BICENTENNIAL CHALLENGE GRANTS

Part A of Title V, Bicentennial Challenge Grants, authorizes within the National Endowment for the Humanities a new program of financial assistance. This program is for the purpose of stimulating during the era of the Bicentennial the establishment of, and private support for projects and activities to reaffirm and improve citizen involvement in America's democratic system. The Committee intends that such Bicentennial Challenge Grant program shall move toward achieving this purpose through implementation of the following goals:

(1) to encourage citizen participation in America's democratic processes and institutions;
(2) to develop new insights and approaches to resolve problems which confront America, and
(3) to develop approaches that facilitate the opportunity for citizen participation in democratic decision making processes that are compatible with the daily lives of all Americans.

These goals reflect the importance and need for such program, as meaningfully set forth in testimony presented on April 9, before the Subcommittee on the Arts and Humanities. Mr. John D. Rockefeller III, Chairman, National Committee for the Bicentennial Era, noted for example:

"... A new entity charged with such a mission will fill a much-needed role in full partnership and cooperation with the existing Federal institutions in the arts, science, and the humanities."; and that "... the intent must be to provide a catalytic agent that can stimulate creative energies in both public and private sectors."
At the same hearing, Daniel Yankelovich, noted public opinion analyst, similarly stated the need for this program:

"Its emphasis is coming at this particular time, and coincides with the emergence of a new, pressing and vital national need: to reaffirm and revitalize the shared ideas that give us a distinctive American civilization; to find new ways to create citizen involvement and participation; to find new ways for the public and private sector to work together; and to find and appreciate approaches to the problems that our country faces."

The Committee further intends that the implementation of the Program goals shall be achieved through the combination of Federal and private financial support for diverse types of projects and activities. Authorization of appropriations is provided in this regard: $15,000,000 for fiscal year 1977, $20,000,000 for fiscal year 1978, and such sums as may be necessary in each of the fiscal years 1979 and 1980. The Committee envisions that several types of projects and activities should be funded under the new Program. The estimates of the Federal share of the costs for such projects and activities clearly establish the need for the levels of financial authorizations provided:

**Citizens Organizations.** It has been estimated that at least 1500 citizens organizations to improve individual participation and involvement currently exist in the United States, with an average budget requirement of approximately $100,000. Total estimated financial need (including all sources): $150,000,000.
Advisory and Special Focus. Projects and activities to assist Bicentennial action projects and to provide a Bicentennial focus to activities for citizens with special characteristics or needs. It is estimated that as many as 100 requests to support such activities may be presented with an operating budget requirement of approximately $100,000 each. Total estimated financial need (including all sources): $10,000,000.

Community Focus. Projects to provide Bicentennial activities focused at the community level. It is estimated that requests for support of such projects could be very numerous, and total financial need from all sources could be as much as $50,000,000.

Regional and National Focus. Projects to provide bicentennial activities focused at regional and national levels or related to existing national organizations. It is estimated that approximately 30 requests to support such activities might be presented with an operating budget requirement of approximately $200,000 each. Total estimated financial need: $6,000,000.

The types of projects and activities noted above reflect only possible requests for support that might be received under the Bicentennial Challenge Grant program.

It is the purpose of the Challenge Grant approach to stimulate corporate and private eleemosynary support. Consistent with the experience under the previous NEH and NEA activities, the Federal funds will function as a catalyst for non-Federal support. Given the order of magnitude of the potential universe of recipients, the need to select the most meritorious
projects from competing proposals and the appropriate mix of Federal and non-Federal funding sources, the Committee believes the funding levels in the bill are the appropriate minimums to initiate the new Bicentennial Challenge Grant program.