ARTSELA

Arts Funding Response Toolkit



Overview

As of Friday, May 2, 2025, the National Endowment for the Arts (NEA) has issued notices of grant terminations, mirroring similar actions at the National Endowment for the Humanities (NEH) and the Institute of Museum and Library Services (IMLS). This comes on the heels of a **federal proposal to completely eliminate funding for all three agencies** as well as National Public Radio (NPR) and Public Broadcasting Services (PBS), which reach over 15 million people every day. These abrupt cancellations mark a growing crisis for the nonprofit arts and culture sector.

This toolkit breaks down what is happening at the federal, state, and local levels and what you can do about it.

Table of Contents

Overview	1
Federal Attacks	3
National Arts Funding	
Film & Television	
State Budget	4
CA Arts Council	
Film & Television	4
Local Cuts	5
LA County	5
City of LA	5
What You Can Do	
Additional Resources	8

Federal Attacks

National Arts Funding

The current federal administration has proposed <u>completely eliminating</u> the National Endowment for the Arts (NEA), National Endowment for the Humanities (NEH), Institute of Museum and Library Sciences (IMLS), National Public Radio (NPR), and Public Broadcasting Services (PBS) from the federal budget, leading to the abrupt cancellation of hundreds of awarded grants nationwide.

Los Angeles based arts and culture organizations have already been impacted, including the Armory Center for the Arts, Clockshop, Dance Resource Center, One Institute, and many more. This will lead to canceled programming, layoffs, and perhaps even closure for some nonprofits.

In their termination notification, the NEA has stated that "Funding is being allocated in a new direction in furtherance of the Administration's agenda." The email goes further, suggesting previously funded projects do not align with the administration's priorities. The priorities include:

Elevate HBCUs and Hispanic Serving Institutions, celebrate the 250th anniversary of American independence, foster AI competency, empower houses of worship to serve communities, assist with disaster recovery, foster skilled trade jobs, make America healthy again, support the military and veterans, support Tribal communities, make the District of Columbia safe and beautiful, and support the economic development of Asian American communities.

Film & Television

On May 4, 2025, the president announced <u>plans to impose a 100% tariff</u> on all foreign-made movies, citing national security concerns. He argued that foreign tax incentives have lured U.S. film productions overseas, contributing to the decline of the American film industry. However, legal experts contend that such tariffs may be unlawful under the 1988 Berman Amendment, which prohibits the president from regulating informational materials like films. The proposal has sparked significant backlash from the global film industry, with critics warning of potential disruptions to international collaborations and economic repercussions.

State Budget

CA Arts Council

In 2024, the California Arts Council (CAC) budget took a significant hit and was cut by \$5 million for two years, reducing its funding to just \$21 million (an investment of merely 53 cents per person). This has led to consolidated programs at the CAC, which has increased competition as thousands of nonprofits struggle to sustain their services. Per our partners at CA for the Arts: the next step in the <u>CA budget process</u> is for the Governor to release a revision by May 14.

By all accounts, the latest budget projections reveal a substantial deficit, a shift from the January proposal that anticipated a small surplus and maintained current funding for the CAC alongside a suggested increase to the Film/TV Tax credit. While the full impact on arts and culture funding remains unclear, Assemblymember Chris Ward and Senator Smallwood-Cuevas have requested the restoration of \$5 million to the California Arts Council (CAC). Senator Smallwood-Cuevas has additionally requested \$5 million for the expansion of cultural districts.

Film & Television

The state of California is working to address the entertainment crisis by significantly increasing the film tax credit to \$750 million, which would make it the most generous in the nation. AB 1138 and SB 630, two bills led by Assemblymember Rick Chavez Zbur, Assemblymember Isaac Bryan, and Senator Ben Allen, are expected to significantly increase the number of available entertainment jobs and keep productions in LA and CA.

Local Cuts

LA County

The County's \$47.9 billion <u>Recommended Budget for FY 2025–26</u> reflects a \$1.3 billion decrease from the previous year. The proposal includes:

- Organizational Grant Program: An 11% reduction (approximately \$609,000) to the OGP, which many arts and culture organizations rely on as one of the few opportunities for general operating support.
- **Settlement:** A tentative \$4 billion settlement to resolve thousands of childhood sexual assault claims (AB 218). If approved, this requires hundreds of millions in payments through 2030, and ongoing costs until FY 2050–51. This obligation will strain County finances for decades.
- Wildfire Recovery: The Eaton and Palisades wildfires caused devastating damage. Beyond recovery costs, they threaten the economy and County revenues. Early estimates put the regional economic impact at \$250+ billion. Property tax growth will slow due to fire-related property losses and extended tax payment deadlines for affected areas.

City of LA

Facing a nearly \$1 billion deficit, the <u>Mayor's proposed FY25–26 budget</u> includes potential layoffs of approximately 1,600 city employees, with 14 positions from the Department of Cultural Affairs at risk. Proposed cuts also include:

- **Grants:** Reduced budget by \$516,000 which would likely result in a loss of roughly 55 grantees and over 355 creative jobs in the region.
- **Programming:** Eliminates nearly all budgeted funding (over \$1.8 million) for cultural programming, exhibitions, and festivals.
- **Jobs:** Eliminates 3 filled positions in Administration, further slowing procurement and payment workflows that are already backlogged. Eliminates 5 vacant and 8 filled positions in community arts facilities like Hollyhock House which could put them at risk of closure. Removes two filled Marketing and Development roles that would end support for projects like cultural asset mapping and online registration.
- **The Cultural Olympiad:** Gains two positions, but overall budget reductions and understaffing will shrink the scale of the City's 2028 Cultural Programme.

What You Can Do

- 1. Appeal: Submit supportive documents proving your project reflects the NEA's priorities by Friday, May 9, 2025, and submit your final payment as noted in the communication received from the NEA. The Film Festival Alliance has <u>created a guide</u> to support the appeal process.
- **2. Report Grant Termination:** Arts for LA is collecting info HERE from LA based organizations impacted by terminated funding.

*We know other entities are distributing similar requests. This data will be shared with funders, national organizers, and elected officials.

3. Share Social Media Posts:

Posts to Reshare			
Federal Tag: @Arts4LA	State Tag: @CAfortheArts	City of LA Tag: @Arts4LA	
Instagram: Video Post LinkedIn: Video Post Threads: Video Post Facebook: Video Post X: Video Post	Instagram: Post Facebook: Post X: Post	Instagram: <u>Carousel</u> LinkedIn: <u>Carousel</u> Threads: <u>Carousel</u> Bluesky: <u>Carousel</u> Facebook: <u>Carousel</u> X: <u>Carousel</u>	

4. Original Post:

Federal	LA County	City of LA
Graphics	Graphic	<u>Graphics</u>
Suggested Caption: Take Action to Protect the Arts! Arts! The federal administration has proposed completely eliminating the National Endowment for the Arts, NPR, and PBS from the federal budget, along with	Suggested Caption: Take Action to Protect LA Arts! ** [SWIPE] LA County's Proposed Budget for 2025–26 calls for an 11% reduction to the Organizational Grant Program which many arts	Suggested Caption: Take Action to Protect LA Arts! [SWIPE] The City of LA's Proposed Budget for 2025–26 threatens severe cuts to our arts and culture community, impacting local jobs, arts

new plans to impose a 100% tariff on all foreign-made movies.

Contact your legislators to share your concerns and ask for their support.
Script and contact info here: bit.ly/fed-art-support

and culture organizations rely on as one of the few opportunities for general operating support.

Join the @Arts4LA letter campaign to urge LA County Board of Supervisors to oppose these cuts: https://artsforla.quorum.us/campaign/citybudget/

programming, festivals, and more.

Join the @Arts4LA letter campaign to urge City Hall to oppose these cuts: https://artsforla.quorum.us /campaign/citybudget/

5. Take Action:

Local

• Arts for LA: Oppose County Cuts | Oppose City Cuts

State

CA for the Arts: <u>Restore \$5M to CAC</u>
SAG-AFTRA: Keep Film & TV in LA

Federal

- Americans for the Arts: Protect the NEA
- American Alliance of Museums: Protect IMLS
- **6. Contact Your Legislators:** Share your concerns and ask for their support. You can access a script and contact info for your federal elected officials <u>HERE</u>. You can access info for all other elected officials <u>HERE</u>.

Additional Resources

- 1. American Alliance of Museums
- 2. Americans for the Arts
- 3. American Library Association
- 4. California for the Arts
 - a. CA Fact Sheet
 - b. Talking Points
 - c. 25-26 Legislative Priorities
 - d. Guide to Successful Advocacy
- 5. Cal Nonprofits
- 6. Collective Impact Forum
 - a. Nonprofit Advocacy
 - b. Using Data and Partnerships
- 7. Creative West
- 8. National Assembly of State Arts Agencies
- 9. National Council of Nonprofits:
 - a. <u>Impact of Executive Orders</u>
 - b. What To Do When A Grant is Terminated
- 10. National Humanities Alliance
- 11. National Performance Network
- 12. Theatre Communications Group
 - a. Federal Funding Webinar