



The Arts in Public Policy

The NEA and the States

The partnership between the National Endowment for the Arts and state arts agencies is an exemplary intergovernmental collaboration that benefits every congressional district.

Each of the 56 U.S. states and jurisdictions has an agency dedicated to the arts. [State arts agencies](#) were established by legislatures and governors to promote the arts as an economic asset, to increase public access to the arts, and to serve as conduits for federal and state funds. **Congress has mandated that the National Endowment for the Arts (NEA) must allocate 40% of its appropriated program funds to state arts agencies.** This model federal-state partnership ensures that every congressional district benefits from the NEA. It also empowers states to support rural and underserved communities that often face barriers to accessing federal programs directly.

Strong oversight and accountability structures are built into this system. Partnership Agreements, the vehicle through which federal funds flow to state arts agencies, are formula driven based in part on population. States, jurisdictions and regions must comply with federal laws and meet rigorous financial management, matching and public engagement requirements in order to receive NEA funds.

Impact in Every State

The federal-state arts partnership helps federal and state governments to achieve more together than either could achieve alone. The partnership:

- ▲ **Broadens the reach of federal funds.** The NEA makes 2,400+ direct grants to community arts organizations each year. State arts agencies make an additional 8,171 subgrants with federal funds, ensuring that federal resources reach communities in all 435 U.S. congressional districts.
- ▲ **Leverages investment at the state level.** State arts agencies are required to match federal funds at least \$1 to \$1, but they frequently exceed this threshold. For example, state arts agencies received around \$55 million in Partnership Agreement funds in federal fiscal year 2024. State arts agencies combined that with more than \$694 million in [state legislative funds](#) to serve communities across the United States.
- ▲ **Supports community based organizations.** Federal funds strengthen the programming and grant-making capacity of state arts agencies, helping them to distribute more than 30,000 grants nationwide. A majority of these grants ([56%](#)) go to small, emerging or volunteer organizations that may not be able to successfully compete for direct NEA grants, but can still benefit from government support through programs accessible at the state or regional level.

Broad Access

Partnership Agreements place a special emphasis on reducing barriers to the arts through rural initiatives, activities involving individuals with disabilities, programs for veterans and older adults, and services for other populations that lack access to the arts. States and their local partners are ideally positioned to identify such needs and deliver services with good aim. [17%](#) of all state arts agency grants go to rural communities. [32%](#) reach high-poverty Census tracts.

Responding to Community Needs

Using guidance from governors, state legislatures, citizen boards and extensive public engagement practices, state arts agencies deploy dollars in ways that meet community needs. State arts agencies must address key federal objectives, but each state has the flexibility to do so in ways that are attuned to its unique geography and are aligned with state priorities.

Mutual Interests

The federal-state arts partnership addresses issues that are important to both the federal government and the states. For instance, the federal-state partnership places a special emphasis on the areas of arts education and preserving America's cultural heritage for future generations—areas of interest to states and Congress alike. **In 2025 and 2026, state arts agencies are actively engaged in America 250 celebrations** of our nation's democracy, history and ingenuity.



State arts agencies are active partners in America 250 celebrations across the nation. Photo courtesy of the [Virginia Commission for the Arts](#) and VA250

Further Information

- ▲ National Endowment for the Arts [State Profiles](#)
- ▲ [Return on Investment: National Endowment for the Arts](#)
- ▲ [Return on Investment: Public Arts Funding](#)
- ▲ Policy Brief: [The Federal-State Partnership in the Arts](#)