

The Arts and Cultural Heritage Fund

November 2019

Overview

The Arts and Cultural Heritage Fund is a state fund dedicated to arts, historical, and cultural programs. These funds are awarded by the Minnesota Legislature to a variety of public and private entities. The Arts and Cultural Heritage Fund is one of four “legacy” funds created by a constitutional amendment approved by the voters in 2008. The amendment increased the state’s sales tax to provide additional funding for outdoor heritage, clean water, parks and trails, and arts and cultural heritage. This publication provides basic information about the fund, the amount of money that has been appropriated, what the appropriations have been used for, and the entities that have received funding.

The “Legacy Amendment” and the Arts and Cultural Heritage Fund

What is the “Legacy Amendment”?

In 2008, Minnesota voters passed a constitutional amendment, often referred to as the “Legacy Amendment,” that increased the state’s sales tax by 3/8ths of 1 percent for 25 years ([Minn. Const. art. XI, § 15](#)). The funds raised by this tax are dedicated to four separate funds that each receive a specific percentage of the revenues: Outdoor Heritage Fund (33 percent), Clean Water Fund (33 percent), the Parks and Trails Fund (14.25 percent), and the Arts and Cultural Heritage Fund (19.75 percent).

The amendment requires that the funds “supplement traditional sources of funding for these purposes” and prohibits the funds from being used as a substitute.

What is the Arts and Cultural Heritage Fund (ACHF)?

The Arts and Cultural Heritage Fund (ACHF) is a state fund that “may be spent only for arts, arts education, and arts access and to preserve Minnesota’s history and cultural heritage” ([Minn. Const. art. XI, § 15](#)). There is no permanent council or other group that makes recommendations for the use of the ACHF. The legislature has based funding decisions largely on input and recommendations from stakeholders. The legislature has distributed ACHF money to many different public and private groups. Certain state entities and private institutions have received funds in consecutive years and some organizations have received onetime funding (see the table on page 6).

Chairs of the committees in the House of Representatives and the Senate with jurisdiction over this area have emphasized that the ACHF is not a guaranteed funding source for past recipients and should be flexible to fund different projects over time. The ACHF provides funding for new purposes or additional funding for existing programs in order to uphold the constitutional requirement that the funds supplement and not supplant traditional sources of funding.

The Amount and Uses of Appropriations

How much has been appropriated and what have the appropriations been used for?

In the first year of funding, fiscal year 2010, the legislature appropriated nearly \$44.5 million dollars from the ACHF. That number has generally grown each year as the state sales tax revenue has increased. Funding for the 2020 fiscal year is \$69 million.¹

ACHF appropriations have predominately been spent on:

- Programming and education, including funding for:
 - Nonprofit radio and television
 - Artists and art organizations
 - Educational opportunities in arts, history, and culture
 - Zoological programs and educational opportunities
 - American Indian language and historical preservation
- Museum exhibits and acquisitions
- Historic preservation of historic sites and artifacts

Much of the funds are distributed to state agencies, councils, and commissions as fiscal agents who either use the funds for their own programs or distribute the funds for education and programming by providing grants to other groups to fund arts, culture, and heritage projects throughout the state. The recipients of ACHF money often fund a project for their own organization, or in many cases, offer grants to artists, art organizations, local historical societies, libraries, and nonprofits to provide programming or fund historical preservation. The ACHF appropriations have generally not been used to purchase or maintain real estate, buildings, or vehicles. Three major recipients of ACHF money to date are the State Arts Board, the Historical Society, and the state library system.

The State Arts Board. Since 2013, 47 percent of the annual ACHF appropriation has been required to go to the Minnesota State Arts Board.² It is the largest recipient of the ACHF. This state agency provides arts programming, arts education, and grants to individual artists and arts organizations.

¹ The 2018 fiscal year appropriation from the Arts and Cultural Heritage Fund is \$57.3 million, a lower than average appropriation amount than fiscal years 2016 and 2017, and is due to a shortfall in anticipated revenue in 2017.

² [Minn. Stat. § 129D.17](#).

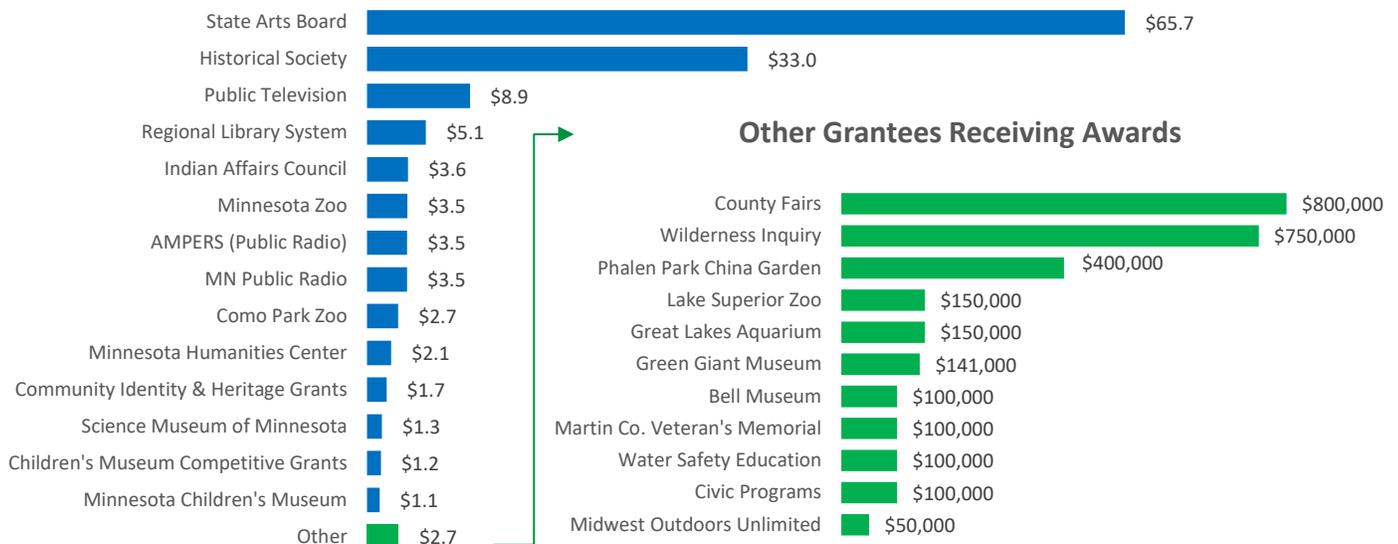
The State Arts Board has traditionally used 30 percent of the funding it receives to fund the regional arts councils located throughout Minnesota to provide arts programming and education in each region of the state. There are 11 regional arts councils that encompass the entire state of Minnesota.

Historical Society. The Minnesota Historical Society has also received funding each year from the ACHF. The funding has been used for programs at the Minnesota History Center and other historical society sites operated by the Minnesota Historical Society throughout the state. The Historical Society also uses part of its appropriation to fund grants to local historical societies throughout Minnesota.

Libraries. The regional library system has received funding each year through an appropriation to the Minnesota Department of Education that provides a grant to the 12 regional library systems. These grants allow the libraries to provide educational programs on Minnesota history, culture, and literary arts by bringing in speakers and hosting events.

ACHF Reserves. [Minnesota Statutes, section 129D.17](#), also requires that 5 percent of the projected tax receipts must not be appropriated. This 5 percent “reserve” law was passed in 2017 to help keep recipient organizations from having to amend grant agreements and awards when tax receipts are lower than expected.

Total Arts and Cultural Heritage Appropriations, FY 2020-2021
(Millions of Dollars)



Requirements for Recipients

What are the requirements for recipients of money from the ACHF?

ACHF monies are restricted to the uses allowed in the constitutional provision creating the fund as well as statutory provisions, including [Minnesota Statutes, section 129D.17](#). This section of law has a number of requirements for funding recipients and appropriations.

Projects funded by the ACHF must:

- be located in Minnesota;
- supplement traditional sources of funding (not supplant); and
- have a grant agreement consistent with the state's grant management laws ([Minn. Stat. § 16B.98](#)).

Recipient Requirements. [Minnesota Statutes, section 129D.17](#), subdivision 2, paragraph (d), requires that all recipients of money from the ACHF submit information to the Legislative Coordinating Commission (LCC) by January 15 of the fiscal year they receive funding. The information is then posted on the Legacy website by the LCC. The information that must be submitted includes:

- the name of the project funded;
- the contact information for the organization overseeing the project;
- the amount of funding received from the ACHF;
- the number of full-time employees hired for the project; and
- the direct expenses and administrative costs of the project.

Resources

How can people find funding opportunities and grants?

Many state agencies, private organizations, and individual grant recipients have benefited from arts and cultural heritage funding. The recipient of a direct appropriation from any legacy fund, including the ACHF, must provide information on grants and spending to the Minnesota Legislature's Legislative Coordinating Committee (LCC). The LCC provides information on each fund, past fund recipients, and future grant opportunities on its website, <http://www.legacy.leg.mn/opportunities-funding>.

More than 12,000 legacy-funded projects are listed on the website. There are many different types of projects, and the grants range from a few hundred dollars to millions of dollars. Although the ACHF receives only 19.75 percent of the dedicated sales tax revenue, it has funded the majority of all legacy projects. This is because the ACHF provides smaller grants to

many organizations, while the other legacy funds typically provide much larger funding awards to a smaller number of projects.

The LCC's Legacy website provides links to various organizations that distribute legacy grants; many of these organizations also offer grants that are funded from other sources, as well as from the ACHF. The LCC website has many useful grant links in addition to the legacy granting agencies listed below.

- Minnesota State Arts Board: <http://www.arts.state.mn.us/grants/machf.htm>
- Regional Arts Council (clickable by region):
<http://www.arts.state.mn.us/racs/index.htm>
- Minnesota Historical Society: <http://www.mnhs.org/shpo/grants/>
- Minnesota Humanities Center: <http://www.mnhum.org/grants>
- Minnesota Film Board: <https://mnfilmtv.org/incentives/>
- Minnesota Indian Affairs Council: <http://mn.gov/indianaffairs/index.html>

The Minnesota State Grants portal also lists state grant funding opportunities, including all legacy funds. The grants are divided by topic, including “arts, culture, and humanities,” “education,” and “environment.” This site also lists grant opportunities by topic on a more specific list and by the state agency providing the grant. Grants are searchable by multiple categories, as some grants fall into more than one area. This site also provides grants that would not be listed on the legacy website because they have a different state funding source. The state's grant website can be accessed here: <http://www.grants.state.mn.us/public/>.

ACHF Recipients, 2010-2021

State Agency Or Nonprofit Recipient	Activities Funded*	Years Funded
AMPERS	Grants to member stations for programming	2010-2021
Arts Board³	Grants and programming for arts activities, arts education, and grants to regional arts councils around the state	2010-2021
Camp Legionville	Upgrades to facilities and provide programs for youth and veterans	2018
Como Zoo	Program development, historical gardens, children’s education	2010-2021
Council on Disability	Programs celebrating the anniversary of the Americans with Disabilities Act	2014-2016
Department of Agriculture – County Fairs Grants	Grants to county fairs for programs and facilities	2012, 2013, 2018-2021
Department of Education – Water Safety Grants	Grants to provide access to swimming lessons and to hire/train water safety instructors or lifeguards	2020, 2021
Disabled Veterans Rest Camps	Upgrades to two campgrounds for disabled veterans and welcome center	2012, 2016, 2018
Duluth Children’s Museum	Develop exhibits and educational programming; provide arts access	2010, 2011, 2014-2019**
Film and TV Board	Grants to Minnesota residents to make films and to operate film incentive programs	2012, 2013
Grand Rapids Children’s Museum	Develop exhibits and educational programming; provide arts access	2014-2019**
Green Giant Museum	Exhibits and programming	2018, 2020
Historical Society	Historical preservation or programs through the Historical Society and local historical societies, and funding for historical sites, the digital library, and civics education	2010-2021

³ Statutorily required funding since 2013.

State Agency Or Nonprofit Recipient	Activities Funded*	Years Funded
Humanities Center	Cultural and educational programs provided by the Humanities Center and grants to other nonprofits for programming related to culture, civics, and diverse communities	2010-2021
Indian Affairs Council	Grants for Indian language immersion programs and graves protection	2010-2021
Ka Joog Fanka Program	Arts education workshops, mentor programming, and community engagement	2016, 2017
Lake Superior Center Authority	Develop exhibits for the aquarium	2014, 2016, 2020, 2021
Lake Superior Zoo	Educational exhibits	2010-2021
Midwest Outdoors Unlimited	Hunting programs for youth and adults with disabilities	2018-2021
Minnesota African American Museum	Arts access and arts education	2014
Minnesota Children's Museum (St. Paul; Rochester)	Develop exhibits and educational programming; provide arts access	2010-2021
Minnesota Square Park Pavilion	Reconstruct the Square Park Pavilion to make it handicap accessible	2018
Minnesota State Band	Grant to promote and increase public performances around Minnesota	2016, 2017, 2018
Minnesota Zoo	Educational programming and exhibits	2010-2021
Perpich Center for the Arts	Develop and provide arts education; Turnaround Arts program	2010-2017
Phalen Park China Garden	Design and develop the garden with local artists and Hmong community members	2020
Public Radio	Programming on Minnesota culture and heritage	2010-2021
Public Television	Production and acquisition grants	2010-2021
Regional Library Systems	Grants to 12 regional library systems for educational programs in history, culture, and literary arts	2010-2021

State Agency Or Nonprofit Recipient	Activities Funded*	Years Funded
Science Museum of Minnesota	Arts education and outreach, IMAX funding, and expansion of the American Indian collection	2010-2021
Small Theaters Grants	Grants to theaters to upgrade from 35mm to digital technologies	2014, 2015
Southern Minnesota Children’s Museum	Develop exhibits and educational programming; provide arts access	2014-2019**
State Archeologist	Funding to analyze and rebury non-Indian remains	2018
State Capitol Preservation Commission	Manage, design, and oversee Capitol restoration	2012, 2016
University of Minnesota Bell Museum	Provide access to people with disabilities and expand access for culturally and linguistically diverse communities	2020, 2021
Veterans Memorials	Grants to parks, local municipalities, and nonprofits for veterans memorials	2014, 2018, 2020
Wheel & Cog Children’s Museum**	Develop exhibits and educational programming	2018
Wilderness Inquiry	Grants to connect Minnesota youth to the state’s natural resources	2016-2021
<p>* For more information on funded programs see the legacy website, http://www.legacy.leg.mn/ ** Children’s Museum funding was changed to a competitive grant process for FY 2020-2021, aside from the Minnesota Children’s Museum (St. Paul; Rochester)</p>		
House Research Department		



Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.

www.house.mn/hrd | 651-296-6753 | 600 State Office Building | St. Paul, MN 55155