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R.I. arts groups face renege on U.S. grants

By CHANNING GRAY

Journal-Bulletin Staff Writer

PROVIDENCE — Rhode Island's cultural groups, still reeling from news that federal arts subsidies could be cut by as much as 50 percent in the next budget, now face the prospect that government money already promised them from this year's budget may be slashed.

In an effort to curb expected overruns in the current federal budget, the Office of Management and Budget notified the National Endowment for the Arts last week that it is considering rescinding \$32 million, or 20 percent, of the agency's 1981 budget of \$158.7 million.

The budget-cutting proposal affects a number of federal agencies and would involve a total reduction of between \$2 billion and \$5 billion.

The OMB also is considering rescinding \$25 million of the \$151.7-million budget of the National Endowment for the Humanities.

The National Endowment for the Arts has frozen all appropriations until the budget-cutting bill is sent to Congress. If and when that is done, sources say, grants that have been approved but not yet processed will be prorated on a program-by-program basis, pending the outcome of the bill.

This has left arts groups across the nation in financial limbo. In Rhode Island, several hundred thousand dollars in federal arts money could be in jeopardy, including grants to Trinity Square Repertory Company and the Rhode Island Philharmonic, as well as the state Council on the Arts.

OFFICIALS at Trinity Square received unofficial notification last week that the theater company was in line for a \$210,000 grant from the 1981 federal appropriation for their fiscal year, which

begins July 1. But Sandy Schreiber, head of the Endowment's theater program, said yesterday that Trinity's grant could be cut by as much as one-third if Congress approves the budget cuts.

"This could be catastrophic," Trinity's managing director, E. Timothy Lagan, said yesterday. "We are operating on such a shoestring budget that even a 10 percent cut would be catastrophic."

Diane Disney, director of the state Council on the Arts, said yesterday that any cut in her agency's federal appropriation would "clearly have an effect on the grants we give out and the services we can provide." Miss Disney added, though, that she has heard only rumors of cuts and had received nothing in writing. "Everything at this point is still in the speculative stage," she said.

However, a highly placed source in the National Endowment for the Arts said

yesterday that Rhode Island's basic federal grant of \$335,000 could be trimmed by 12 percent if the cuts are approved. The grant accounts for about one-third of the arts council's budget and pays some staff salaries, and is the sole source of operating grants the state hands out each year to the area's major arts organizations.

WHAT DISTRESSES arts administrators most about news of this most recent round of proposed cuts is that they had counted on a "grace period" in which to plan for a reduction of up to 50 percent in the Endowment's 1982 budget. Because the federal government's fiscal year begins in October, arts organizations that operate on a July-to-June basis felt confident that grants for next year would come from the Endowment's current budget, which has already been approved by Congress. This now has been thrown into question.

According to most sources a bill to cut the Endowment could be sent to Congress as early as next week. Legislators would then have 45 working days in which to act.

Even if the bill were defeated, this could tie up federal money until late August or September.

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