THE FEDERAL-STATE PARTNERSHIP IN THE ARTS

Public investment in the arts serves as a foundation for communities to develop their creative resources. Creativity, artistry and ingenuity all bloom from individual and community efforts, but the roots of these efforts are watered by resources at multiple levels of government.

The partnership between the National Endowment for the Arts (Arts Endowment) and states and regions is an essential part of this ecosystem. By congressional mandate, the Arts Endowment allocates 40% of its annual grant funding to state arts agencies and regional arts organizations. This allocation helps federal funds reach more communities and helps federal funds be responsive to the unique needs of each state and region.

The federal-state partnership is a stabilizing factor in maintaining the cultural infrastructure on which so many communities and cultural organizations rely. Federal funding is matched at the state level—and matched yet again at the local, individual organization and individual project levels—reverberating financial investment throughout the system. The interconnectedness of arts funding and policy through federal-state partnerships positions the Arts Endowment as an influential lever for expanding the benefits of the arts to all Americans.

partnership agreements

The 40% of Arts Endowment program funding allocated to the federal-state partnership is distributed in the form of Partnership Agreement grants to the 50 states, six U.S. jurisdictions and six regional arts organizations. Each of the 56 states and jurisdictions has an agency officially designated to serve as a state arts agency (SAA) to increase public access to the arts, develop a statewide strategy to nurture the arts and serve as a conduit for federal funds. Regional arts organizations (RAOs) represent groupings of states formed to facilitate multistate programming and amplify resources for the arts at the regional level.

Partnership Agreements support the fulfillment of cultural plans that are developed in active consultation with the residents of each state and region. Each state and region uses Partnership Agreement dollars to provide grants and services in accordance with its constituent-driven plan, thus ensuring that federal funds respond to the current needs of communities and their local economic, educational, civic and cultural priorities.
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Partnership Agreement funding levels are formula driven and based, in part, on population. States and regions must meet rigorous criteria relating to public engagement in their planning practices and their plan implementation. States and regions must match federal funds at least $1 to $1, but often exceed this match. For instance, state arts agencies received $49.2 million in Partnership Agreement funds in fiscal year 2020 but combined that with more than $402.4 million in state legislative funds to award grants and offer arts services. Partnership Agreements include dollars for the fulfillment of state plans as well as funds designated for arts education, underserved communities and folk/traditional arts.

Broadening the Reach

State arts agency and regional arts organization funds extend the reach of federal investments and widen public access to the arts in every state:

• State arts agencies and regional arts organizations use state and federal funds to support more than 21,000 grants.
• State arts agencies and regional arts organization funds go to more than 14,900 organizations, schools and artists in nearly 5,000 cities and towns across the United States.
• States’ and regions’ grants reach 1,570 more counties than Arts Endowment direct grants alone can reach.

Unique organizations and individuals are funded by federal and state grant makers in the arts. However, given the larger volume of grants given by SAAs and RAOs, many more organizations receive grants from these entities. In 2019, states and regions awarded funds to 14,932 unique grantees, while the Arts Endowment reached 2,004 unique organizations. Out of all of these grantees, 1,503 received both a grant from the Arts Endowment and a grant from either a state arts agency or a regional arts organization.
This analysis illustrates several important aspects of the federal-state partnership and the complementary roles served by state arts agencies, regional arts organizations and the National Endowment for the Arts:

- Partnership Agreements in combination with state funding allow for many more arts organizations and projects to receive resources than would otherwise be possible.
- The federal-state partnership helps make the value of the arts and the Arts Endowment highly relevant to many more organizations and more visible to a broader public.
- Numerous organizations are served only by the Arts Endowment or by SAAs/RAOs, underscoring the importance of maintaining robust support at all levels: federal, regional and state.
- Many SAA and RAO grantees are small, emerging or volunteer organizations that may not be able to successfully complete for direct Arts Endowment grants, but can still benefit from federal support through programs accessible at the state or regional level.
he heightening shared policy goals

Partnership Agreements help prioritize policy goals that are important to the National Endowment for the Arts as well as to state arts agencies and their constituents. The federal-state partnership places a special emphasis on the areas of arts education, reaching underserved constituencies, strengthening the cultural infrastructure and preserving America’s cultural heritage for future generations—areas of mutual interest to states and Congress.

The federal-state partnership is especially successful in improving access to the arts. Federal partnerships with state arts agencies and regional arts organizations are essential to supporting developing arts organizations, rural initiatives, activities involving individuals with disabilities, arts programs for disadvantaged youth and other programs that extend the arts to populations that lack access due to geography, economics or race/ethnicity. States and their local partners are ideally positioned to identify such needs and serve communities in an effective manner.

Another prominent policy goal heightened by the federal-state partnership in the arts is the integration of the arts into the fabric of community life. Through its direct grant making and its partnerships with state arts agencies and regional arts organizations, the Arts Endowment develops the creative sector, enhances public spaces and fosters community interaction through the arts.
serving rural communities

State arts agencies have a duty to serve all areas within their states, including rural areas. The arts are a proven strategy for maintaining a high quality of life and promoting economic resilience in rural communities, but not all rural areas have a local arts agency or access to foundation or corporate arts support. The federal-state partnership makes federal arts funding accessible to small communities and enables many more rural areas to have opportunities to gain from arts experiences. Collaborating with states in this way is an efficient and effective way of improving rural access to the arts.

Rural and Metro Areas by U.S. ZIP Code

23% of state arts agency awards and 13% of grant dollars go to rural areas

18% of Americans live in rural areas

More than 90% of America's landmass is considered rural, but residents are distributed sparsely within those areas.
THE FEDERAL-STATE PARTNERSHIP IN THE ARTS

striving toward equity

State arts agencies, regional arts organizations and the National Endowment for the Arts strive to distribute their funding in an equitable fashion, to ensure that all populations reap the educational, civic and economic benefits of the arts. A core value of the federal-state partnership is to make the arts more accessible to all Americans, and Partnership Agreement funds help states and regions develop policies and programs that respond to demographic trends and address historical inequities. This process often begins with strategic planning. Partnership Agreement criteria place an emphasis on participatory planning that includes and responds to the needs of underserved communities. State arts agencies adopt planning engagement strategies calibrated to the needs and norms of specific cultural groups, then develop programs and services to act upon what they learn.

States and regions have adopted a wide array of funding and capacity building strategies for supporting BIPOC (Black, indigenous and people of color) populations. Consult NASAA’s Equity Choice Points and the State to State Article Archive for examples.
conclusion

The federal-state partnership governing national investments in the arts strengthens the nation and undergirds the educational, civic and economic benefits of the arts. This federalist structure sustains a system of strategic investments through a mechanism that can effectively extend those benefits to more people with greater impact. By broadening the reach of public funds, leveraging private dollars, heightening shared policy goals, reaching diverse audiences and striving toward a more equitable union, the federal-state partnership is foundational to the cultural health of the nation.

acknowledgments

This State Policy Brief was authored in 2021 by Ryan Stubbs. The State Policy Briefs series editor is Kelly J. Barsdate.

State Policy Briefs synthesize research on key issues affecting the arts and state arts agencies. Designed to inform decision making at the state level, this series provides information on state arts agency policy alternatives and innovative strategies for serving the public. For information on ways to build political and constituent support for the arts, consult NASAA’s advocacy tools.

the national assembly of state arts agencies

The National Assembly of State Arts Agencies (NASAA) is the membership organization that serves the nation’s state and jurisdictional arts agencies. NASAA helps state arts agencies fulfill their many citizen service roles by providing knowledge services, representation and leadership programs that strengthen the state arts agency community. NASAA also serves as a clearinghouse for data and research about public funding and the arts. For more information on the work of state arts agencies, call 202-347-6352 or visit nasaa-arts.org.

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