



American Rescue Plan Act of 2021: Arts and Cultural Provisions

July 22, 2021

On March 11, 2021, the American Rescue Plan Act of 2021 (ARPA; P.L. 117-2) was signed into law. Among other provisions, ARPA appropriated FY2021 funding to the Institute of Museum and Library Services (IMLS), the National Endowment for the Arts (NEA), and the National Endowment for the Humanities (NEH). This CRS Insight provides an overview of these provisions.

Institute of Museum and Library Services

IMLS received \$200 million through ARPA “for necessary expenses to carry out museum and library services.” ARPA required the director of IMLS to award a minimum of 89% of funds to states, the District of Columbia, territories, and Freely Associated States through the [Grants to States](#) program. The program used the state allotment formula to [distribute this funding](#) to State Library Administrative Agencies.

In addition to the Grants to States, \$15 million is to be distributed through a [competitive grant program](#) to museums, libraries, and Native American and Native Hawaiian communities. The program is intended to support “museum and library services in addressing community needs created or exacerbated by the [Coronavirus Disease 2019] COVID-19 pandemic and in assisting with recovery.” Existing programs and services or new ones that “address emergent needs and unexpected hardships” will be eligible for support.

National Endowment for the Arts

NEA received \$135 million through ARPA “to prevent, prepare for, respond to, and recover from the coronavirus.” Under the law, 40% of the \$135 million provided grants to [state art agencies and regional arts organizations](#) that support arts organizations’ programming and general operating expenses. Each state and regional agency decides its own priorities and timeline to award the funds, which are designed to support the arts sector as it recovers from the COVID-19 pandemic.

The remaining 60% of NEA’s funding is to be distributed through two competitive grant programs:

- [Grants to Organizations](#) will be made to eligible entities, including nonprofit arts organizations, local arts agencies, arts service organizations, units of state or local government, federally recognized tribal communities or tribes, and a wide range of other

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organizations. These grants are intended to support day-to-day business expenses and operating costs, not specific programmatic activities.

- [Grants to Local Arts Agencies for Subgranting](#) will competitively award funds to designated local arts agencies for subgranting programs. To be eligible to subgrant, an organization must be an arts agency (“local arts agency”) that is a unit of city or county government or be officially designated to operate as an arts agency on behalf of its local government. The agency must have a history of grantmaking that occurred within the past 10 years. Local arts agencies that apply may request a fixed grant amount of \$150,000, \$250,000, or \$500,000. Out of that fixed grant amount, applicants may request up to \$50,000 to support their eligible operating costs associated with administering the subgranting program. The local arts agencies are to then regrant to organizations or individual artists for their own arts activities.

National Endowment for the Humanities

[NEH](#) received \$135 million through ARPA “to prevent, prepare for, respond to, and recover from the coronavirus.” Under the law, 40% of these funds were distributed to state and jurisdictional humanities councils that subgrant the funds to support humanities organizations’ programming and general operating expenses.

The other 60% of NEH’s funding is to fund two competitive programs:

- [American Rescue Plan: Humanities Organizations](#) will provide relief grants of up to \$500,000 to cultural organizations and educational organizations, including museums, libraries and archives, historic sites, independent research institutions, academic presses, professional organizations, and colleges and universities. These funds are intended to support humanities projects across the fields of education, preservation and access, public programming, digital humanities, and scholarly research for one year. Grantees can develop new projects or focus on sustaining core programs and activities.
- [American Rescue Plan: Humanities Grantmaking](#) will provide grants to experienced grantmaking organizations to administer competitive programs to support humanities activities. Applicants may propose a new grantmaking program or expand or adapt an existing program. A grantmaking program may be for either organizations or individuals, not both. [According to the agency](#), “NEH especially encourages applications for grantmaking programs that promote diversity, equity, and inclusion in the humanities.”

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