EXPLANATION

In order to locate the new Museum Institute in the National Foundation for the Arts and Humanities, three changes should be made:

1. Alter the existing statute for National Foundation for the Arts and Humanities to include the new Institute within the Foundation.

2. Drop "Department of Health, Education and Welfare" and replace with "National Foundation for the Arts and Humanities". Amend the Institute's Board to contain five (5) members of National Council on the Arts and five (5) members of National Council on the Humanities. Make necessary conforming amendments.

3. Revise responsibilities of Board and the Director to coordinate activities of the Institute with other Federal activities regarding museums.

The necessary statutory language is attached.
In order to locate the new museum authority within the National Foundation for the Arts and Humanities, these amendments should be made:

1. Amend the basic NEA/NEH authorizing legislation (PL 89-209) by replacing Subsection (a) of Section 4 with language as follows (changes from existing language are underlined):

   "Sec. 4, (a) There is established a National Foundation on the Arts and the Humanities (hereinafter referred to as the "Foundation"), which shall be composed of a National Endowment for the Arts, a National Endowment for the Humanities, a Federal Council on the Arts and the Humanities (hereinafter established), and the Institute for the Improvement of Museum Services as established by (______)"

(The following amendments are made to the April 28 revised draft of S-1800.)

2 (A) Section 203 (Page 8) should be amended by striking "Department of Health, Education and Welfare" and replaced with "National Foundation for the Arts and Humanities".

   (B) Section 204 (a) (Page 8) should be amended to read as follows:
   
   "(a) The Board shall consist of 15 members, of whom 5 members are also members of the National Council on the Arts, including and designated by the Chairman of the National Council on the Arts; and, also, of whom 5 members are also members of the National Council on the Humanities, including and designated by the Chairman of the National Council on the Humanities; and, also, 5 members who are not members of the National Council on the Arts or the National Council on the Humanities, appointed by the President with the advise and consent of the Senate."

   (C) Adjust Section 204(b)(2) to conform with these changes.

   (D) In Section 204(c), (Page 9), add after "appointed members of the Board" the following: "who are not also members of the National Council on the Arts or National Council on the Humanities."

3 (A) At the conclusion of Section 204 (Page 10), add a new subsection (g) as follows:

   (g) The Board shall, with the advice of the Director, take steps to assure that the policies and programs of the Institute are well coordinated with other activities of the Federal Government.
3 (B) Section 205(b) (Page 11) should be amended by striking and replaced with the following:

"(b) The Director shall advise the Board regarding policies of the Institute to assure coordination of the Institute's activities with other agencies and organizations of the Federal Government having interest in and responsibilities for the improvement of museums. Such government agencies shall include but are not limited to the National Endowment for the Arts, National Endowment for the Humanities, National Science Foundation, the Department of Health, Education and Welfare, Library of Congress, and the Smithsonian Institution and related organizations."
Present:

Arts and Humanities, EACH -- 113.5 (basic program) + 12.5 (Treasury) Funds

Total for the two -- $126 Mil. EACH

Funding Levels

(To Committee re Budget)

Arts 100 + 10 (Treasury) == 110
Humanities 90 + 10 " " 100
Museums
Challenge 15
Arts in Education 10

Poss

Possible New alignment

Arts 92.5 + 7.5 = 100
Humanities 82.5 + 7.5 = 90
Challenge (Arts and Humanities each 15) = 30
Museums = 15
Arts in Education = 10
Photo. = 5

2d Year of New Alignment

Arts 113.5 + 12.5 = 126
Humanities 103.5 + 12.5 = 146
Challenge (A & H each 25) = 50
Museums = 25
Arts in Education = 15
Photo = 5