lottery fund allocations for capital construction projects (Cultural Resources Economic Fund). In FY2020, four construction projects for cultural nonprofits received support from this fund.

⁶ **Pennsylvania:** Total legislative appropriation for the Pennsylvania Council on the Arts includes an administrative allocation.

⁷ **South Carolina:** For FY2020, the South Carolina Arts Commission received a line item of \$7 million for the Community Foundation of Greenville.

⁸ **Utah:** The agency's appropriation does not include state support for the Fine Arts Outreach POPS program and the Beverley Taylor Sorenson Arts Learning Program, which are administered by agencies other than the SAA.

Per Capita State Arts Agency Appropriations, Fiscal Year 2021
Projected Total Legislative Appropriations Including Line Items

State or Special Jurisdiction	Legislative Appropriations Including Line Items	
	Amount	Rank
Alabama*	\$ 1.22	14
Alaska	\$ 0.94	19
Arizona*	\$ 0.00	50
Arkansas	\$ 0.47	39
California*	\$ 0.66	30
Colorado	\$ 0.23	46
Connecticut*	\$ 1.54	11
Delaware	\$ 3.96	3
Florida*	\$ 0.80	23
Georgia	\$ 0.14	48
Hawaii*	\$ 4.61	2
Idaho	\$ 0.49	37
Illinois*	\$ 1.05	18
Indiana	\$ 0.49	34
Iowa*	\$ 0.32	45
Kansas	\$ 0.17	47
Kentucky	\$ 0.35	43
Louisiana	\$ 0.49	38
Maine	\$ 0.72	27
Maryland*	\$ 3.92	4
Massachusetts*	\$ 2.18	6
Michigan†	\$ 0.90	20
Minnesota*	\$ 7.22	1
Mississippi	\$ 0.53	33
Missouri*	\$ 0.82	22
Montana*	\$ 0.49	35
Nebraska	\$ 0.78	25
Nevada	\$ 0.60	31
New Hampshire†	\$ 0.60	32
New Jersey	\$ 1.85	9
New Mexico	\$ 0.78	26
New York*	\$ 2.24	5
North Carolina*†	\$ 0.79	24
North Dakota*	\$ 1.06	16
Ohio	\$ 1.48	12
Oklahoma	\$ 0.71	28
Oregon*†	\$ 0.38	41
Pennsylvania	\$ 0.69	29
Rhode Island*	\$ 1.94	7
South Carolina*	\$ 0.85	21
South Dakota	\$ 1.21	15
Tennessee*	\$ 1.22	13
Texas*	\$ 0.36	42
Utah	\$ 1.68	10
Vermont	\$ 1.06	17
Virginia	\$ 0.47	40
Washington	\$ 0.34	44
West Virginia	\$ 0.49	36
Wisconsin	\$ 0.14	49
Wyoming	\$ 1.92	8
American Samoa	\$ 2.21	11
District of Columbia	\$ 54.87	1
Guam	\$ 2.97	8
Northern Marianas	\$ 2.82	9
Puerto Rico*	\$ 3.47	7
Virgin Islands	\$ 3.52	6
Total	\$ 1.17	

Notes

* The total FY2020 projected appropriation includes line item funds designated by the legislature to pass through the state arts agency to other entities.

• Denotes agencies that have indicated their budget is "extremely likely" to change.

† At the time of publication, the state does not have an enacted FY2020 budget.

Per capita amounts represent the total dollar figure for each agency's appropriation divided by the total population. The total per capita dollar figure in the bottom row is based on the aggregate population for 56 states and jurisdictions. States are ranked out of 50; jurisdictions are ranked out of 56.

Per capita spending calculations for the 50 states, the District of Columbia and Puerto Rico are based on the July 1, 2018, population estimates in the [Annual Estimates of the Resident Population for the United States, Regions, States, and Puerto Rico: April 1, 2010 to July 1, 2018](#) table from the U.S. Census Bureau. Population figures for American Samoa, Guam, the Northern Mariana Islands and the U.S. Virgin Islands are from the [International Data Base](#) of the U.S. Census Bureau.