

NEWS RELEASE March 2, 2023 CONTACT: Sue Struve 202-347-7068 sue.struve@nasaa-arts.org

# State Arts Budgets Reach All-Time Highs in FY2023, with Robust State Economies

WASHINGTON, D.C.—Aggregate legislative appropriations to state arts agencies increased by 7% in fiscal year 2023, according to <u>data</u> published by the National Assembly of State Arts Agencies (NASAA) and an accompanying report, <u>State Arts Agency Revenues, Fiscal Year 2023</u>.

Continuing an upward trend from the previous years, due to federal pandemic funds and robust state revenues, legislative appropriations to state arts agencies (SAAs) rose from \$833 million in 2022 to \$891 million in 2023.

Together, appropriations to SAAs equal an investment of \$2.65 per capita, 7% increase from the previous year.

"Lawmakers, regardless of party affiliation, are investing in the arts as an effective strategy to achieve high-priority policy goals such as economic recovery, community well-being and infrastructure development," said NASAA president and CEO Pam Breaux. "Through the pandemic, state arts agencies further solidified their essential role as implementors of state programs that directly benefit communities."

This year's aggregate increase is considerable and in line with the previous year. As federal pandemic funds are exhausted and the economic

- Appropriations to state arts agencies comprise 0.072% (less than one-tenth of one percent) of total state general fund expenditures in FY2023.
- States currently invest **\$891.4** million—about \$2.65 per capita in state arts agencies.
- State arts agencies use legislative appropriations to make more than 23,000 grant awards to organizations, schools and artists.
- Public policy goals addressed by state arts agencies include boosting economic resiliency, advancing economic, race and rural equity, and investing in creative aging.

outlook is uncertain, it is unknown whether rises will continue to be seen in the near future. Also, a high proportion of the increase is due to line item appropriations (funds that pass through state arts agency budgets), which are historically volatile—close to 56% of the FY2023 increase is due to large, one-time public art investments in five states. Nevertheless, most states experienced an increase in 2023: 36 SAAs reported increases, 11 reported flat funding and 9 reported decreases. When line items are excluded, appropriations to state arts agencies increased by around 19.5%.

The continued opening of economies and decreasing unemployment have increased state revenues. Federal pandemic aid, particularly the American Rescue Plan Act, also continues to bolster state budgets. While the national percentage of state general funds dedicated to the arts fell from 0.075% to 0.071% in FY2023, the total amount allocated to state arts agencies was increased, as state general funds expenditures rose by 13% over the previous year. Caution should be exercised in assuming such strong increases will continue as the economy may face recession and pandemic aid is spent. Economic recovery will likely continue to be uneven across the states, with continued fiscal uncertainty.

The National Assembly of State Arts Agencies is a not-for-profit, nonpartisan organization that serves the nation's 56 state and jurisdictional arts councils. NASAA is a clearinghouse for data about public funding for the arts as well as research about the policies and programs of state arts agencies. Additional information on <u>state arts</u> agency funding, how these funds are used in grant making and <u>the impact of government support for the arts</u> is available on the <u>NASAA website</u>.

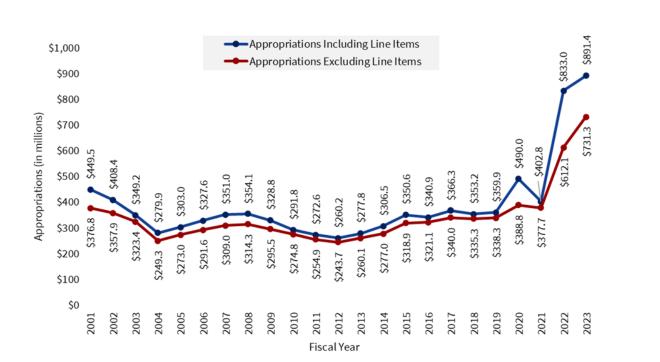
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## Figure 3: SAA Total Legislative Appropriations Changes

Fiscal Years 2022–2023

Increases					
Number of SAAs	36				
Number of SAAs up 10%+	14				
Median percent increase	7.8%				
Flat Funding*					
Number of SAAs	11				
Decreases					
Number of SAAs	9				
Number of SAAs down 10%+	4				
Median percent decrease	-5.3%				
All States					
Aggregate percent change	7.0%				
Median percent change	2.8%				
*Flat funding includes changes of less than 0.5% in magnitude.					

Source: National Assembly of State Arts Agencies, State Arts Agency Revenues, Fiscal Year 2023



### **FIGURE 1: State Arts Agency Legislative Appropriations** Fiscal Years 2001-2023

Note: Line items are legislative appropriations not controlled by state arts agencies but rather passed through state arts agency budgets to other designated entities. Source: National Assembly of State Arts Agencies, State Arts Agency Revenues, Fiscal Year 2023

#### **Table 1: State Arts Agency Total Legislative Appropriations**

Fiscal Years 2022–2023

State or Special Jurisdiction		Legislative Appropriations Including Line items		Percent Change
		FY2022	FY2023	FY22 to FY23
	Alabama	\$7,048,047	\$7,630,969	8.3%
1	Alaska	\$743,600	\$770,707	3.6%
	American Samoa	\$153,500	\$153,500	0.0%
2	Arizona	\$0	\$5,000,000	n/a
	Arkansas	\$1,356,220	\$1,372,507	1.2%
	California 🔶	\$169,525,000	\$56,876,000	-66.4%
	Colorado	\$2,023,000	\$2,023,000	0.0%
	Connecticut	\$34,287,942	\$37,635,238	9.8%
3	Delaware	\$3,880,015	\$3,880,015	0.0%
5	District of Columbia	\$37,522,544	\$44,399,000	18.3%
4	Florida	\$42,289,102	\$83,581,650	97.6%
-	Georgia	\$1,502,217	\$1,555,890	3.6%
	Guam	\$493,859	\$586,400	18.7%
	Hawaii	\$7,757,189	\$7,277,189	-6.2%
	Idaho	\$883,400	\$905,700	2.5%
5				
5	Illinois 🔶	\$63,879,800	\$63,664,900	-0.3%
	Indiana	\$3,632,417	\$3,632,417	0.0%
	lowa ^	\$1,467,188	\$1,467,188	0.0%
	Kansas	\$502,084	\$509,403	1.5%
	Kentucky	\$1,739,600	\$1,797,100	3.3%
	Louisiana	\$2,170,902	\$2,139,981	-1.4%
	Maine	\$1,019,604	\$1,028,241	0.8%
	Maryland	\$26,317,737	\$27,777,358	5.5%
6	Massachusetts	\$21,375,000	\$23,377,000	9.4%
	Michigan	\$9,850,000	\$11,850,000	20.3%
	Minnesota	\$41,913,000	\$43,551,000	3.9%
7	Mississippi	\$1,659,164	\$5,913,208	256.4%
8	Missouri 🔶	\$7,078,930	\$18,616,669	163.0%
	Montana ^	\$558,191	\$533,211	-4.5%
9	Nebraska ♦^	\$2,542,346	\$10,102,052	297.4%
	Nevada	\$1,953,818	\$2,101,634	7.6%
	New Hampshire	\$822,161	\$838,584	2.0%
	New Jersey 🔶	\$61,455,000	\$40,780,000	-33.6%
10	New Mexico	\$1,418,000	\$1,593,000	12.3%
	New York ♦	\$106,622,000	\$241,447,000	126.5%
11	North Carolina	\$23,277,787	\$9,146,169	-60.7%
	North Dakota ^	\$831,383	\$855,157	2.9%
	Northern Marianas	\$233,467	\$223,934	-4.1%
	Ohio	\$20,000,000	\$20,085,698	0.4%
	Oklahoma	\$3,004,205	\$3,243,030	7.9%
	Oregon ♦	\$4,078,054	\$11,207,498	174.8%
	Pennsylvania	\$10,482,000	\$10,569,000	0.8%
	Puerto Rico	\$14,873,000	\$18,176,000	22.2%
12	Rhode Island	\$2,110,000	\$2,110,000	0.0%
	South Carolina ♦	\$45,281,187	\$13,929,096	-69.2%
	South Dakota	\$1,056,693	\$1,107,666	4.8%
13	Tennessee	\$9,716,759	\$10,993,850	13.1%
10	Texas	\$10,164,538	\$10,393,830	0.0%
	Utah	\$9,356,400	\$9,447,400	1.0%
	Vermont	\$785,980	\$859,445	9.3%
	Virgin Islands	\$382,000		
	-		\$392,166 \$4,596,237	2.7%
	Virginia ^ Washington	\$3,992,248 \$3,242,400		15.1%
	Washington West Virginia		\$5,262,000	62.3% 2.9%
	0	\$927,315	\$954,315	0.0%
	Wisconsin	\$807,100	\$807,100 \$898,000	
	Wyoming	\$929,217	. ,	-3.4%
	Total	\$832,974,310	\$891,396,010	7.0%

#### Table Notes

♦ Percent change is significantly affected by a change in line items. See tables 3 and 4 of the report for more information.

^ Figure reflects state arts agency appropriation only and does not include appropriation to the state's cultural endowment.

**1 Alaska:** At the time of data collection, the Alaska State Council on the Arts FY2023 Supplemental General Fund Request (\$62,207) had not yet been determined by the State of Alaska Office of Management and Budget.

**2 Arizona:** The state legislature granted the Arizona Commission on the Arts a \$5 million one-time appropriation for FY2023, the largest single-year investment in the arts in the state's history.

**3 Delaware:** The Delaware Division of the Arts received a onetime disbursement of \$1.5 million into the DE Cultural Asset Fund for the Arts Equity & Innovation Incubator.

**4 Florida:** The state allocated over \$23.2 million in line items, including \$15 million to the African-American Cultural and Historical grant program.

**5 Illinois:** The Illinois Arts Council Agency was allocated more than \$50 million in a one-time appropriation for capital projects in FY2023.

**6 Massachusetts:** In late 2020, Massachusetts Cultural Council received \$60.1 million in surplus funds under the state's COVID-19 Recovery Needs Act, to be spent over multiple years. About \$5.5 million of these state funds were spent in FY2022 to supplement the Cultural Facilities Fund program. A historic investment of \$51 million for two Cultural Sector Recovery Grants for FY2023 has been introduced in the state house. These figures are excluded from the legislative appropriations.

**7 Mississippi:** The state allocated \$3 million from the Capital Expense Fund and \$1 million from the Education Enhancement Fund to the Mississippi Arts Commission.

**8 Missouri:** The state budget includes a pass-through of \$11,940,700 for various organizations, including Missouri Humanities.

**9 Nebraska:** For FY2023, the Nebraska Arts Council received a one-time line item appropriation of \$7.5 million for the Museum of Nebraska Art.

**10 New Mexico:** The New Mexico Arts budget for FY2023 includes \$100,000 set aside by the legislature specifically for the New Mexico Music Commission.

**11 North Carolina:** The North Carolina Arts Council received \$15 million in federal ARP Act funding from the state legislature in FY2022, which will be spent over the next two fiscal years, FY2023 and FY2024.

**12 Rhode Island:** In view of the capital project time lines and expenditures, the Rhode Island State Council on the Arts budget for FY2023 includes a greater amount of cultural facilities bonds than in previous years.

**13 Tennessee:** The Tennessee Arts Commission has been awarded a multiyear \$1 million grant from the state department of health's Civil Monetary Penalty Fund, which will run from February 1, 2019, to June 30, 2023. In FY2023, the Tennessee General Assembly authorized \$350,000 in expenditures.