ACTION NEEDED
We urge Congress to:

- Continue bipartisan support and robust funding for the National Endowment for the Arts in the FY 2024 Interior Appropriations bill at no less than $211 million to broaden access to the cultural, educational, and economic benefits of the arts and to advance creativity and innovation in communities across the United States.

- We encourage the Subcommittee to build a specific path to index funding for the National Endowment for the Arts and National Endowment for the Humanities at $1 per capita. Each agency is currently funded at about 62 cents per capita. We also encourage continued parity between NEA and NEH funding.

THE NEA: AMERICA'S LEAD SUPPORTER OF THE ARTS
The National Endowment for the Arts (NEA) plays a unique role in broadening access to and participation in the arts in every congressional district and should be more fully supported in order to expand and deepen its impact on our communities and our democracy.

The arts sector is an economic engine which brings people together, and as the nation continues to emerge from the COVID-19 pandemic, the arts and culture sector is uniquely able to deliver on its mission to uplift, engage, educate, and innovate. The NEA can help leverage the arts sector to play a key role in the work to imagine and build a new American economy.

The Endowment's goals are fulfilled through awarding 60% of its grantmaking budget in direct grants—reviewed and recommended by panels of experts—to arts organizations across the country, and which signal artistic achievement and recognition. Key facts about the NEA:

- It awards 40% of its grantmaking budget directly to the states through state and regional arts agencies, an extraordinary example of federal/state partnership, extending the NEA's reach further to millions of people in thousands of communities.
• It annually recommends, on average, 2,300 grants across every Congressional District in the country. The majority of grants go to small and medium-sized organizations (budgets less than $2 million), and support projects that increase audience access to arts programming.
• 35% of Arts Endowment grants take place in high-poverty neighborhoods.
• 35% of grants reach low-income audiences of under-resourced populations such as people with disabilities, people in institutions, and Veterans.
• Federal agencies and nonprofit organizations partner with the Arts Endowment on national initiatives, using the arts as a platform for enhancing the quality of life for all. Such partnership examples include: Creative Forces, Poetry Out Loud, Musical Theater Songwriting Challenge, NEA Big Read, Blue Star Museums, and the Citizens’ Institute on Rural Design.
• Approximately 4,000 communities are served each year through NEA grants. Around 41 million Americans annually attend a live arts event supported by the NEA, including approximately 36,000 concerts, readings, and performances, and 6,000 exhibitions.
• In 2021, the NEA managed a recovery fund of $135 million provided through the American Rescue Plan Act. The first $52 million (40%) was granted through the state arts agencies. The remaining $80 million was allocated to 633 arts organizations and local arts agencies to help the arts and cultural sector recover from the pandemic. The NEA received more than 7,500 eligible applications requesting $695 million in total assistance. Of those that were awarded NEA ARP funding, 18% were new NEA applicants; 27% percent are new NEA grantees; 28% had annual budgets less than $250,000; 42% were in high-poverty areas; and 70% had not received any other type of federal grant in the last ten years.

BROADENS ACCESS AND EQUITY
• The arts sector is a powerful conduit for bridging and healing deep divisions. The NEA can help redress systemic injustice—including long-time inequities in arts funding, as well as a lack of appreciation for creativity from all cultures.
• The NEA is establishing and cultivating ongoing relationships with Historically Black Colleges and Universities (HBCUs), building capacity for successful applications, and has made recent grants to HBCUs, including Bennett College in Greensboro, NC and Southern University at New Orleans.
• The Challenge America funding category specifically offers support for projects that expand arts access to populations whose opportunities to experience the arts are limited by geography, economics, or disability.
• The NEA ensures that all Americans have access to the arts no matter where they live. Among the NEA's accomplishments is the growth of arts activity in areas of the nation that have been under-resourced, especially in rural and inner-city communities.
• A significant percentage of grants benefit those who have fewer opportunities to participate in the arts, not only via Challenge America grants, but many Grants for Arts Project grantees offer performances that are free or at reduced-prices. Data shows America's population is aging rapidly (growing from 13.1% to 16.9% in the past decade), and NEA grants supporting creative aging projects and passing on traditional arts knowledge from one generation to the next promotes physical and mental health outcomes for elders. NEA grants also make programming available in schools and public community gathering places.

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- American Rescue Plan (ARP) funding to the NEA, meant to support organizations and jobs in the arts sector that were impacted by the pandemic, was administered more equitably than previous funding opportunities. The agency encouraged ARP grant applications from organizations applying to the NEA for the first time. This practice departed from the NEA’s method of administering two earlier stimulus grant programs—ARRA (American Recovery and Reinvestment Act of 2009) and CARES (Coronavirus Aid, Relief, and Economic Security Act)—which limited eligibility to previous grantees. With ARP, the agency engaged culturally and geographically specific communities so that the broadest possible constituency became aware of the new funding opportunity. As a result of these efforts, 18 percent of the ARP grantees (including the NEA's programs for subgranting and direct grants) were new applicants to the agency; 27 percent are new grantees to the agency; 28 percent of grantee organizations had annual budgets of $250,000 or less; 20 percent were located in non-metro areas; 42 percent were in high-poverty areas; and 70 percent had not received any other type of federal grant in the last ten years.

**PROVIDES A HIGH RETURN ON INVESTMENT**
- The ratio of private and other public funds matching every NEA grant dollar will approach 9:1, far surpassing the required non-federal match of at least 1:1. This generated more than $500 million in matching support and illustrates why federal support for the arts is uniquely valuable.
- The Bureau of Economic Analysis and the NEA together calculate the arts and culture sector's contributions to the gross domestic product. In 2021, arts and culture added **$1.0 trillion, or 4.4 percent**, to national GDP. Analysis shows that while the total economic value added by arts and cultural industries grew by 13.7 percent from 2020-2021, several core arts industries did not return to pre-pandemic production levels. This group includes independent artists (as an industry), performing arts organizations (e.g., theater, dance, and opera companies, music groups; and circuses), and arts-related construction, among many others. Despite setbacks for those industries, the overall arts economy in 2021 represented 4.4 percent of GDP, or just over $1.0 trillion—a new high-water mark. Additional analyses of the BEA data show the arts actually accelerate economic recovery. A growth in arts employment has a positive and causal effect on overall employment. The BEA data also showed the arts had a $33 billion international trade surplus (2019)—making the arts a powerful export industry.

**Supports Partnerships**
- The NEA funds school- and community-based programs that help children and youth acquire knowledge and skills in the arts. It also supports educational programs for adults, collaborations between state arts agencies and state education agencies, and partnerships between arts institutions and K-12 and college and university educators.
- The NEA supports military families through its Creative Forces program, a collaboration with the Departments of Defense and Veterans Affairs to serve the unique and special needs of military patients and Veterans diagnosed with traumatic brain injury (TBI) and psychological health conditions such as post-traumatic stress disorder (PTSD). Last year, the Creative Forces initiative added the Creative Forces Community Engagement grants to fund nonclinical art programs for active military members, Veterans, and family/caregivers. Grants totaling more than $750,000 were

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awarded to 26 US organizations, including Dancing Well in Louisville, KY Bill Haus Arts in San Antonio, TX and Arts and Culture El Dorado in rural Placerville, CA.

**BACKGROUND**
The NEA's FY 2023 budget is $207 million, just 0.004% of the federal budget and 62 cents per capita. The Administration's FY 2024 budget request for the NEA is $211 million.

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