Legislative Agenda: Issues At a Glance

Museums—the vast majority of which are 501(c)(3) nonprofit organizations—play a key role in education, job creation, tourism, economic development, historic preservation, environmental conservation, and advancing scientific literacy and global competitiveness. Museums also have strong public support: a 2017 national public opinion poll, <u>Museums and Public Opinion</u>, showed that 95% of voters would approve of lawmakers who acted to support museums and 96% want federal funding for museums to be maintained or increased. The museum community—which includes aquariums, art museums, children's museums, historic sites, history museums, maritime museums, military museums, natural history museums, planetariums, presidential libraries, public gardens, railway museums, science centers, and zoos—has worked together to develop this federal policy agenda.

Museums and the COVID-19 Pandemic

Museums across the country are struggling with the devastating impacts of the COVID-19 pandemic. <u>Survey data</u> shows that one out of every three museums may shutter permanently without immediate support—the loss of 12,000 museums and 124,000 jobs—and confirms the financial state of U.S. museums is moving from bad to worse. 30 percent of museums remain closed since the March 2020 lockdown and those that have reopened are operating on an average of 35 percent of their regular attendance—a reduction that is unsustainable long-term even with recent federal relief support. Like other nonprofits, museums are continuing to meet the needs of their communities despite the financial stress caused by the pandemic–from providing spaces for remote and virtual classrooms to providing lesson plans, online learning opportunities, and drop-off learning kits to teachers and families. Museums will be vital to the nation's recovery and the recovery of communities, big and small, urban and rural, all across the country. **We urge Congress to:**

- increase funding by at least \$1.25 billion for the Small Business Administration's (SBA) Shuttered Venue Operators grants to ensure all who are eligible, including all eligible museums, can benefit. In addition, remove the eligibility requirement for "fixed seating" so more museums may benefit from this program.
- support the common agenda put forward in a <u>letter</u> by the National Council of Nonprofits with nearly 3,000 signers from all 50 states, including AAM:
 - provide nonprofit-specific grants, forgivable loans, and refundable tax credits for all nonprofits, including museums, via a carveout or nonprofit-specific Paycheck Protection Program (PPP) relief that lifts the 500-employee cap and removes the 25% decline in gross receipts in the PPP second draw. We further request support for the updated WORK NOW Act and for emergency grants.
 - strengthen charitable giving incentives by increasing and extending the above-the-line deduction while preserving the itemized charitable contribution deduction, all to ensure that nonprofits, including museums, have the resources to serve their communities.
 - provide 100% unemployment benefit reimbursement to nonprofits that self-insure these benefits, both retroactively to 2020 and extended through the first three quarters of 2021.
 - provide substantial financial aid to state and local governments to avoid layoffs and cuts to essential programs and services, and to prevent the imposition by governments of new costs and burdens on their nonprofit partners.

Institute of Museum and Library Services' Office of Museum Services Funding

IMLS is the primary federal agency responsible for helping museums connect people to information and ideas. Its Office of Museum Services (OMS) awards grants to museums to support educating students, preserving and digitizing collections, and engaging communities. Grants are awarded in every state, but current funding has allowed the agency to fund only a small fraction of the highly rated grant applications it receives. OMS has provided critical leadership to the museum community through its administering of CARES Act grants for museums and by providing science-based information and recommended practices to reduce the risk of transmission of COVID-19 to staff and visitors engaging in the delivery of museum services. In 2020, IMLS awarded \$13.8 million in CARES Act grants to 68 museums and libraries to support their response to the coronavirus pandemic. IMLS received 1088 applications from museums but was only able to fund 39 awards, or 4 percent, for a total of \$8.28 million. Congress has regularly reauthorized IMLS with broad bipartisan support, most recently in 2018. OMS has set a strong record of congressional support during the appropriations submission process in each of the last eight years, with 198 Representatives and 41 Senators signing the FY 2021 appropriations letters on its behalf. IMLS received \$257 million in FY 2021 appropriations, of which \$40.5 million went to OMS. **We urge Congress to:**

- provide \$80 million in fiscal year (FY) 2022 for the IMLS Office of Museum Services, an increase of nearly \$40 million.
- include in this increase \$2.5 million to fund projects and to explore establishing a roadmap to strengthen the structural support for a museum Grants to States program to be administered by OMS, as authorized by the Museum and Library Services Act, 20 U.S.C. Section 9173(a)(4), in addition to the agency's current direct grants to museums.
- include legislative report language acknowledging the authority of OMS to allow grants to be used for general operating support and provide the Director of IMLS with the statutory authority to waive OMS matching requirements for FY 2022.

Tax Policy

Charitable giving is the lifeblood of museums of all sizes and disciplines; it accounts for more than one-third of their operating funds. We support efforts to extend and expand incentives for charitable giving. Limitations on these incentives could have a chilling effect on the ability of museums to attract donations needed to serve their communities and protect their collections. **We urge Congress to:**

- expand and make permanent the universal charitable deduction, which was established on a limited and temporary basis in the CARES Act. It allows taxpayers to deduct charitable contributions regardless of whether they itemize.
- extend the CARES Act provision that allows individuals to deduct up to 100 percent of their Adjusted Gross Income through charitable gifts.
- support the Legacy IRA Act (S. 243), allowing seniors to make tax-free distributions to planned giving accounts as well as to charities.
- exclude the charitable deduction from any proposals to reduce the value of itemized deductions.
- support the Artist-Museum Partnership Act, allowing artists to get a tax deduction when they donate their own work to museums.

National Endowment for the Humanities

The National Endowment for the Humanities (NEH) provides direct grants to museums, universities, archives, and libraries in support of research, education, and preservation. Due to high demand and extremely limited funding, NEH is only able to fund a small percentage of the proposals it receives. The agency also provides annual grants to state humanities councils in every state and U.S. territory. NEH received \$162.25 million in FY 2020 appropriations and \$167.5 million in FY 2021 appropriations.

• We urge Congress to provide \$135 million in supplemental COVID-19 economic relief grants and at least \$225 million in regular FY 2022 appropriations for the NEH.

National Endowment for the Arts

The National Endowment for the Arts (NEA) works to bring the arts to every community in America, including rural areas, military bases, and urban centers. It provides grants to all types of arts organizations—including museums— to exhibit, preserve, and interpret visual materials. The agency's federal role is uniquely valuable: no other funder, public or private, funds the arts in every state and the U.S. territories. The NEA also distributes roughly forty percent of its grant funds to state arts agencies for re-granting. The NEA received \$162.25 million in FY 2020 appropriations and \$167.5 million in FY 2021 appropriations.

• We urge Congress to provide \$135 million in supplemental COVID-19 economic relief grants and at least \$176 million in regular FY 2022 appropriations for the NEA.

Elementary and Secondary Education

Museums are vital education providers, educating students, providing professional development to teachers, and helping teach local curricula, which is especially critical during the COVID-19 pandemic. <u>Museums represent</u> one of the only educational system outside of our formal framework with the knowledge and people power to back up our teachers and parents on the front lines. Reauthorization of the Elementary and Secondary Education Act (the "Every Student Succeeds Act") provides states with significantly more flexibility in setting and meeting performance targets, which could make it easier for schools to work with museums.

• We support efforts to promote school-museum partnerships (including museum schools), require greater collaboration between the U.S. Department of Education and the Institute of Museum and Library Services, fully fund federal education programs in which museums participate, and fully implement the "well-rounded education" provisions in the Every Student Succeeds Act, which include the many subject areas in which museums help teach the curricula.



Higher Education

Median earnings for adults with a bachelor's degree are approximately 64 percent higher than those with just a high school diploma, according to data from the Bureau of Labor Statistics. Yet, student loan balances constitute the largest source of debt for American households. While many museum jobs require bachelor's or even advanced degrees, nonprofit museum professionals often do not earn as much as they might in the private sector. Public Service Loan Forgiveness (PSLF) is a vital tool in allowing talented and highly trained employees from all socioeconomic backgrounds to work at organizations that make an impact in their community. Many museums benefit from Higher Education Act (HEA) program funding.

We support efforts to improve the affordability and accessibility of higher education for all students. We
urge Congress to support and improve PSLF and sufficient income-driven repayment options for federal
student loans and other student loan forgiveness efforts during the COVID-19 pandemic. We also ask that
Congress support funding for HEA programs in which museums participate, such as Title VI International
and Foreign Language Education.

Lifelong STEM Engagement

Museums, science centers, zoos, aquariums, botanical gardens, and other cultural institutions have an important role to play in increasing the understanding of and engagement with science, technology, engineering, and mathematics (STEM) among people of all ages. As museums are key partners in ensuring Americans' lifelong engagement in STEM, we urge Congress to:

- support federal agency efforts to implement the 5-year Federal STEM Education Strategic Plan;
- fully fund and authorize museums to participate in STEM engagement and informal STEM education programs across federal science agencies;
- fund the following programs at levels that meet or exceed inflation-adjusted levels from recent years: NSF's Advancing Informal STEM Learning (AISL) program at \$65 million, NOAA's Office of Education at \$35 million, NASA's Office of STEM Engagement at \$130 million and Science Mission Directorate's Science Engagement and Partnerships Division at \$47 million, and NIH's Science Education Partnership Award (SEPA) program at \$22.5 million; and
- regard museums as vital components of the STEM education ecosystem, including by ensuring that such organizations are eligible for relevant federal funding opportunities and represented at appropriate conversations convened by federal agencies.



Historic Preservation

In addition to preserving and protecting more than 1 billion objects, many museums are historic themselves, and their collections are critical to telling our collective national story. Historic sites and historic preservation efforts not only protect our national heritage, they are also economic engines and job creators in the thousands of communities they serve. Minimal government funding helps to leverage significant private support, often through the Historic Tax Credit. The FY 2021 appropriations for the Historic Preservation Fund (HPF) provided \$55.7 million to State Historic Preservation Offices (SHPOs), \$15 million to Tribal Historic Preservation Offices (THPOs), and \$21.1 million for grants to underserved communities and to document, interpret, and preserve the stories and sites associated with the Civil Rights Movement. Save America's Treasures (SAT) received \$25 million in FY 2021 through the HPF and the Paul Bruhn Historic Revitalization grant program received \$7.5 million. Congress also provided \$8 million for the U.S. Semiquincentennial Commission and \$10 million for a National Park Service competitive grant program to honor the 250th anniversary of the U.S. by restoring and preserving state-owned sites and structures listed on the National Register of Historic Places that commemorate the founding of the nation.

We urge Congress to support FY 2022 funding of at least \$55.7 million for SHPOs, \$15 million for THPOs, \$21.1 million for grants to underserved communities and civil rights sites, \$25 million for Save America's Treasures, \$7.5 million for Paul Bruhn Historic Revitalization grants and to co-sponsor the Historic Tax Credit Growth and Opportunity Act. We also urge Congress to support the legislative proposals recommended by the U.S. Semiquincentennial Commission in its <u>report to the President</u> on the country's 250th commemoration.

Public Diplomacy and the Protection of Cultural Property

As welcoming and trusted community anchors, museums are perfectly positioned to help build cross-cultural relationships, which are enhanced by collections that span the world across centuries. In recent years, irreplaceable cultural property has been lost in places like Egypt, Iraq, Syria, Mali, and Afghanistan. Protecting this property—both directly and by working through international organizations—is a vital part of United States diplomacy, showing the respect of the United States for other cultures and the common heritage of humanity. American museums and the conservation professionals who work with them are some of the world's best at protecting and caring for cultural property.

• We urge Congress to pursue measures that protect cultural property around the world, and to consider museums and conservation professionals as part of the solution to these issues. We expect the United States Government to comply with international law and urge the U.S. Government to maintain its commitment to its longstanding practice of not targeting cultural sites during peace or wartime.



Shutdown Prevention and Economic Impact

Government shutdowns occur with some frequency; there have been 20 of them since 1976. During the 16-day shutdown in October 2013, hundreds of museums nationwide—as well as national parks, forests, monuments, and historic sites—were forced to close their doors. This prevented the public from enjoying artworks, historic treasures, and lands that are intended to be held in the public trust. The economic impact of these closures was devastating, not just for the entities themselves, but for many businesses that rely on the tourism they generate. The damage from the 35-day 2018-2019 partial government shutdown—the longest in U.S. history—was enormous and cost the government a total of \$5 billion. The Smithsonian lost an estimated \$3.4 million in revenue and the National parks lost more than \$10 million in revenue.

• We urge Congress to amend the Anti-Deficiency Act to allow for the continuity of operations and public access to our nation's public lands and federally operated museums in the event of a funding gap.

The Multinational Species Conservation Funds and Wildlife Conservation

In addition to educating the public about wildlife, accredited zoos and aquariums also protect species in their collections and across their natural habitats. The Multinational Species Conservation Funds (MSCF) are targeted investments in global priority species such as African and Asian elephants, tigers, rhinos, great apes, tortoises, freshwater turtles, and marine turtles. The MSCF program helps to sustain wildlife populations by combating poaching, reducing human-wildlife conflict, and protecting essential habitats globally. Despite its modest funding level, this program has a significant impact because it consistently leverages almost a 2 to 1 match of federal dollars from partner governments, local NGOs, international conservation organizations, and private businesses.

- We urge Congress to pass legislation to reauthorize the Multinational Species Conservation Funds Semipostal Stamp which benefits these critical programs.
- The museum community, including botanical gardens, strongly supports efforts to protect native wildlife, including declining pollinator populations.

