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# State Arts Agency Legislative Appropriations Preview, Fiscal Year 2026

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This report provides a forecast of state government funding for the arts in fiscal year 2026. Data presented were collected before most states began a new fiscal year on July 1, 2025.

As of July 17, 2025, 47 states have enacted budgets for FY2026. In the coming months, many states will revisit their enacted budgets to accommodate shifting revenue and expense conditions, and the National Assembly of State Arts Agencies (NASAA) will collect FY2026 revenue data again at the end of the year. For the latest information on state and jurisdictional arts agency (SAA) funding fluctuations, contact Nakyung Rhee.

# **Preliminary Findings**

- Baseline appropriations to state and jurisdictional arts agencies are expected to remain level in FY2026, changing by an aggregate -0.7%. Individual state changes vary significantly.
- Total appropriations including line items are projected to decline 7.7%, driven primarily by reductions in pass-through amounts.
- Twenty-nine SAAs reported projected increases in total appropriations, with a median increase of 8.9%.
- Twenty SAAs reported projected decreases, with a median decrease of 13.6%.
- Total per capita appropriations to SAAs are projected to be \$1.89 in FY2026, a decrease of \$0.16 from FY2025.

# **The Climate for Arts Funding**

The FY2026 fiscal outlook for states indicates a transition to more constrained budgetary conditions following years of robust growth supported by COVID-19 pandemic-era surpluses. According to the <u>National Association of State Budget Officers</u>, general fund spending growth is projected to moderate significantly, with an anticipated 0.8% increase over FY2025 levels and nearly half of states projecting flat or declining expenditures.

Enacted FY2026 budgets reflect a continued shift toward cautious fiscal management, as states adjust to the expiration of temporary federal relief, federal fiscal tightening and uncertain economic settings. States are concentrating on new investments in core service areas—particularly K-12 education, Medicaid and public safety—while moderating growth in discretionary spending. To sustain budget balance, some states have implemented targeted adjustments, including staffing constraints and selective reductions. Remaining federal relief funds are being directed toward one-time capital projects rather than recurring operational expenses, ensuring that spending aligns with sustainable revenue sources.

Despite tighter conditions and future uncertainty, states maintain relatively strong fiscal positions entering FY2026, with median rainy-day fund balances projected to reach 12.9% of general fund expenditures and remain well above historical averages. The continued emphasis on building these reserve balances demonstrates states' preparation for future economic downturns or potential changes in federal funding as they adopt more cautious fiscal approaches.

State arts agencies are projected to receive a total of \$650.2 million in appropriations for FY2026—a 7.7% decrease compared to FY2025. While the national total reflects an overall decline, the nature and magnitude of changes vary widely across individual states. Some states have sustained or slightly increased their base appropriations, whereas others have reduced or restructured line items. In New Hampshire, the state legislature <u>severely cut appropriations to the New Hampshire State Council on the Arts</u>, by nearly 90%. When excluding line items, state arts agency appropriations remained nearly level to FY2025, decreasing by only 0.7%. The contrast between large year-over-year changes in states such as California, Florida, New Hampshire and North Dakota, and the modest aggregated baseline national appropriations decline, highlights the need to understand appropriations trends at the state level.

These figures are preliminary estimates, as several states have yet to finalize their FY2026 budgets. NASAA will release a detailed report this winter, providing comprehensive data on the enacted budgets of all state and jurisdictional arts agencies.

## **State Arts Agency Appropriations Projections**

Current estimates project a 7.7% decline in total legislative appropriations to state and jurisdictional arts agencies for FY2026. This overall decrease stems primarily from a nearly 39% reduction in line item appropriations passed through SAA budgets to other legislatively designated entities. In contrast, baseline appropriations directly allocated to state arts agencies are expected to drop by only 0.7% in FY2026. Although national baseline funding remains relatively stable,

individual states show varying patterns, with some gaining core funding while others face cuts due to local budget constraints or policy decisions.

Notable changes include Florida, which projects a 36% increase in total appropriations due to restored baseline funding after significant prior-year reductions. Oregon expects substantial growth from expanded line item allocations. Appropriation decreases in large-budget states like California and Minnesota contribute to the overall national decline, while Illinois and Missouri forecast reduced total appropriations as supplemental line item funding from FY2025 concludes or adjusts downward.

The total state arts allocations estimated for FY2026 are \$650.2 million, which is \$54 million less than FY2025; nevertheless, this figure is higher than the prepandemic level (54% higher than FY2021's \$421.2 million).

#### In FY2026:

- 29 states or jurisdictions expect their arts appropriation to increase,
- 21 expect their appropriation to decrease, and
- 6 expect their appropriation to remain unchanged. ("Unchanged" appropriations include changes of less than 0.5%.)

Budgets will change throughout the summer and fall, as state legislatures reconvene to assess changing revenue estimates. For more state-by-state details, see the tables and notes on <u>pages 6</u>, <u>7</u> and <u>8</u> of this report.

# **Federal Recovery Funding Transition**

The American Rescue Plan Act of 2021 (ARPA) provided \$350 billion in State and Local Fiscal Recovery Funds (SLFRF) to over 30,000 state, local, tribal and territorial governments to support pandemic recovery and long-term economic stability. According to the <u>U.S. Department of the Treasury</u>, these funds played a critical role in stabilizing government operations and supporting essential services during the pandemic while enabling states to invest in long-term recovery initiatives.

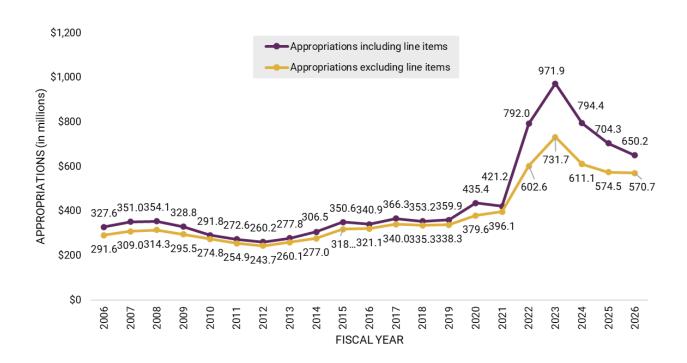
As states enter FY2026, most SLFRF funds have been allocated, with expenditures continuing through the 2026 deadline—representing the final phase of this historic federal investment. The conclusion of ARPA funding coincides with the fiscal transition states are experiencing, as they adjust spending priorities to align with recurring revenue sources and maintain stable fiscal positions amid more constrained fiscal environments.

# **Historic Trends**

The projected 7.7% reduction in total state arts appropriations between FY2025 and FY2026 results primarily from line item funding changes, which historically produce substantial year-over-year variations in state budgets. The decline is further amplified by the discontinuation of one-time COVID-19 relief funds that had temporarily increased arts agency allocations.

**Figure 1: State Arts Agency Legislative Appropriations** 

Fiscal Years 2006-2026



# **Per Capita Funding**

Projected appropriations to state arts agencies of \$650.2 million for the coming fiscal year translate to a \$1.89 per-person investment nationwide. While this reflects a decline from the FY2025 record of \$2.05 per capita, it remains 18% above the previous prepandemic high of \$1.60 per person set in FY2001. Individual state per capita figures are available on page 8.

## **About These Data**

Based on data provided to NASAA in May and June 2025, this preview contains information on the legislative appropriation that each state arts agency expects to receive for FY2026, which began for most states on July 1, 2025. 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 FY2026 SAA budget statistics in the fall and will report those findings in winter. Background information on total SAA revenues for FY2025 is available in the <u>Funding</u> section of the NASAA website, which includes a suite of data visualizations detailing appropriations and revenue over time, regional comparisons, and per capita rankings.

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 <u>appropriations</u> and revenue explorers.



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#### **Table 1: State Arts Agency Total Appropriations Including Line Items**

Fiscal Years 2025–2026, Preliminary Projections

	State or Special	FY2025	FY2026	Percent
1	Jurisdiction	Enacted	Projected	Change
	Julisaletion		,	Change
	Alabama*	\$8,158,074	\$8,467,537	3.8%
1	Alaska∎	\$917,200	\$1,046,600	14.1%
	American Samoa*	\$338,500	\$475,750	40.5%
	Arizona	\$2,000,000	\$2,000,000	0.0%
	Arkansas	\$1,470,904	\$1,381,690	-6.1%
2	California Colorado	\$39,344,000	\$23,278,804	-40.8% 1.6%
	Connecticut*	\$3,330,259 \$6,908,696	\$3,382,279 \$10,641,275	54.0%
	Delaware	\$5,906,800	\$6,434,700	8.9%
	District of Columbia*†	\$47,200,959	\$45,731,408	-3.1%
3	Florida*	\$30,670,843	\$41,742,138	36.1%
	Georgia*	\$1,587,150	\$1,587,150	0.0%
	Guam*†	\$421,950	\$500,000	18.5%
4	Hawaii	\$16,050,597	\$4,028,811	-74.9%
	Idaho	\$933,400	\$970,400	4.0%
	Illinois*	\$34,397,526	\$24,440,800	-28.9%
	Indiana Iowa*	\$5,197,761	\$3,450,796	-33.6%
	Kansas	\$2,220,493 \$1,521,173	\$2,220,203 \$1,000,000	0.0% -34.3%
	Kentucky†	\$1,833,500	\$1,860,300	1.5%
	Louisiana	\$2,112,377	\$2,112,377	0.0%
	Maine	\$1,041,201	\$1,137,355	9.2%
	Maryland*	\$34,250,622	\$34,072,785	-0.5%
	Massachusetts*	\$26,850,000	\$26,975,152	0.5%
5	Michigan*†	\$11,129,200	\$11,135,200	0.1%
	Minnesota	\$58,321,000	\$45,484,000	-22.0%
6	Mississippi	\$9,943,577	\$9,894,957	-0.5%
	Missouri*	\$54,437,132	\$21,920,619	-59.7%
	Montana Nebraska	\$1,134,039	\$1,386,144	22.2%
	Nevada	\$2,628,779 \$2,836,641	\$2,668,359 \$3,106,053	1.5% 9.5%
7	New Hampshire	\$1,417,598	\$150,000	-89.4%
	New Jersey*	\$41,055,000	\$35,455,000	-13.6%
	New Mexico	\$1,689,800	\$1,694,900	0.3%
	New York*	\$87,631,000	\$99,937,000	14.0%
8	North Carolina*†	\$12,408,629	\$11,721,478	-5.5%
9	North Dakota*	\$1,313,524	\$2,547,877	94.0%
	Northern Marianas	\$188,144	\$161,377	-14.2%
	Ohio	\$25,563,000	\$27,210,595	6.4%
10	Oklahoma	\$4,558,907	\$4,308,180	-5.5%
11	Oregon*∎†	\$8,059,487	\$14,680,304	82.1%
	Pennsylvania† Puerto Rico*†	\$10,643,000 \$18,649,000	\$10,878,000 \$19,598,000	2.2% 5.1%
	Rhode Island*	\$2,395,211	\$2,414,865	0.8%
	South Carolina	\$12,250,618	\$11,550,618	-5.7%
12	South Dakota	\$1,410,250	\$1,431,204	1.5%
13	Tennessee*	\$16,020,600	\$16,578,700	3.5%
14	Texas	\$14,319,358	\$18,288,573	27.7%
	Utah*	\$10,835,100	\$10,024,700	-7.5%
15	Vermont*	\$973,848	\$1,471,800	51.1%
	Virgin Islands†	\$366,475	\$366,475	0.0%
16	Virginia*	\$7,430,398	\$5,430,398	-26.9%
17	Washington*	\$7,095,000	\$6,585,000	-7.2%
18	West Virginia Wisconsin	\$811,500 \$1,083,000	\$1,028,838 \$1,083,000	26.8% 0.0%
	Wyoming	\$1,083,000	\$1,083,000	0.0%
	Total	\$704,340,573	\$650,208,297	-7.7%
		\$101,0 <del>1</del> 0,013	7000,200,201	-1.170

#### **Table Notes**

- \* The total projected appropriation includes line item funds designated by the legislature to pass through the state arts agency to other entities.
- Agency has indicated its budget is extremely likely to change. At the time of publication, the state does not have an enacted FY2026 budget.
- **1 Alaska:** The FY2026 appropriation increase derives from higher than projected revenue from specialty license plate sales.
- **2 California:** The FY2026 appropriation reflects the expiration of carryover funds from previous fiscal years. Core funding for the California Arts Council remained stable.
- **3 Florida:** The FY2026 appropriation reflects the restoration of Florida Division of Arts and Culture grants following a one-time cut in FY2025.
- **4 Hawai'i:** Starting in FY2026, the Hawai'i State Foundation on Culture and the Arts is no longer able to access the Works of Art Special Fund for programmatic purposes.
- **5 Michigan:** The featured appropriation is based on the governor's recommendation as of the time of publication.
- **6 Mississippi:** The FY2026 appropriation includes \$6,788,781 for a capital expense grant program.
- **7 New Hampshire:** Following legislative budget deliberations, the New Hampshire State Council on the Arts retained statutory status but experienced substantial funding reductions, with staffing reduced to one FTE position. Funding will be supplemented by specialty license plate revenue and a new tax credit mechanism.
- **8 North Carolina:** The North Carolina Arts Council received an additional \$200,000 from the National Endowment for the Arts in support of arts groups impacted by Hurricane Helene in FY2025.
- **9 North Dakota:** The North Dakota Council on the Arts received funding for expanded staffing and Arts Across the Prairie programming, while gaining authority over the Poet Laureate and State Troubadour programs.
- **10 Oklahoma:** The FY2026 appropriation includes one-time \$100,000 funding for capitol risk mitigation measures and \$305,855 for museum collections storage equipment.
- **11 Oregon:** Line item appropriations include the Cultural Resources Economic Fund for capital construction projects in the 2025–2027 biennium, and grants to Portland Center Stage and Oregon Shakespeare Festival.
- **12 South Dakota:** The appropriation derives from tourism promotion tax revenue, which came in higher than projected, resulting in a minor upward adjustment for FY2026.

(notes continue on Table 2)

### **Table 2: State Arts Agency Total Appropriations Excluding Line Items**

Fiscal Years 2025–2026, Preliminary Projections

9	State or Special	FY2025	FY2026	Percent
	Jurisdiction	Enacted	Projected	Change
	Alabama	\$6,833,074	\$7,057,537	3.3%
1	Alaska∎	\$917,200	\$1,046,600	14.1%
	American Samoa	\$194,500	\$362,000	86.1%
	Arizona	\$2,000,000	\$2,000,000	0.0%
	Arkansas	\$1,470,904	\$1,381,690	-6.1%
2	California	\$39,344,000	\$23,278,804	-40.8%
	Colorado Connecticut	\$3,330,259	\$3,382,279	1.6% 0.0%
	Delaware	\$1,497,298 \$5,906,800	\$1,497,298 \$6,434,700	8.9%
	District of Columbia†	\$47,200,959	\$44,754,343	-5.2%
3	Florida	\$742,293	\$21,972,672	2860.1%
_	Georgia	\$1,587,150	\$1,587,150	0.0%
	Guam†	\$376,950	\$455,000	20.7%
4	Hawaii	\$6,550,597	\$4,028,811	-38.5%
	Idaho	\$933,400	\$970,400	4.0%
	Illinois	\$19,730,300	\$21,338,000	8.1%
	Indiana	\$5,197,761	\$3,450,796	-33.6%
	lowa	\$1,150,000	\$1,150,000	0.0%
	Kansas	\$1,521,173	\$1,000,000	-34.3%
	Kentucky†	\$1,833,500	\$1,860,300	1.5%
	Louisiana	\$2,112,377	\$2,112,377	0.0%
	Maine	\$1,041,201	\$1,137,355	9.2%
	Maryland	\$33,325,622	\$33,812,785	1.5%
_	Massachusetts	\$25,895,000	\$26,045,152	0.6%
5	Michigan†	\$9,507,824	\$11,135,200	17.1%
_	Minnesota	\$58,321,000 \$9,943,577	\$45,484,000	-22.0% -0.5%
6	Mississippi Missouri	\$10,948,798	\$9,894,957 \$10,118,952	-7.6%
	Montana	\$1,134,039	\$1,386,144	22.2%
	Nebraska	\$2,628,779	\$2,668,359	1.5%
	Nevada	\$2,836,641	\$3,106,053	9.5%
7	New Hampshire	\$1,417,598	\$150,000	-89.4%
	New Jersey	\$32,355,000	\$32,355,000	0.0%
	New Mexico	\$1,689,800	\$1,694,900	0.3%
	New York	\$86,635,000	\$90,196,000	4.1%
8	North Carolina†	\$12,289,672	\$11,602,521	-5.6%
9	North Dakota	\$1,308,524	\$2,537,877	93.9%
	Northern Marianas	\$188,144	\$161,377	-14.2%
	Ohio	\$25,563,000	\$27,210,595	6.4%
10	Oklahoma	\$3,952,325	\$4,308,180	9.0%
11	Oregon <b>I</b> †	\$2,179,194	\$2,405,304	10.4%
	Pennsylvania†	\$10,643,000	\$10,878,000	2.2%
	Puerto Rico†	\$15,072,000	\$16,021,000	6.3%
	Rhode Island	\$1,995,211	\$2,014,865	1.0%
12	South Carolina	\$12,050,618	\$11,550,618	-4.1%
12	South Dakota	\$1,410,250	\$1,431,204	1.5%
13 14	Tennessee Texas	\$15,715,600 \$14,319,358	\$16,353,700 \$18,288,573	4.1% 27.7%
-7	Utah	\$10,835,100	\$8,929,700	-17.6%
15	Vermont	\$973,848	\$1,096,800	12.6%
	Virgin Islands†	\$366,475	\$366,475	0.0%
16	Virginia	\$7,430,398	\$5,430,398	-26.9%
17	Washington	\$7,095,000	\$6,585,000	-7.2%
18	West Virginia	\$811,500	\$1,028,838	26.8%
	Wisconsin	\$1,083,000	\$1,083,000	0.0%
	Wyoming	\$1,077,773	\$1,077,773	0.0%
	Total	\$574,470,364	\$570,667,412	-0.7%

#### **Table Notes**

■ Agency has indicated its budget is extremely likely to change. † At the time of publication, the state does not have an enacted FY2026 budget.

(continued from Table 1)

- **13 Tennessee:** The appropriation includes estimated revenue from the sale of specialty license plates.
- **14 Texas:** The Texas Commission on the Arts received a \$7.9 million funding increase for the next two years, with \$2 million allocated to cultural tourism grants and the remainder directed to general support for arts organizations.
- **15 Vermont:** The Vermont Arts Council's FY2026 appropriation includes one-time funding of \$25,000 for America 250 celebrations.
- **16 Virginia:** The Virginia Commission for the Arts received a onetime \$2 million general fund appropriation in FY2025 to expand grants for arts organizations and venues, including theaters, studios, and museums.
- **17 Washington:** One-time funding of \$708,000 for the Billy Frank Jr. Statuary Hall Project was originally appropriated for FY2025 but was reallocated to FY2026.
- **18 West Virginia:** The West Virginia Commission on the Arts received an additional \$750,000 in state funds for the Cultural Facilities and Capital Resources grant program.

### **Table 3: Per Capita State Arts Agency Appropriations**

Fiscal Year 2026, Preliminary Projections

State or Special	Legislative Appropriations Including Line items		
Jurisdiction	Per Capita		
	Amount	Rank	
Alabama*	\$1.64	22	
Alaska <b>l</b>	\$1.41	24	
Arizona	\$0.26	47	
Arkansas California	\$0.45 \$0.59	44 37	
Colorado	\$0.59	40	
Connecticut*	\$2.90	11	
Delaware	\$6.12	2	
Florida*	\$1.79	21	
Georgia*	\$0.14	49	
Hawaii	\$2.79	13	
Idaho	\$0.48	42	
Illinois*	\$1.92	19	
Indiana	\$0.50	41	
lowa*	\$0.68	35	
Kansas	\$0.34	46 45	
Kentucky† Louisiana	\$0.41 \$0.46	45	
Maine	\$0.46	33	
Maryland*	\$5.44	3	
Marytanu Massachusetts*	\$3.78	5	
Michigan*†	\$1.10	27	
Minnesota	\$7.85	1	
Mississippi	\$3.36	9	
Missouri*	\$3.51	7	
Montana	\$1.22	26	
Nebraska	\$1.33	25	
Nevada	\$0.95	30	
New Hampshire	\$0.11	50	
New Jersey*	\$3.73	6	
New Mexico	\$0.80	34 4	
New York* North Carolina*†	\$5.03 \$1.06	28	
North Dakota*	\$3.20	10	
Ohio	\$2.29	15	
Oklahoma	\$1.05	29	
Oregon*I†	\$3.44	8	
Pennsylvania†	\$0.83	31	
Rhode Island*	\$2.17	17	
South Carolina	\$2.11	18	
South Dakota	\$1.55	23	
Tennessee*	\$2.29	14	
Texas	\$0.58	38	
Utah*	\$2.86	12	
Vermont*	\$2.27	16	
Virginia*	\$0.62	36	
Washington*	\$0.83	32	
West Virginia Wisconsin	\$0.58 \$0.18	39 48	
Wyoming	\$1.83	20	
American Samoa*	\$10.84	20	
District of Columbia*†	\$65.12	1	
Guam*†	\$2.95	16	
Northern Marianas	\$3.16	15	
Puerto Rico*†	\$6.11	5	
West Virginia	\$3.51	10	
Total	\$1.89		

#### **Table Notes**

- \* The total projected appropriation includes line item funds designated by the legislature to pass through the state arts agency to other entities. Agency has indicated its budget is extremely likely to change.
- † At the time of publication, the state does not have an enacted FY2026 budget.

Per capita amounts represent the total dollar figure for each agency's appropriation divided by the total population. The total per capita 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, 2024, population estimates in the <u>Annual Estimates of the Resident Population for the United States, Regions, States, District of Columbia and Puerto Rico: April 1, 2020 to July 1, 2024 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 <u>International Database</u> of the U.S. Census Bureau.</u>