NO ASSESSMENT OF THE IMPACT OF A FURTHER INCREASE OF FUNDS TO STATES HAS BEEN CONDUCTED.

- There has been no opportunity for an assessment of the impact of the recent increase in the allocation of Endowment funds to state arts agencies on the financial status of the arts.
  - The statute mandating the increase was enacted in November, 1990, less than one year ago.
  - Nor has there been an assessment of the likely impact of the even larger allocation to the states earmarked in upcoming fiscal years.

- All state arts agencies may not be able to carry out increased funding responsibilities.
  - Some state arts agencies lack the staff capability or program structure to handle effectively a large influx of new federal funds or the added programmatic responsibilities that these funds would carry.
  - State arts agencies are not often in a position to assemble review panels with the same depth of expertise or range of points of view that can be found at the national level and assembled by the National Endowment.