



WHAT THE

FEDERAL

IS HAPPENING?

NEA, NEH, IMLS, TICKETING

Arts NC Executive Director
Nate McGaha

WEDNESDAY, April 9th
at 11 AM ET





WTF?



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*I am **NOT** a lawyer... so I am definitely **NOT** your lawyer*
This webinar should **NOT be considered legal advice.**

Overview

- Institute of Museum and Library Services
- National Endowment for the Humanities
- National Endowment for the Arts
- Ticketing Executive Order
- Questions/Discussion





Federal Cultural Agencies



FY25 Budget
\$295 million

% of US Budget
0.0046%



\$207 million

0.003%



\$207 million

0.003%



INSTITUTE *of* **Museum and Library** SERVICES

- ❑ **Entire IMLS Staff** placed on Administrative Leave for up to 90 days.
- ❑ **[Bipartisan letter from Senators to IMLS Director](#)**
 - ❑ Sen. Reed (D-RI), Sen. Gillibrand (D-NY), Sen. Murkowski (R-AK), & Sen. Collins (R-ME)
- ❑ **AFGE:** in the absence of staff all work **processing applications for 2025 grants "has ended."**
- ❑ **Reddit:** This likely means that all grants that haven't been paid out, **won't be paid out.**
- ❑ **Over \$2M to NC Universities and Nonprofits** in FY24.
- ❑ **Over \$5.4 million in grants to NCDNCR** (\$5M for libraries) in FY24.
- ❑ **21 State Attorneys General filed a [lawsuit](#):** EOs & actions "illegal several times over"
- ❑ **ACTION for the Institute of Museum and Library Services**
 - ❑ **[American Alliance of Museums](#)**
 - ❑ **[American Library Association](#)**



NATIONAL ENDOWMENT FOR THE HUMANITIES

- ❑ **80% of NEH Staff** placed on indefinite Administrative Leave.
- ❑ **Remaining staff must return to office before May.**
- ❑ **Will likely not be able to meet Statutory Duty.**
- ❑ **NEH grants, including state humanities councils, were terminated April 2nd & 3rd.**
- ❑ **Claw-back of any unspent funds back to 2021.**
- ❑ **ACTION for National Endowment for the Humanities:**
 - ❑ [National Alliance for Humanities Grassroots Email Campaign: Save the NEH.](#)
 - ❑ [National Alliance for Humanities Statement on Threats to the NEH.](#)



NATIONAL ENDOWMENT for the ARTS

 arts.gov

- ❑ **Department of Government Efficiency (DOGE) has not been to NEA yet, but we believe they will be there this week.**
 - ❑ **Mary Anne Carter (MAC) has been in communication with DOGE.**
 - ❑ **MAC: Trump appointee since January has been helpful (unlike NEH & IMLS)**
- ❑ **MAC: NEA has been taking steps to reduce staff since January.**
 - ❑ **Eliminating vacant positions** that are not statutorily needed.
 - ❑ **Some workers took the buyout** that were not statutorily needed.
 - ❑ **Seeking approval to offer early retirement** if they are not statutorily needed, 20+ years of employment and over 50 years of age.
 - ❑ **Some may be offered Voluntary Separation payments** if they are not statutorily needed and not eligible for early retirement.
- ❑ **MAC: NEA is hoping to avoid Reduction In Force (RIF).**
- ❑ **NEA Staff must Return To Office (RTO) by May 5th.**



Early Executive Orders



- ❑ **Disbanded President's Committee on Arts & Humanities** 01/20/2025
 - ❑ **Disbanded in 2017** after all council members resigned
 - ❑ **Biden reinstated the Committee in 2024**
- ❑ **Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government** 01/20/2025
 - ❑ **Federal government only recognizes two genders: male and female**
 - ❑ **Federal dollars cannot fund "gender ideology"** (anything other than male/female)
 - ❑ **Rescinds all former federal transgender rules and guidance**
- ❑ **Ending Illegal Discrimination and Restoring Merit-Based Opportunity** 01/21/2025
 - ❑ **Federal grantees must certify they don't engage in *illegal* DEI practices**
 - ❑ **Ends federal DEI programs and cuts funds to colleges with DEI programs**
 - ❑ **Directs federal agencies to work towards ending private sector DEI programs**
- ❑ **Celebrating America's 250th Birthday** 02/03/2025
 - ❑ **Established Task Force to plan celebrations** (similar to Obama-formed Committee)
 - ❑ **NEA, NEH, and IMLS included in Task Force and Committee from 2016.**



NEA and Executive Orders




- ❑ **NEA Grants for Arts Project: Round 1 Applications were due April 7th** (delayed from March 24 to allow applicant to review new Assurance of Compliance).
- ❑ **Additions made to NEA grants application Assurance of Compliance:**
 - ❑ **The applicant will comply with all applicable Executive Orders while the award is being administered.** Executive orders are posted at [whitehouse.gov/presidential-actions](https://www.whitehouse.gov/presidential-actions).
 - ❑ The applicant's compliance in all respects with all applicable Federal anti-discrimination laws is material to the U.S. Government's payment decisions for purposes of section 3729(b)(4) of title 31, United States Code, pursuant to Executive Order No. 14173, **Ending Illegal Discrimination and Restoring Merit-Based Opportunity**, dated January 21, 2025.
 - ❑ **The applicant will not operate any programs promoting "diversity, equity, and inclusion" (DEI) that violate any applicable Federal anti-discrimination laws**, in accordance with Executive Order No. 14173.
 - ❑ The applicant understands that federal funds shall not be used to promote gender ideology, pursuant to Executive Order No. 14168, **Defending Women From Gender Ideology Extremism and Restoring Biological Truth to the Federal Government**.



National Endowment for the Arts



National Endowment for the Arts Assurance of Compliance Questions

- All applicants for federal funds must sign an Assurance of Compliance, decades-long requirement
 - In accordance with Executive Orders, we will not fund projects that include DEI activities
 - Applicants must certify that they do not operate any programs promoting DEI that violate anti-discrimination laws, including programs outside of the scope of their NEA project.
 - Still reviewing how these Executive Orders apply to open awards
- 

[NEA Grants Webinar- February 18, 2025](#)



NEA & the DEI Executive Order

- ❑ Court injunction paused “DEI” Executive Order: **2/21/25**
 - ❑ NEA changed Assurance of Compliance to say would not ask applicant to certify compliance with DEI EO while injunction is in effect.
 - ❑ Appeals Court lifted the injunction: **3/14/25**
 - ❑ Assurance of Compliance did not change before the April 7th application deadline.
- ❑ Page 36 of the NEA grant guidelines:
 - ❑ ***Q) How can I make sure that my project is in compliance with Federal civil rights laws?***
 - ❑ ***A) Projects may reach a particular group or demographic (such as sex, disability, economic status, race, color, or national origin, including limited English proficiency), however, projects may not be exclusionary under Federal civil rights laws and policies prohibiting discrimination. This nondiscrimination requirement extends to hiring practices, artist selection processes, and audience engagement. **Your application should make it clear that project activities are not exclusionary.*****



NATIONAL ENDOWMENT for the ARTS

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NEA & the Gender Executive Order

- ❑ **Rhode Island ACLU filed lawsuit** on behalf of Rhode Island Latino Arts, the Theater Offensive, National Queer Theater, and Theatre Communications Group **against the NEA because of their funding ban on projects that promote “gender ideology” in accordance with EO: 3/6/25**
 - ❑ **1st Amendment:** Restricts artistic expression and imposes viewpoint-based discrimination.
 - ❑ **5th Amendment:** Violates due process by imposing vague and arbitrary restrictions.
 - ❑ **Administrative Procedure Act (APA):** Arbitrarily changes eligibility without proper notice.
- ❑ **NEA changed Assurance of Compliance to not require applicant to certify compliance with “gender ideology” ban pending the outcome of this litigation: 3/10/25**
- ❑ **ACLU tried to block NEA from requiring applications on April 7th before the NEA would decide how to interpret the Executive Order by April 30th : 3/27/25**
- ❑ **Court refused to expressly block the NEA from reimposing the ban, BUT agreed that the NEA funding ban for projects promoting “gender ideology” would likely violate the First Amendment : 4/3/25**



Other NEA Grant Updates

- ❑ **December Grant Offers still Under Review** (review between “offer” and “award”)
- ❑ **Prior NEA Grant Awardees can still draw down funds & submit receipts.**
- ❑ **MAC: Does not know yet effect of EOs on Regional, State, & Local agreements.**
 - ❑ **NEA’s Office of General Counsel is working on this.**
 - ❑ **Not enough information yet provided.**
 - ❑ **Needs to align with all agencies across the Trump Administration.**
- ❑ **Second round of FY25 NEA grants should not be delayed** (process completed once)



NATIONAL ENDOWMENT for the ARTS

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NEA FY26 FINAL DRAFT 032725.docx - Google Docs.pdf

NATIONAL ENDOWMENT FOR THE ARTS PROMOTING THE CREATIVE ECONOMY AND ARTS PARTICIPATION FOR ALL

ACTION NEEDED

We urge Congress to:

- Continue bipartisan support and allocate at least \$209 million for the National Endowment for the Arts in the FY 2026 Interior Appropriations Bill.
- Support continued equal funding for the National Endowment for the Arts (NEA) and the National Endowment for the Humanities (NEH).
- Build a path to index funding for the NEA and NEH each at \$1 per capita, an increase from the current 61 cents per capita.

THE NEA: AMERICA'S LEAD SUPPORTER OF THE ARTS

The NEA plays a unique role in broadening access to the cultural, educational, and economic benefits of the arts in every Congressional District. The arts boost economic productivity, improve education outcomes, foster civic cohesion, facilitate good health, and preserve our cherished heritage and traditions.

The NEA's impact goes beyond grantmaking. It supports community projects and local jobs, spurs creativity and innovation, and conducts important national data collection and research about arts participation. The NEA is the federal agency primarily responsible for representing a \$151.7 billion nonprofit arts and culture industry. As the largest public funder of the arts and a leader in arts education in the United States, the NEA reaches communities often underserved by private dollars, and its awards generate support from other sources, including private foundations, corporate donors, and individual contributors.

THE NEA IS AN EXTRAORDINARY EXAMPLE OF EFFECTIVE FEDERAL LEADERSHIP AND STATE, REGIONAL, AND LOCAL PARTNERSHIP

- The NEA awards 60% of its grantmaking budget to arts organizations and 40% to state and regional arts agencies.
- It annually makes about 2,300 grants, benefiting every Congressional District. 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 NEA grants take place in high-poverty urban and rural communities. Approximately 4,000 communities of all sizes are served each year through NEA grants, with many projects bringing the arts to geographically underserved areas.
- Around 41 million Americans annually attend live arts events supported by the NEA, including approximately 36,000 concerts, readings, and performances, and 6,000 exhibitions. Millions more attend these events and access other artistic and educational experiences online.
- Federal agencies and nonprofit organizations partner with the NEA on national initiatives, using the arts as a platform for enhancing the quality of life for all. Such partnership examples include: Creative Forces, Shakespeare in American Communities, Blue Star Museums, NEA Big Read, Poetry Out Loud, and the Citizens' Institute on Rural Design.
- The NEA is an integral part of the celebration of the 250th anniversary of the signing of the Declaration of Independence, serving on the nonpartisan U.S. Bicentennial Commission Task Force and offering grantmaking support for this initiative across the nation.

This issue brief was prepared by the Cultural Advocacy Group, a collaboration of arts and culture stakeholders working collectively to advance federal policy.

THE NEA PROVIDES A HIGH RETURN ON INVESTMENT

- The ratio of private and other public funds far surpasses the required non-federal match of at least 1:1. More than \$500 million annually has been generated in matching support, illustrating why federal support for the arts is uniquely valuable. NEA funding is a critical backbone of support that leverages state and local investment in the arts.
- The Bureau of Economic Analysis and the NEA together calculate the arts and culture sector's contributions to the gross domestic product. In 2023, arts and culture added over \$1.2 trillion, or 4.2%, to national GDP, and nationwide employment in the sector increased to a total of 5.4 million arts and cultural jobs. The arts are also a powerful export industry boasting a trade surplus of \$36.8 billion in 2023.
- Arts & Economic Prosperity 6 (AEP6) is an economic and social impact study of the nation's nonprofit arts and culture industry. Nationally, the sector generated \$151.7 billion of economic activity in 2022—\$73.3 billion in spending by nonprofit arts and culture organizations and an additional \$78.4 billion in event-related expenditures by their audiences. This economic activity supported 2.6 million jobs, provided \$101 billion in personal income to residents, and generated \$29.1 billion in tax revenue to local, state, and federal governments.

THE NEA BROADENS ARTS PARTICIPATION FOR ALL AMERICANS

- Congress directs the NEA to ensure that priority is given to providing services or awarding assistance for projects, productions, workshops, or programs that expand arts participation by underserved populations. Moreover, a significant percentage of grants benefit those who have fewer opportunities to participate in the arts by offering free or reduced-price performances and programming specifically serving students in urban and rural schools.
- 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). Since 2022, the Creative Forces initiative has awarded more than 100 Creative Forces Community Engagement grants to fund nonclinical art programs for active military members, veterans, reservists, and family/caregivers across the nation, including in Anchorage, AK; Lemmon, SD; and Hillsboro, WV.
- The NEA also makes additional investments to support Native arts and culture by providing grants to Native American, Alaska Native, and Native Hawaiian communities and organizations for a wide range of arts activities, from traditional to contemporary arts. Working with Native-led national service organizations and an interagency federal working group, the NEA has carried out strategic outreach to Native communities and artists since 2016 and works in consultation with federally recognized tribes.
- With data showing the growth of America's aging population (from 13.1% to 16.9% in the past decade), the NEA is promoting positive physical and mental health outcomes by supporting creative aging projects and wellness programs that teach traditional arts knowledge to the next generation.
- Since 2019, the NEA has established and cultivated ongoing relationships with Historically Black Colleges and Universities (HBCUs), building capacity for successful applications, and has made recent grants to HBCUs, including to support an opera training workshop for undergraduate and graduate students in Jackson State University (MS).
- The NEA funds projects that help children and youth acquire knowledge and skills in the arts and apply the arts to learning in other subjects. 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.

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TAKE ACTION!



Support Federal Funding for Arts and Cultural Programs (NEA, NEH, IMLS & Arts Educations)



National Humanities Alliance

- Save the NEH



American Alliance of Museums

- Act Now to Save IMLS



American Library Association

- Show Up for our Librarians



Ticket Resale Executive Order & Fact Sheet



- ❑ The executive order states that will protect fans from exploitative ticket resellers and **“bring commonsense reforms to America’s live entertainment ticketing industry.”**
- ❑ The Order directs the **Federal Trade Commission (FTC)** to:
 - ❑ Work with the Attorney General to **ensure that competition laws are appropriately enforced** in the concert and entertainment industry.
 - ❑ Rigorously enforce the **Better Online Ticket Sales (BOTS) Act** and promote its enforcement by state consumer protection authorities.
 - ❑ Ensure **price transparency at all stages of the ticket-purchase process**, including the secondary ticketing market.
 - ❑ Evaluate and, if appropriate, **take enforcement action to prevent unfair, deceptive, and anti-competitive conduct** in the secondary ticketing market.



Ticket Resale Executive Order & Fact Sheet



- ❑ The Order directs the Secretary of the Treasury and Attorney General to ensure that **ticket resellers are operating in full compliance with the Internal Revenue Code and other applicable laws.**
- ❑ The Order also directs the Department of the Treasury, the Department of Justice, and the FTC to deliver **a report within 180 days** (September 27, 2025) **summarizing actions taken to address the issue of unfair practices in the live concert and entertainment industry and recommend additional regulations or legislation** needed to protect consumers in this industry.
- ❑ From the EO: **“My Administration is committed to making as accessible as possible the arts and entertainment that enrich Americans’ lives.”**



Federal Tax Legislation

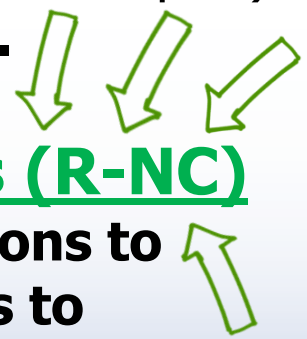
Charitable Act

- ❑ **Allow tax filers using standard deduction (90% of filers) to deduct donations as well.**
- ❑ **Up to \$4,600 for Individuals and \$9,200 for couples.**
- ❑ **Senate (S. 317): 1/29/25:** Lankford (R-OK), Coons (D-DE)
- ❑ **House (H.R. 801): 1/28/25 :** Moore (R-UT), Pappas (D-NH), Miller (R-WV), Davis (D-IL)
- ❑ **Sign-On Letter: National Council of Nonprofits**



Performing Artist Tax Parity Act

- ❑ **Sets Adjusted Gross Income (AGI) to \$100,000 (\$200k for couples)**
 - ❑ **Performing Artist AGI has been \$16,000 since 1986.**
- ❑ **House (H.R. 721) 1/20/25:** Buchanan (R-FL), Chu (D-CA)
- ❑ **Senate (S. 1121) 3/19/25:** Warner (D-VA), **Tillis (R-NC)**
- ❑ **Arts NC partnered with Actors Equity to recruit NC organizations to sign a letter in 2024 and again in 2025 for Senator Tillis to support PATPA in Senate (56 NC orgs signed in 2025, 29 in 2024).**





ARTS Day: April 22, 2025

McKimmon Conference Center at NC State

NASAA NATIONAL ASSEMBLY of
STATE ARTS AGENCIES
Knowledge ▲ Representation ▲ Community

Pam Breaux
President and CEO
[National Assembly of
State Arts Agencies](#)



David Holland
Deputy Director
[Creative West](#) &
Co-Chair
[Creative State Coalition](#)





Advice from Sociologist Jennifer Walter...

- ❑ **Set boundaries:** Pick 2-3 key issues you deeply care about and focus your attention there. You can't track everything - that's by design. Impact comes from sustained focus, not scattered awareness.
- ❑ **Use aggregators & experts:** Find trusted analysts who do the heavy lifting of synthesis. Look for those explaining patterns, not just events.
- ❑ **Remember:** Feeling overwhelmed is the point. When you recognize this, you regain some power. Take breaks. Process. This is a marathon.
- ❑ **Practice going slow:** Wait before reacting to new policies. The urgent clouds the important. Initial reporting often misses context.
- ❑ **Build community:** Share the cognitive load. Different people track different issues. Network intelligence beats individual overload.



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