

**Written testimony by the MAINE Arts Commission for the Joint Standing Committees on Appropriations and Financial Affairs and Education and Cultural Affairs of the 130th Maine Legislature**

February 25, 2021

*LD 221 "An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2022 and June 30, 2023"*

To: Senators Breen and Daughtry, Representatives Pierce and Brennan, and Members of the Joint Standing Committees on Appropriations and Financial Affairs and Education and Cultural Affairs of the 130<sup>th</sup> Maine Legislature.

Created in 1965 by the Maine legislature, the Maine Arts Commission provides services and allocates state and federal funding to support the state's arts, creative, and cultural sector for the benefit of Maine's citizens, visitors, and the economies of communities across the state. It supports programs and partnerships that:

- Promote stronger and wider delivery of services within the arts and culture communities of Maine.
- Recognize the potential for advancing the arts through technology, in education, and in state and local economies.
- Preserve and strengthen Maine's traditional arts.
- Focus on opportunities for all of Maine's citizens, native peoples, and especially underserved populations and persons with disabilities to have meaningful encounters with art, artists, and artmaking.
- Increase local capacity for arts programs, thus energizing and broadening support for arts and culture in Maine.

In 2015 we created a five-year cultural plan for the State whose core is seeing that Maine's dynamic, creative opportunities are available to all residents and the nearly 20 million tourists who visit us each year. This year we have embarked on more research to update this plan and "dig in" to find new creative solutions for aid due to COVID's devastating impact on Maine's arts and culture sector. Maine's losses from the creative economy businesses are estimated at \$325 million. As you may know, our

agency operates with no reserves and we dedicate all our resources to benefit the art community. We are grateful for the 130<sup>th</sup> Legislature's financial recognition of the arts.

#### **Department Summary – All Funds (page A-70)**

Our annual budget has generally remained just above two million dollars. Half of that comes from state general funds which are predominantly used for staff salaries and other general operating costs including state technical services and contractors. Every other year we provide a state-wide convening of the arts and culture sector.

Annually we also receive approximately one million dollars from the National Endowment for the Arts through a "partnership" grant. These federal funds must be matched.

There are also special revenue funds. This money includes revenue from things like Maine's Percent For Art program that was established by law in 1979 and sponsors public art for publicly-financed buildings. The Maine Arts Commission was tasked in that legislature with administering this program for the state and we take a small percentage of each PFA project budget to assist with our administration costs.

#### **Regarding arts program #0178 (page A-70)**

General funds are used toward personal services for six full-time positions. Those include an executive director and five program directors. Program directors oversee the management of grant reviews and support the field in their area of expertise. They assist the public with the application process including advisement of competitive grantmaking. They develop new programs related to the agency's mission and cultural plan to advance artists professionally and assist nonprofit organization's development. The \$319,241 is used for operating costs.

#### **Regarding arts program # 0176 (page A-71)**

The federal expenditures fund is money we receive as a partnership grant from the National Endowment for the Arts. The "all other" category pertains to the amount of funding we can offer the field; however this can fluctuate depending on the NEA's annual appropriations. We have seventeen separate grants for individuals and organizations. Those range from arts education, to creative aging, to professional growth and advancement opportunities and city-wide economic development plans. Federal funding is also used for personal services for four full-time staff; operations director, office manager, office assistant and one program director.

#### **Regarding arts program #0177 (page A-71)**

This program amount of \$357,051 is inaccurate and should not be included in our biennial budget. It was originally created to be a separate program specifically for the amount of federal funding used to pay the salaries of four of our staff. Years later this program changed. To make it easier for auditing and tracking purposes, all of the NEA federal funding (staff salaries and grants) was combined

and put under the 0176 program, however the 0177 program was never deleted. With the help of DAFS we've tried several times to remove it since the money is literally not there, but the attempt keeps getting thrown out. We would appreciate any assistance you could give us to delete this program and keep our biennial budget accurate.

Other federal special revenue is money earmarked to help us administer the national Poetry Out Loud state competition every year. It is also payment for the support and development of a Traditional and Folk Arts program that helps communities strengthening their cultural traditions through apprenticeships, fellowships, program development and project support.

Respectfully submitted,

David Greenham, Maine Arts Commission Chair

Julie Horn, Maine Arts Commission, Visual Arts Director