Save the PAEPF Press Release Template

Copy & Paste to Create Your Own Press Release

Proposed Cuts to Arts Organizations Hit an Already Underfunded Industry

Sacramento - Arts Advocates statewide are pushing back on Governor Newsom's May Revision proposal to revert $11.5 million from a key program supporting small nonprofit performing arts organizations—theaters, regional orchestras, operas, and dance groups —located in every region of California.

The proposed cuts to the Performing Arts Equitable Payroll Fund (PAEPF) come on top of a troubling trend of deep, disproportionate cuts to arts and culture funding in California. Since 2023, the state has slashed over $70 million in previously approved investments, including:

- A $10 million reduction to the California Arts Council across two years;
- $27.9 million in cuts to Museum Grant funds;
- $11 million eliminated from the Arts in Parks initiative; and
- $20 million cut from the California Cultural Districts program.

These reductions have taken a significant toll on local arts nonprofits and cultural institutions. If the PAEPF is also eliminated, the consequences for California's live theater, music and small performing arts organizations will be devastating. [Add your own quote]

Performing arts organizations are estimated to provide over 250,000 jobs statewide and drive a powerful multiplier effect: for every 100 performing arts jobs, an additional 156 jobs are supported in adjacent sectors. These organizations enrich local economies, strengthen community identity, and create accessible pathways to arts education and participation.

"News of the Governor's proposed cuts couldn't be worse timed," said Julie Baker, with California Arts Advocates. "The PAEPF was well underway in implementation before this announcement. Funds were committed and applications were under active review for award when the proposed cut was announced. These funds were not "unspent"—many community small, non-profit performing arts organizations were expecting these critical dollars in just a few short months to keep their doors open."

The urgency is real. Small performing arts organizations continue to face intense post-COVID operational challenges, including:

- Ongoing financial stress from pandemic-era closures and capacity limits;
- Rising costs of labor law compliance and venue rental;
- The expiration of federal NEA pandemic recovery grants; and
- Reduced state arts support in the 2024-25 budget.

California ranks 35th in the nation for arts funding, despite being #1 for arts jobs. This disconnect must be addressed. We urge the Legislature to reject the Governor's proposed cuts to this needed funding. The program is built, demand is evident, and the return on investment—for California's communities, workforce, and cultural legacy—is clear. Let's finish what we started.

###