



**Testimony of Ford W. Bell, DVM,
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**To the Senate Appropriations Subcommittee on Interior, Environment & Related Agencies
In Support of Funding for
NEH, NEA, the Smithsonian Institution and Historic Preservation Programs
May 15, 2014**

Chairman Reed, Ranking Member Murkowski and members of the Subcommittee, thank you for allowing me to submit this testimony in my capacity as President of the American Alliance of Museums (AAM). We urge your support for at least \$154.5 million each in fiscal year 2015 (FY 2015) for the National Endowment for the Arts (NEA) and the National Endowment for the Humanities (NEH). Within the context of the NEA, we also urge the committee to include language revising the Arts and Artifacts Indemnity Act to increase the total allowable outstanding indemnity and the limit for any single exhibition. Lastly, we support \$858 million for the Smithsonian Institution, at least \$50 million for State Historic Preservation Offices, \$15 million for Tribal Historic Preservation Offices and restored funding for the Save America's Treasures and Preserve America programs.

AAM is proud to represent the full range of our nation's museums—including aquariums, art museums, botanic gardens, children's museums, culturally specific museums, historic sites, history museums, maritime museums, military museums, national parks, natural history museums, planetariums, presidential libraries, science and technology centers and zoos—along with the professional staff and volunteers who work for and with museums. AAM works on behalf of the 17,500 museums that employ 400,000 people, spend more than \$2 billion annually on educational programming, receive more than 55 million visits each year from primary and secondary school students and directly contribute \$21 billion to local economies.

Museums are essential in our communities for many reasons:

- **Museums are key education providers.** Museums already offer educational programs in math, science, art, literacy, language arts, history, civics and government, economics and financial literacy, geography and social studies, in coordination with state and local curriculum standards. Museums also provide experiential learning opportunities, STEM education, youth training and job preparedness. They reach beyond the scope of instructional programming for schoolchildren by also providing critical teacher training. There is a growing consensus that whatever the new educational era looks like, it will focus on the development of a core set of skills: critical thinking, the ability to synthesize information, the ability to innovate, creativity and collaboration. Museums are uniquely situated to help learners develop these core skills.
- **Museums create jobs and support local economies.** Museums serve as economic engines, bolster local infrastructure and spur tourism. Both the U.S. Conference of Mayors and the National Governors Association agree that cultural assets such as

museums are essential to attracting businesses, a skilled workforce and local and international tourism.

- **Museums address community challenges.** Many museums offer programs tailored to seniors, veterans, children with special needs, persons with disabilities and more, greatly expanding their reach and impact. For example, some have programs designed specifically for children on the autism spectrum while others are teaching English as a Second Language or providing youth job training opportunities.
- **Digitization and traveling exhibitions bring museum collections to underserved populations.** Teachers, students and researchers benefit when cultural institutions are able to increase access to trustworthy information through online collections and traveling exhibits. Most museums, however, need help in digitizing collections.

The National Endowment for the Humanities is an independent federal agency created by Congress in 1965. Grants are awarded to nonprofit educational institutions—including museums, colleges, universities, archives and libraries—for educational programming and the care of collections. NEH supports museums as institutions of learning and exploration and keepers of our cultural, historical and scientific heritages.

In 2013, through Preservation & Access, one of NEH's national program divisions, 55 peer-reviewed, competitive grants totaling over \$3.7 million dollars were awarded to museums, historical societies and historic sites for a variety of projects to preserve and provide access to our nation's rich cultural heritage. Across all NEH divisions (including Preservation and Access, Research, Education, Public Programs, Challenge Grants and Digital Humanities), these institutions received 123 awards totaling over \$11.5 million. Demand for humanities project support, as demonstrated by NEH grant application rates, far exceeds available funding. In FY 2013, NEH received 4,701 competitive grant applications representing more than \$441 million in requested funds, but was only able to fund 13.4 percent of these peer-reviewed project proposals.

NEH also provides annual grants to state humanities councils located in every state and U.S. territory. In 2012, 53 state councils supported 3,046 events in museums, reaching a total audience of more than 13 million people.

Here are two examples of how NEH funding is used to support museums:

- The Rhode Island Historical Society received \$300,000 beginning in 2011 to make environmental control upgrades, building improvements, and security enhancements to preserve collections documenting the history of Rhode Island from pre-European contact to the present.
- The Birmingham Museum of Art in Alabama received a \$75,000 grant for professional development, bringing K-12 teachers together to study America's transition from an agricultural to an industrial society as reflected in American art.

The National Endowment for the Arts provides direct federal funding to state arts agencies and to non-profit arts institutions including museums. Its mission is to make art accessible to all and to provide leadership in arts education. Established in 1965, NEA brings great art to every congressional district. Its grants to museums help them exhibit, preserve and interpret visual

material through exhibitions, residencies, publications, commissions, public art works, conservation, documentation, services to the field and public programs.

In 2013, more than 2,100 museums participated in the Blue Star Museums initiative, offering free admission to all active duty and reserve personnel and their families from Memorial Day through Labor Day. This particular effort served over 700,000 people, while many other museums offered military discounts or free admission throughout the year.

In 2013, NEA made more than 130 awards to museums, totaling over \$4.6 million. Many museums—including art museums—continue to report economic stress and stretched budgets. Despite the uncertain economy, museum attendance continues to climb, increasing pressure to serve more people with limited financial and human resources.

Receiving a grant from the NEA confers prestige on supported projects, strengthening museums' ability to attract matching funds from other public and private funders. On average, each dollar awarded by the NEA leverages nine dollars from other sources. Forty percent of NEA's grant funds are distributed to state arts agencies for re-granting.

Here are two examples of how NEA funding is used to support museums:

- Alaska's Seward Association for the Advancement of Marine Science, in consortium with the Anchorage Museums Association received \$39,000 in 2012 to support the research and development of an exhibition teaming artists and scientists to bring greater public attention to the global problem of marine debris.
- The Walters Art Gallery in Baltimore, Maryland received \$34,000 in 2012 to support an exhibition showing the unexpected and multifaceted roles played by Africans in Renaissance Europe, as well as the challenges of stereotyping and racism that faced them.

The Arts and Artifacts Indemnity Act allows museums to apply for federal indemnity on major exhibitions, saving them roughly \$30 million in insurance costs every year. The program, administered by the National Endowment for the Arts, operates at virtually no cost to the taxpayer; since 1975 it has paid out a total of just over \$100,000. Strict protocols for care, restrictions on the types of work indemnified and high deductibles all contribute to these extraordinarily low costs.

The program has separate limits per exhibition and an overall limit for both international and domestic exhibitions, and Congress has periodically raised these limits, most recently in 2007. Museums report that the current caps are making it difficult to obtain indemnity on objects that would have been covered in the past, exposing them to increased insurance costs. We believe that rising prices in the art market will exacerbate this problem, causing exhibitions to limit their scope or to fail to go forward entirely. In agreement with the Association of Art Museum Directors', we urge the committee to consider language increasing both the total allowable outstanding indemnity and the limit for any single exhibition under this important program.

The Smithsonian Institution comprises some of the most visited museums in the world, including the National Museum of American History, the National Air and Space Museum and the National Museum of Natural History. The Smithsonian reaches out to visitors and learners of

all ages, in the nation's capital and across the country, with innovative exhibits and programs. Smithsonian museums attract 30 million visits every year, and their content and curricula are used by teachers all over the country. Smithsonian exhibits and research cover vital topics in art, science, history and culture, including global pandemics, endangered species and the history of our nation. The use of digital technology including 3-D scanning and printing of iconic objects such as Lincoln's life casts, the Wright Flyer and fossil whales, expands access for America and America's teachers to experts and collections and creates new knowledge. The president's FY15 budget request of \$858 million includes critical funding for the National Museum of African American History and Culture, which will tell this essential part of American history. Funding for collections care and facilities maintenance and revitalization allows the Smithsonian to care for the nation's treasures and allows greater access for all.

We enthusiastically support this robust funding proposal, an increase, for the Smithsonian Institution. However, we have serious concerns about the president's proposed STEM consolidation plan, which would eliminate or cut important programs that support museums at the National Science Foundation, the National Institutes of Health, the National Oceanic Atmospheric Administration and the National Aeronautics and Space Administration.

State and Tribal Historic Preservation Offices (SHPOs and THPOs) carry out the historic preservation work of the federal government on state and tribal lands. These duties include finding America's historic places, making nominations to the National Register of Historic Places, reviewing impacts of federal projects, providing assistance to developers seeking a rehabilitation tax credit, creating alliances with local government preservation commissions and conducting preservation education and planning. This federal-state-local foundation of America's historic preservation program was established by the National Historic Preservation Act. We urge you to provide \$50 million for SHPOs and \$15 million for THPOs through the Historic Preservation Fund. We also urge you to restore funding of \$25 million for Save America's Treasures and \$4.6 million for Preserve America—which have been instrumental in preserving some of our nation's most important artifacts and structures—but have not been funded in recent years.

The 2005 Heritage Health Index of archives, libraries, historical societies and museums concluded that immediate action is needed to prevent the loss of 190 million artifacts that are in need of conservation treatment: 59% have collections damaged by light; 56% have insufficient security to protect their collections; 80% do not have an emergency plan that includes collections; 71% need additional training and expertise for staff caring for collections; and only 13% have access to endowment funds for preservation.

Historic preservation programs matter now more than ever—not only because they are essential to protecting our national heritage, but because they serve as economic engines and job creators in the thousands of communities they serve. Funds invested in building rehabilitation have been shown to create more jobs and more retail activity than those spent on new construction.

Thank you once again for considering this testimony.