

University of Rhode Island

DigitalCommons@URI

Arts and Humanities: Pell Amendments (1975)

Education: National Endowment for the Arts
and Humanities, Subject Files II (1962-1996)

November 2016

Arts and Humanities: Pell Amendments (1975): Report 05

Follow this and additional works at: https://digitalcommons.uri.edu/pell_neh_II_11

Recommended Citation

"Arts and Humanities: Pell Amendments (1975): Report 05" (2016). *Arts and Humanities: Pell Amendments (1975)*. Paper 7.

https://digitalcommons.uri.edu/pell_neh_II_11/7https://digitalcommons.uri.edu/pell_neh_II_11/7

This Report is brought to you for free and open access by the Education: National Endowment for the Arts and Humanities, Subject Files II (1962-1996) at DigitalCommons@URI. It has been accepted for inclusion in Arts and Humanities: Pell Amendments (1975) by an authorized administrator of DigitalCommons@URI. For more information, please contact digitalcommons@etal.uri.edu.

SECTION-BY-SECTION SUMMARY

SECTION 101. FEDERAL COUNCIL

This section authorizes the Federal Council on the Arts and Humanities, established under the National Foundation on the Arts and Humanities Act of 1965, to make agreements to indemnify against loss or damage eligible items, in accordance with the provisions of this Act and on such terms and conditions as the Council shall prescribe, by regulation, to protect the financial interest of the United States. For the purposes of this Act, the Council shall be deemed an "agency", within the meaning of title 5 of the United States Code.

SECTION 102. ELIGIBLE ITEMS

This section provides that the Council may make an agreement of indemnification with respect to works of art (including tapestries, paintings, sculpture, folk art, graphics, and craft arts); manuscripts,^{rare} documents, books, and other printed or published materials; other artifacts or objects; and photographs, motion pictures, or audio and video tape. To be indemnifiable, such articles must be of educational, cultural, historical, or scientific value. In addition, the exhibition must be certified by the Secretary of State or his designee as being in the national interest.

The indemnity agreement shall cover eligible items while they are on exhibition in the United States. "On exhibition" is defined as that period of time beginning at the point when the items leave the premises of the lender, or place designated by the lender, and ending when such items are returned to the lender or the designated place.

SECTION 103. APPLICATION

This section provides that any person, nonprofit agency, institution, or government desiring to make an indemnity agreement shall apply therefor, in accordance with procedures and in the form and manner prescribed by the Council, by regulation. The application shall describe each item to be covered by the agreement (including its estimated value), show evidence that the items are eligible to be covered by the agreement, and set forth policies and procedures with respect to preparation for and conduct of the exhibition, including any related transportation.

Upon receipt of the application, the Council shall approve it, if it conforms to the requirements of the Act. When so approved, the agreement shall constitute a contract between the Council and the applicant, pledging the full faith and credit of the United States to pay any amount for which the Council becomes liable under the agreement. For this purpose, the Council is authorized to pledge the full faith and credit of the United States.

SECTION 104. INDEMNITY AGREEMENT

This section provides that, upon receipt of an approvable application, the Council shall review the estimated value of the items for which coverage by the indemnity agreement is sought. If the Council agrees with such estimated value, it shall make an indemnity agreement.

The aggregate of loss or damage covered by indemnity agreements issued under the Act shall not exceed \$250 million at any one time; no indemnity agreement for a single exhibition shall cover loss or damage in excess of \$25 million. In addition, coverage under the Act shall only extend to loss or damage in excess of the first \$25,000, out of a single exhibition.

SECTION 105. REGULATIONS

This section provides that the Council shall issue regulations providing for prompt adjustment of valid claims for losses covered by an indemnity agreement, including provision for arbitration of questions of the dollar value of damages involving less than total loss or destruction of the items covered. In the case of a claim of loss of a covered item, the Council shall certify the validity of the claim and the amount of the loss to the Speaker of the House of Representatives and to the President of the Senate.

SECTION 106. AUTHORIZATION OF APPROPRIATIONS

This section authorizes the appropriation of such sums as may be necessary to enable the Council to carry out its functions under the Act, plus such such necessary to pay certified claims.

SECTION 107. REPORT

This section requires the Council to report annually to the Congress all claims actually paid pursuant to the Act during the preceding fiscal year, pending claims as of the close of the fiscal year, and the aggregate face value of agreements entered into by the Council which are outstanding at the close of such year.

SECTION 108. EFFECTIVE DATE

This section provides that the Act shall become effective 30 days after its enactment.