

**State Arts Agency Legislative Status Summary Report  
Fiscal Year 2013**

July 18, 2012

This document provides short summaries of significant budget or restructuring proposals that occurred during 2012 legislative session affecting state arts agency fiscal year 2013 budgets. Now that a majority of legislative sessions are complete, this document represents a near-final summary of significant changes and potential threats to state arts agency budgets in FY2013. State arts agency budgets will continue to be affected by state revenue projections, late legislative actions and executive actions. NASAA continues to monitor these changes and will update this report as necessary.

NASAA has published the [FY2013 State Arts Agency Legislative Appropriations Preview Report](#), and will survey states again in the fall to report final appropriations for FY2013.

Only proposals that represented major changes to state arts agencies are included in this report. However, NASAA maintains current and comprehensive information on all 50 states. For information about state arts agencies not listed below, contact [Ryan Stubbs](#) at the NASAA office or visit the [Funding](#) section of the NASAA website. For a recap of significant actions or elimination threats in prior fiscal years, consult NASAA's [Major Budget and Restructuring Log](#).

**District of Columbia**

The District of Columbia Commission on the Arts and Humanities expects to receive an appropriation of \$11.2 million in FY2013, a 178.4% increase from its \$4.0 million appropriation in FY2012. Of this appropriation, \$2.5 million comes from the transfer of the National Capital Arts and Cultural Affairs program to the agency from the U.S. Commission of Fine Arts. The District of Columbia budget, as with all jurisdictions, is a federal appropriation bill and is likely to be passed after the November elections.

**Florida**

The Florida Division of Cultural Affairs received an appropriation of \$12.6 million for FY2013, a 109.7% increase from its \$6.0 million appropriation in FY2012. The increase in funding is largely for two grant programs: cultural facilities grants and culture and museum grants.

**Kansas**

Following the [loss of all state funds](#) for the arts in FY2012, a new state arts agency was created and funded for FY2013. The duties and authority of the Kansas Arts Commission and the Kansas Film Services Commission have been transferred to a new Creative Arts Industries Commission within the state's Department of Commerce.

The state budget appropriates the new Creative Arts Industries Commission \$700,000 and authorizes three full-time employees. This budget bill, [House Sub. for S.B. 294](#), was signed by Governor Brownback on June 1 after passing in the senate by a vote of 22-13 and in the house by a vote of 80-35.

[S.S.B. 2454](#) was signed by the governor on May 10 after passing in the senate by a vote of 38-1 and passing in the house by a vote of 101-20. The bill created a new Creative Arts Industries Commission under the control of the Department of Commerce.

Supplemental notes indicate the Commission will have 11 members appointed by the governor and the state legislature. This bill includes a mechanism to collect income tax checkoff contributions to fund the new Commission.

### **Michigan**

Governor Rick Snyder has signed [H.B. 5365](#), the FY2013 budget bill, leaving intact a state appropriation of \$6.15 million for the Michigan Council on Arts and Cultural Affairs. This appropriation represents a 366% increase from the agency's FY2012 funding level of \$1.4 million, but still falls short of the agency's FY2001 appropriation of \$25.8 million.

### **Minnesota**

A bill under consideration at the committee level in the Minnesota house to cap the expenditures allowable through the state's Percent for Art statute was removed from the committee agenda due to lack of support, and has not reappeared. Current law allows up to 1% of state facility construction or renovation costs to be devoted to artwork. [H.F. 2212](#) would have capped the maximum allowable art expenditures at \$100,000 per building. The legislature adjourned without taking any action on the bill.

Several attempts to redirect funds from Minnesota's [Clean Water, Land and Legacy Amendment](#) occurred during the legislative session. The Legacy Amendment contains an [Arts & Cultural Heritage Fund](#) that provided about \$22 million for the Minnesota State Arts Board in FY2012 and supports regional arts councils and historic preservation activities. One bill ([H.F. 2637](#)) would have allocated \$30 million in Arts & Cultural Heritage Funds each year for seven years to renovations of the state capitol building, starting in fiscal year 2013. Although the bill was "laid over" in committee, the bill's sponsors attempted a floor amendment to accomplish the same goal. This floor amendment was defeated in the Minnesota house. Another bill ([H.F. 2433](#)) would have required 40% of arts funding from the Legacy Amendment to be distributed to schools. This bill also was laid over. Earlier this winter, advocates mobilized to avert the possibility of using Legacy Funds to finance the construction of a new football stadium. Ultimately, no Legacy Funds were diverted from the Minnesota State Arts Board for FY2013 during this session.

### **New Hampshire**

[Two pieces of legislation](#) were introduced in the house this winter that would have threatened the New Hampshire State Council on the Arts. One bill proposed abolishing the Department of Cultural Resources (DCR), including the New Hampshire State Council on the Arts. This bill, [H.B. 1274](#), was amended by the Executive Departments and Administration Committee, striking the language abolishing the DCR. The amendment passed the full house (253-40) on March 28, with no motion made to reintroduce earlier language to abolish the Department of Cultural Resources.

A second bill, [H.B. 1285](#), sought to eliminate the State Art Fund, which supports the arts council's Percent for Art Program. That proposal gained initial approval from the Executive Departments and Administration Committee and passed an initial house floor vote. However, the House Finance Committee later recommended sending the bill to interim study. After collecting information about public art programs in other states, the study committee voted (3-1) to kill the bill on June 19.

### **New York**

The New York State Council on the Arts received an appropriation of \$39.97 million for FY2013, a 10.4% increase from its \$36.21 million appropriation in FY2012. The increase

in funding is largely for a new Art Project Grant program in conjunction with the Regional Economic Development Council.

### **North Carolina**

The North Carolina legislature returned to the statehouse for a midbiennium session on May 16. The legislature has passed a budget bill, [H.B. 950](#), which eliminates two vacant positions at the North Carolina Arts Council (NCAC) and makes a small reduction to the agency's grants appropriation. The bill also directs NCAC's parent agency, the Department of Cultural Resources, to eliminate four positions. These details can be found in the House Appropriations Committee [report](#). Governor Perdue vetoed this budget on June 29, but her veto was overridden by the legislature on July 2.

### **South Carolina**

Following the [override of a veto on arts funding last year](#), Governor Nikki Haley once again [vetoed](#) all FY2013 state funding for the South Carolina Arts Commission. The veto would eliminate all funds for the Commission as passed by the state legislature in [H. 4813](#), including a \$1.9 million appropriation to the agency and \$500,000 in special grant funds. The vetoes were overridden with the necessary two-thirds vote in each chamber of the legislature, restoring all funding to the agency. The house overrode Veto 1, which eliminated the \$1.9 million appropriation and all federal spending authority, by a vote of 110-5, and overrode Veto 21, which eliminated \$500,000 in special grant funds, by a vote of 89-25. The Senate overrode Veto 1 by a vote of 29-10 and overrode Veto 21 by a vote of 29-12.

Due to the timing of the state budget and veto, the South Carolina Arts Commission had no authority to spend any state or federal funds in the time between when the vetoes were issued and when they were overridden (July 5- ). The agency's offices were closed under a stop-work order from the state during this period.

Other legislation proposing a supplemental funding mechanism for supporting the arts in South Carolina stalled in committee. Two bills ([H. 4697](#) and [S. 1210](#)) proposed that a portion of the state's existing admissions tax revenue be appropriated annually to the South Carolina Arts Commission. A variety of arts, sports and entertainment venues in South Carolina are required [by law](#) to charge a 5% tax on entry admissions, but none of those funds currently are allocated to arts activities other than film. The house passed the House Admissions Tax Bill [H. 4697](#) by a vote of 102 to 0, though after being passed to the Senate Finance Committee, the bill received no further action.

### **Utah**

A joint resolution has been passed by the Utah legislature to assess public support for a statewide tax to fund botanical, zoological and cultural organizations. [H.J.R. 13](#) will place a nonbinding question on the November 2012 election ballot, asking whether voters would favor increasing the state's sales tax in order to fund the arts. The maximum tax increase would be 0.15%, with smaller increases occurring in communities that already have voluntarily instituted similar local taxes. This ballot measure does not create the tax; it merely will gauge public support for the concept. The legislation does not address how revenues potentially generated through a possible future tax may be allocated.