



Appropriations Request For Fiscal Year 2026

May 2025

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Overview

The FY 2026 Budget proposes to eliminate the National Endowment for the Arts (Arts Endowment). Toward this end, the FY 2026 Budget provides \$29.0 million to begin the orderly closure of the agency.

Budget Request by Program

Table 1: FY 2024 and FY 2026 Budget
(\$ in thousands)

Program Activity	FY 2024 Enacted	FY 2026 Request
Promotion of the Arts		
Direct Endowment Grants	97,770	0
State and Regional Partnerships	<u>65,180</u>	0
Subtotal	162,950	0
Program Support	2,500	0
Administration	41,550	29,000
Total	207,000	29,000

FY 2026 Proposed Appropriations Language

The President's FY 2026 Budget includes the following appropriations language:

“For necessary expenses to carry out the closure of the National Endowment for the Arts, established under the National Foundation on the Arts and the Humanities Act of 1965, \$29,000,000 to remain available until expended.”

**Table 2: FY 2026
Funds Requested for Agency Shutdown**

The table below provides a breakdown of the funds requested for FY 2026.

Cost Category	FY 2026 Request (\$ in Thousands)
Personnel	20,501
Rent/Communications/Utilities	1,078
Contractual Services	6,521
Software/Equipment	850
Other	50
Total	29,000

FY 2026 Request

Personnel: \$20.5 million is requested for the Arts Endowment to support approximately 70 employees. These staff will manage the closeout of grants and cooperative agreements, along with the winding down of the Agency’s systems, publications, contractual arrangements, and other administrative functions. At the conclusion of the fiscal year, remaining employees will be separated and provided compensation including, but not limited to, severance pay, lump-sum payments for unused annual leave, and unemployment compensation.

Rent/Communications/Utilities: \$1.1 million is requested to fund, among other expenses, the Agency’s lease obligations. This amount is net of a partial rent abatement that the General Services Administration negotiated on the Agency’s behalf.

The funding above also covers the costs of the Agency’s telecommunications, utilities, and other operating expenses. The costs to deaccession NEA’s surplus furniture, fixtures, and equipment will be borne by GSA.

Contractual Services: \$6.5 million is requested to cover the costs of those contractual services the Arts Endowment needs to maintain for operational purposes until the end of FY 2026. Among other core contracts and interagency agreements (IAs) that the Agency will continue throughout FY 2026 are its:

- IA with the Department of Transportation for financial services support and the Agency’s instance of its Oracle-based financial management system,
- IA with the National Finance Center for payroll processing,
- IA with the Department of Homeland Security for guard services,

- IAs to support human resource services, such as the Employee Assistance Program, and
- Maintenance and security for key information technology systems.

The Arts Endowment also anticipates working with the National Archives and Records Administration to facilitate the transfer of the Agency's permanent records.

Software/Equipment: \$0.85 million is requested to fund the license agreements for the software used by staff, along with the costs of necessary cyber-security applications.

Other: \$50,000 is requested for supplies, travel, and printing associated with winding down Agency activities.

Office of Inspector General (OIG): There is no separate appropriation for the OIG; the OIG's budget is funded within the Arts Endowment's total budget as listed in the table above.

FY 2026 Activities

National Garden of American Heroes

In FY 2026, consistent with the Arts Endowment’s enabling legislation that allows it to promote or assist with arts-related activities of other Federal agencies and use its appropriations for such purposes, the Agency will complete efforts started in FY 2025 that are outlined in the Memorandum of Understanding that NEA signed with the National Endowment for the Humanities (NEH) in support of the National Garden of American Heroes.

The Arts Endowment is uniquely positioned to play a key role in providing advisory support for the commissioning of art works for the federal government. The Arts Endowment also has a history in advancing artistic excellence and public engagement with the arts and in supporting national competitions to select artists and designers.

Through this two-year agreement, which is resourced by reallocation of \$17 million per year of NEA’s available FY 2025 resources and no-year funds, the Arts Endowment will collaborate in the creation of the statues, development of interpretive content, and site planning, pursuant to E.O. No. 13934, *Building and Rebuilding Monuments to American Heroes*, dated July 3, 2020; E.O. No. 13978, *Building the National Garden of American Heroes*, dated January 18, 2021; and E.O. No. 14189, *Celebrating America’s 250th Birthday*, dated January 29, 2025 (“the National Garden Executive Orders”).

Celebrating America’s 250th Birthday

The National Endowment for the Arts is a member of the White House Task Force on Celebrating America’s 250th Birthday (Task Force 250), which is responsible for providing “*a grand celebration worthy of the momentous occasion of the 250th anniversary of American Independence on July 4, 2026.*” The Arts Endowment also is a member of the United States Semiquincentennial Commission.

As the President stated, “*great nations produce great thinkers, artists, musicians, and scholars who make our world a more beautiful, enlightened, and joyful place.*” In FY 2026, through awards granted in FY 2025, the Arts Endowment intends to fulfill its responsibility to honor and celebrate those artists of the past and present who have helped create our great nation.

In further support of America250, the Arts Endowment also will continue to manage the funding awarded in FY 2025 of \$25,000 in matching funds so that each State Arts Agency can support projects celebrating our nation.