



FEDERAL POLICY UPDATE

Executive Directors Peer Group | April 3, 2025

This meeting of Executive Directors focused on new developments at the National Endowment for the Arts (NEA). Guests from the NEA included Michael Orlove (Director of State, Regional & Local Partnerships, and International Programs) and Lara Holman Garritano (State and Regional Partnerships Program Manager). The session concluded with an advocacy update from NASAA. While NASAA encourages you to use this document as a reference tool, it is not intended for distribution.

FY2026 PARTNERSHIP AGREEMENTS

State and regional Partnership Agreements were slated for review by the National Council on the Arts at its March 28 meeting. That meeting, however, was postponed until May 1, 2025. The NEA needed extra time to evaluate the agency's response to new executive orders and to assess the implications of lawsuits and other factors affecting NEA operations. As a result, **execution of Partnership Agreements for NEA FY2025, supporting state FY2026 activities, will likely not occur until June.** As usual, offers will go out following Council review, then SAAs and RAOs will need to respond with an updated budget and information on cost share match. Grants will be executed after that process is completed.

The NEA hopes to have more details about timing and terms in the next couple of weeks. Staff hopes that Partnership Agreements will be executed with "few to no changes" in the terms and conditions, but there are a number of pending legal matters that could affect that. Everyone is waiting for more information on those topics.

Upcoming Partnership Agreement awards (for NEA FY2025/State FY2026) will include the standard Partnership components as well as the optional supplemental funds for arts in health projects. The health funds will be identified as a programming component, similar to arts education, folk arts, etc. They will have the same period of performance and reporting requirements as the rest of the partnership award.

Meanwhile, **if any agencies have open awards with reports due on April 30, it is crucial to meet that deadline.** This will prevent your agency from compliance gaps that could interfere with your Partnership Agreement offer. Be sure to submit all reports or request a reporting extension through Reach before April 30.

The NEA continues to process grant payments on open awards. Agencies can submit payment requests for reimbursement of expenses as needed. Advances also may be requested for costs to be incurred within 30 days.

Please contact Lara with questions pertaining to award administration.

AMERICA 250

2026 marks the semiquincentennial of the United States of America ([America250](#)) and the NEA is “interested in supporting arts projects that celebrate the nation’s rich artistic heritage and creativity throughout the country’s 50 states and 6 jurisdictions.” To this end, the NEA is offering optional supplementary funding of \$25,000 for each state arts agency to support projects celebrating America 250. **State arts agencies will need to notify the NEA by Monday, April 14 to let the NEA know if they want to opt into this component.**

- A 1:1 match is required.
- No separate application process is needed, but the NEA will need a brief description of your approach in order to opt in.
- The NEA wants the funds to be distributed as subgrants to small or mid-sized organizations. *(However, see subsequent e-mail correspondence from Lara Garritano for emerging info on possible flexibility in how the funds may be used.)*
- Project activities may focus exclusively on celebrating the anniversary, or they may incorporate a special America 250 component within a larger project.
- America 250 project activities may take place any time in calendar years 2025 or 2026 during the lead-up to and celebration of the nation’s 250th anniversary.
- Direct funds to individuals are not allowable with these funds.

Michael underscored the emphasis on the “celebration” aspect of the initiative.

ADVOCACY

The dismantling of federal cultural agencies has accelerated, causing concerns for the creative sector. Per Executive Order, **all Institute for Museum and Library Services (IMLS) staff have been placed on administrative leave and the status of awards to state libraries and museums is in question.** Following an audit from the Department of Government Efficiency (DOGE), all National Endowment for the Humanities (NEH) staff were placed on administrative leave and access to their email accounts and grants administration system was shut down. **Open NEH grants are being terminated, including those to [state humanities councils](#).**

These events intensify worries about the NEA, which is preparing for its own visits from DOGE within the next few days. Pam Breau, NASAA President and CEO noted that:

- The NEA is the only federal cultural agency that has had a high-level political appointee in residence since inauguration.
- The agency has demonstrated its willingness to help address the goals of the administration. The rapid integration of America 250 into the agency's grant programs is a good example of this.
- The NEA has been proactively seeking efficiencies by consolidating programs, trimming back staff, etc.

While these factors hopefully strengthen the NEA's position, there are no guarantees in this volatile environment. So NASAA is doing our part to try and protect the agency. We are—quietly and surgically—doing all we can to activate and support key policy influencers.

It will help the NEA's champions and NASAA to make this case if we can learn as much as possible about state and jurisdictional plans for America 250 activities. How is your agency involved, and what are your anticipated grant commitments? NASAA requested information on April 3 and received a rapid response from states, showing that:

- 100% of the 53 agencies who shared info are actively engaging in America 250 planning and programming. 87% are planning to make grants, 96% are active promotional partners, and there are a wide variety of other creative activities and partnerships on tap.
- Many state arts agencies are playing significant leadership roles. 68% of states serve on America 250 Commissions (typically appointed by governors and/or state legislatures) or on related planning committees. This underscores the importance of maintaining NEA support for states, since anything that undermines state arts agencies at this time could pose a setback to America 250 efforts across the country.

Congress has not shown a public inclination to override the work of DOGE at this moment in time. Looking ahead, however, Congress may assert its authority and exert "the power of the purse" during the FY2026 appropriations cycle this summer. That may offer an opportunity to address and reverse some of the cuts being made in FY2025. To lay the groundwork for this effort, all states are encouraged to keep their delegation up to date on the benefits of the NEA and the positive impact of the federal-state partnership. Promoting [new BEA data](#) is an important part of that case for support. Find your state numbers on NASAA's [Creative Economy State Profiles](#) dashboard.

For additional information or for talking points you can use with constituents, contact [Kelly Barsdate](#) at NASAA.