

CULTURAL AND AESTHETIC GRANT PROGRAM

PROGRAM BUDGET COMPARISON

Figure 36 compares the 2021 biennium appropriated budget to the 2023 biennium appropriated budget by type of expenditure and source of funding.

Figure 36

Program Comparison - Cultural and Aesthetic Trust				
Budget Item	Budget 2021 Biennium	Budget 2023 Biennium	Biennium Change	Biennium % Change
Trust Balance (End of Biennium)	\$14,785,727	\$15,025,299	\$239,572	1.6%
Trust Earnings (Projected)	966,013	850,642	(\$115,371)	-11.9%
Number of Grants	82	74	(8)	-9.8%
Grants Cost	<u>Appropriated</u> \$423,381	<u>Appropriated</u> \$314,800	(108,581)	-25.6%
Capitol Complex Works of Art	30,000	30,000	0	0.0%
Total Costs	\$453,381	\$344,800	(\$108,581)	-23.9%
State Special	453,381	344,800	(108,581)	-23.9%
Total Funds	\$453,381	\$344,800	(\$108,581)	-23.9%

PROGRAM DISCUSSION

The Cultural and Aesthetic (C&A) Grant Program, administered by the Montana Arts Council (MAC), provides grants for cultural and aesthetic programs across the state. The program is funded with the investment earnings from a statutory trust. The trust receives distributions of coal severance tax. By statute, the interest from the cultural trust is appropriated for protection of works of art in the Montana State Capitol and for other cultural and aesthetic projects (15-35-108, MCA). Grant applications for cultural and aesthetic projects are submitted to the MAC on a biennial basis. Eligible applicants include, but are not limited to, the State of Montana and regional, county, city, town, or Indian tribal governments.

SUMMARY OF LEGISLATIVE ACTION

The 67th Legislature passed HB 9, which appropriates \$344,800 for cultural and aesthetic grants in the 2023 biennium. The budget for the 2023 biennium is a reduction of \$108,581, or 23.9% from the level of appropriations of the 2021 biennium. The legislature authorized 74 C&A grant awards totaling \$314,800. Additionally, HB 9 includes an appropriation of \$30,000 for the care and conservation of capitol complex artwork.

The legislature included a provision for the potential of interest earnings shortfalls in the 2023 biennium in HB 9 with the following language:

“(1) Except for the appropriation provided for in [section 1(3)], if money in the cultural and aesthetic projects trust fund account is insufficient to fund projects at the appropriation levels contained in [section 2], reductions to those projects with funding greater than \$2,000 must be made on a pro rata basis.”

As noted in the language above, if a funding shortfall occurs the funding greater than \$2,000 may be reduced.

Figure 38 on the following page provides a complete listing of the grants authorized by the 67th Legislature.

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Figure 37

Cultural and Aesthetic Grants (C&A)							
HB 9 - 2023 Biennium							
C&A #	Applicant / Project	Grants Awarded	Cummulative Total	C&A #	Applicant / Project	Grants Awarded	Cummulative Total
Special Projects				Operational Support (continued)			
2213	Montana Historical Society	9,000	9,000	2270	Schoolhouse History & Art Center	4,700	193,000
2214	Montana Preservation Alliance	7,000	16,000	2277	Whitefish Theatre Co	4,000	197,000
2216	Museum of the Rockies	5,000	21,000	2260	Montana Repertory Theatre	5,000	202,000
2219	Upper Swan Valley Historical Society, Inc.	4,000	25,000	2239	Glacier Symphony and Chorale	3,000	205,000
2209	International Choral Festival	4,000	29,000	2237	Friends of Big Sky Education DBA Warren Miller Performing Arts Cente	3,000	208,000
2215	Mountain Time Arts	4,000	33,000	2255	Montana Association of Symphony Orchestras	5,000	213,000
2211	Missoula Writing Collaborative	4,000	37,000	2233	Cohesion Dance Project	4,000	217,000
2206	Friends of the Historical Museum at Fort Missoula	4,000	41,000	2280	Zootown Arts Community Center	4,000	221,000
2207	Helena Symphony	3,000	44,000	2243	Helena Presents/Myrna Loy Center	3,000	224,000
2203	Council for the Arts, Lincoln	3,000	47,000	2240	Grandstreet Broadwater Productions, Inc.	3,000	227,000
2217	Paris Gibson Square Museum of Art	3,000	50,000	2272	Support Local Artists and Musicians (S.L.A.M.)	3,000	230,000
2208	Historic Clark Chateau	3,000	53,000	2275	WaterWorks Art Museum	3,700	233,700
2205	Eureka Community Players	3,000	56,000	2249	Lewistown Art Center	3,700	237,400
2201	Billings Cultural Partners	3,000	59,000	2256	Montana Ballet Company	3,000	240,400
2202	Bozeman Symphony Society	2,000	61,000	2268	Ravalli County Museum	3,400	243,800
2204	Emerson Center for the Arts & Culture	2,000	63,000	2224	Arts Missoula (Formerly Missoula Cultural Council)	2,000	245,800
2210	Montana Playwrights Network	2,000	65,000	2234	Conrad Mansion Museum	3,000	248,800
2218	Queen City Ballet Company	2,000	67,000	2250	Montana Art Gallery Director's Association	5,000	253,800
Total Special Projects		67,000		2242	Hamilton Players, Inc	3,400	257,200
Operational Support				2266	Northwest Montana Historical Society	3,000	260,200
2246	Humanities Montana	10,000	77,000	2244	Hockaday Museum of Art	2,000	262,200
2261	Montana Shakespeare in the Parks	10,000	87,000	2248	Internepational Wildlife Film Festival	2,000	264,200
2252	MAPS Media Institute	7,000	94,000	2231	Carbon County Arts Guild & Depot Gallery	3,700	267,900
2223	Art Mobile of Montana	8,000	102,000	2265	North Valley Music School	3,000	270,900
2263	Museums Association of Montana	8,000	110,000	2229	Butte Symphony Association	3,000	273,900
2221	Alpine Artisans, Inc.	6,000	116,000	2267	Pondera Arts Council	3,400	277,300
2222	Archie Bray Foundation	6,000	122,000	2235	Creative Arts Council	3,400	280,700
2245	Holter Museum of Art	6,000	128,000	2247	Intermountain Opera Association	3,000	283,700
2226	Billings Symphony Society	4,300	132,300	2259	Montana Performing Arts Consortium	3,000	286,700
2271	Stillwater Historical Society	6,700	139,000	2273	The Extreme History Project	2,000	288,700
2276	Western Heritage Center	6,300	145,300	2257	Montana Dance Arts Association	2,000	290,700
2254	MonDak Heritage Center	6,700	152,000	2232	Carbon County Historical Society	2,700	293,400
2253	Montana Children's Theatre	5,000	157,000	2236	Daly Mansion Preservation Trust	2,400	295,800
2251	Mai Wah Society Museum	5,000	162,000	2262	Montana State Firefighters Memorial	5,000	300,800
2220	Alberta Bair Theater	4,300	166,300	Total Operational Support		233,800	
2279	Yellowstone Art Museum	4,300	170,600	Capital Expenditure			
2238	Glacier County Historical Museum	5,400	176,000	2281	Buses of Yellowstone Preservation Trust	4,000	237,800
2225	Billings Preservation Society	4,300	180,300	2284	Missoula Art Museum	5,000	242,800
2228	Butte Citizens for Preservation and Revitalization	4,000	184,300	2282	Fort Peck Fine Arts Council, Inc.	5,000	247,800
2274	Verge Theater	4,000	188,300	Total Capital Expenditure		14,000	
Subtotal Operational Support		121,300		Total C&A Grants Requested/Recommended			
						\$314,800	

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SUMMARY OF LEGISLATIVE ACTION (CONTINUED)

The legislature also added language to HB 9 as follows:

“The award contract with a grantee must require the grantee to post the following statement on its website, promotional materials, and publications: “We are funded in part by the coal severance taxes paid based upon coal mined in Montana and deposited in the Montana’s cultural and aesthetic projects trust fund.””

In the course of legislative hearings, the MAC is committed to tracking the use of the required language by the grant awardees.

FUNDING

Figure 38 shows the projected fund balance for the C&A state special revenue account for the 2023 biennium. The C&A grant program is funded through the interest earnings of a statutory trust, which was created with deposits of coal severance tax distributions. The balance at the beginning of the biennium is estimated to be \$30,950. Interest income from the coal tax-funded Cultural Trust is projected to be \$846,523 in the 2023 biennium.

Figure 38

Cultural & Aesthetic Grant Fund Balance Analysis - 2023 Biennium					
Account - 02009					
	FY 2020 Actual	FY 2021 Projected	FY 2022 Projected	FY 2023 Projected	2023 Bien. Projected
Estimated Beginning Fund Balance	\$0	\$18,576	\$30,950	(\$103,254)	\$30,950
Revenue Projections ¹					
Total Revenues	482,737	482,442	442,937	403,586	846,523
Expenditures					
MAC Administration and Folklife ²	242,803	244,919	232,341	233,095	465,436
Capitol Cmplx Works of Art	0	30,000	30,000	0	30,000
Prior Biennium	221,358	195,149	0	0	0
2023 Biennium Grants	<u>0</u>	<u>0</u>	<u>314,800</u>	<u>0</u>	<u>314,800</u>
Total Expenditures/Appropriations	464,161	470,068	577,141	233,095	810,236
Ending Fund Balance	\$18,576	\$30,950	(\$103,254)	\$67,237	\$67,237

¹HJ 2
²HB 2

Total administrative appropriations, including the Folklife program, are \$465,436. The administrative costs do not include increased costs from the HB 13 pay plan. Appropriations in HB 9 include \$30,000 for capitol complex artwork and \$314,800 for the authorized grants. Total appropriations from the C&A state special revenue account in the 2023 biennium are \$810,237, providing an estimated fund balance of \$67,237 by the end of the 2023 biennium.

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EXECUTIVE BUDGET COMPARISON

Figure 39 provides the legislative changes from the executive budget proposal.

Figure 39

Executive Budget Comparison - Cultural and Aesthetic Grant Program				
Budget Item	Ex Budget 2023 Biennium	Adopted Budget 2023 Biennium	Change	% Change
Trust Balance (End of Biennium)	\$15,025,299	\$15,025,299	\$0	0.0%
Trust Earnings (Projected)	850,642	850,642	\$0	0.0%
Number of Grants	74	75	1	1.4%
	<u>Proposed</u>	<u>Appropriated</u>		
Grants Cost	\$309,800	\$314,800	\$5,000	1.6%
Capitol Complex Works of Art	30,000	30,000	0	0.0%
Total Costs	\$339,800	\$344,800	\$5,000	1.5%
State Special	339,800	344,800	5,000	1.5%
Total Funds	\$339,800	\$344,800	\$5,000	1.5%

As shown in Figure 39, the legislature appropriated a C&A budget that was \$5,000, or 1.5% higher than the executive proposal. The legislature increased the number of C&A grants funded in the 2023 biennium by one award. The grant was reviewed by the Arts Council but was not funded in the executive request.

OTHER LEGISLATION

The 67th Legislature did not enact any legislation that would directly impact the C&A grants program.