

[COMMITTEE PRINT]

NATIONAL FOUNDATION ON THE ARTS AND
THE HUMANITIES

Questions and Answers

COMMITTEE ON EDUCATION AND LABOR
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II

FOREWORD

The Congress of the United States, by virtue of default upon the part of the news media, is an educative as well as a legislative body. Not only do we pass laws, but we must explain to the public the precise manner in which they are intended to operate and affect people's lives.

This document is a committee blueprint, an invaluable guideline for the interim period between enactment and active implementation. It is my hope as chairman of the committee responsible for this bill that the initial surge of enthusiastic inquiry from various groups concerned with the arts and humanities will not die out, but will see the act through to fruition. It is upon an enlightened, energetic public that the success of this bill and of Federal aid to the arts and humanities depends.

ADAM C. POWELL,
Chairman, Committee on Education and Labor.

III

FOREWORD

The Congress of the United States, by Public Law 89-209, has created a National Foundation on the Arts and the Humanities. It is a new and important step in the history of the Federal Government's support of the arts and the humanities. The purpose of the Foundation is to provide a permanent and independent source of information and advice to the Congress and the public on the state of the arts and the humanities in the United States. The Foundation is to be a non-profit, non-partisan organization, and its members are to be appointed by the President, by and with the advice and consent of the Senate. The Foundation is to be a permanent and independent source of information and advice to the Congress and the public on the state of the arts and the humanities in the United States. The Foundation is to be a non-profit, non-partisan organization, and its members are to be appointed by the President, by and with the advice and consent of the Senate.

FRANK THOMPSON, JR.,
Chairman, Special Subcommittee on Labor

PREFACE

Enactment of Public Law 89-209, establishing a National Foundation on the Arts and the Humanities, has created widespread public interest. Government officials at all levels, community cultural leaders, and members of the academic world all have indicated the need for information about the act and how it is intended to function.

Members of the House of Representatives, especially members of the Committee on Education and Labor, and the staff of the Special Subcommittee on Labor have been receiving numerous inquiries and requests for information since its passage.

Accordingly the staff of the Special Subcommittee on Labor, under my direction, has compiled a group of questions and answers about the act. The compilation has been based upon those questions most frequently asked. Together with the text of the law itself, these questions and answers should provide a ready reference for the committee members, the committee staff, and Members of the House of Representatives.

FRANK THOMPSON, JR.,
Chairman, Special Subcommittee on Labor.

PREFACE

Enactment of Public Law 88-290, establishing the National Foundation on the Arts and the Humanities, has created widespread public interest. Government officials at all levels, community cultural leaders, and members of the academic world all have indicated the need for information about the act and how it is intended to function. Members of the House of Representatives, especially members of the Committee on Education and Labor, and the staff of the Special Subcommittee on Education, have been receiving numerous inquiries and requests for information since its passage. Accordingly, the staff of the Special Subcommittee on Labor, under my direction, has compiled a group of questions and answers about the act. The compilation has been based upon those questions most frequently asked. Together with the text of the law itself, these questions and answers should provide a ready reference for the committee members, the committee staff, and Members of the House of Representatives.

FRANK THOMPSON, JR.
Chairman, Special Subcommittee on Labor

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

QUESTIONS AND ANSWERS

Question: How is the new Foundation structured?

Answer: The Foundation—established as an independent agency—has two major branches, called Endowments: a National Endowment for the Arts and a National Endowment for the Humanities. Each Endowment is given guidance and advice by Councils of private citizens, appointed by the President. In the case of the Arts Endowment, the advisory body is the National Council on the Arts, established during 1964 by Public Law 88-579 and now under the chairmanship of Roger L. Stevens. The new act increases this Council's membership by 2, so that it will be composed of 26 private citizens plus its Chairman. The structure for the Humanities Endowment is exactly parallel, with a new National Council on the Humanities established under Presidential appointment and also consisting of 26 members plus the Chairman. In each case the Council Chairman serves as the chief executive officer of the Endowment. There is also provision for coordination between the two Endowments and with related Federal bureaus and agencies, so that there can be maximum opportunity for cooperative activities and so that duplication of effort can be prevented.

Question: How is this coordination provided?

Answer: Through a Federal Council on the Arts and the Humanities.

Question: Who are the members of the Federal Council?

Answer: There are nine members, as follows:

- The Chairman of the National Endowment for the Arts;
- The Chairman of the National Endowment for the Humanities;
- The U.S. Commissioner of Education;
- The Secretary of the Smithsonian Institution;
- The Director of the National Science Foundation;
- The Librarian of Congress;
- The Director of the National Gallery of Art;
- The Chairman of the Commission of Fine Arts; and

A member designated by the Secretary of State (to include the Department's international experience in cultural and educational affairs).

Question: Why is the Director of the National Science Foundation included on the Federal Council on the Arts and Humanities?

Answer: The definition of the humanities in the act includes those aspects of the social sciences—such as sociology, for example—which relate to the study of man in relation to his environment. The National Science Foundation provides, through a small part of its total budget, some support for studies and research related to these

areas. Duplication of effort can thus be avoided by establishing cooperation with NSF through its Director.

Question: How is the new Foundation funded?

Answer: Each Endowment is authorized \$5 million for each of 3 fiscal years, 1966, 1967, and 1968. After this the authorizations would be subject to review by the Congress.

Question: Is this total amount of funding possible?

Answer: By no means. A major objective of the legislation is to stimulate private philanthropy for cultural endeavors and State activities to benefit the arts. For these purposes an additional annual maximum of \$5 million for the Humanities Endowment and \$2.25 million for the Arts Endowment are authorized to match funds donated from private sources; and \$2.75 million is authorized for the Arts Endowment to enable each of the States (55 entities in all, including the District of Columbia and outlying areas) having a State arts agency to receive an annual grant of up to \$50,000 on an even-matching basis. States without such an agency are eligible to receive a one-time grant of up to \$25,000—without matching requirements—from these earmarked State funds. The grant would allow a State to conduct a survey leading to the establishment of a State agency for the arts and enable it to qualify for a \$50,000 matching grant in subsequent years.

Question: What groups are eligible for financial assistance?

Answer: Any group shall be eligible for financial assistance if (1) no part of its net earnings inures to the benefit of any private stockholder or stockholders, or individual or individuals, and (2) donations to such groups are allowable as a charitable contribution under the standards of subsection (c) of section 170 of the Internal Revenue Code of 1954.

Question: Are museums included in the term "group"?

Answer: Yes; museums are specifically included.

Question: We propose to remodel a building in order to convert it into a community cultural center for plays and concerts. Can we seek financial assistance from the Arts Endowment?

Answer: Yes. Grants-in-aid for construction, including remodeling and repairs, are authorized under the law. It should be noted, however, that funds for all purposes are limited, and final decision as to priorities has been left to the wisdom of the National Council on the Arts.

Question: Are there protections against domination and control of the arts and the humanities by either of the respective Chairmen?

Answer: Yes. There is a system of checks and balances built into the law:

First, section 4(c) expressly prohibits Federal control.

Second, the National Council on the Arts, composed of private citizens who are broadly knowledgeable and experienced in the arts, must advise the Chairman of the Arts Endowment on policy and procedures, and must make recommendations on applications for assistance. The Council may make annual reports to the President and the Congress, separately from the required annual report of the Chairman.

Third, the National Council on the Humanities, composed of private citizens chosen on the basis of distinguished service and scholarship or creativity, serves in relationship to the Chairman of the Humanities Endowment in precisely the same manner.

Question: Where do we apply for a grant?

Answer: To the Chairman of the National Endowment for the Arts or the Chairman of the National Endowment for the Humanities, depending upon the nature of the application, who are authorized to carry out grants-in-aid programs. It is implicit in the law that procedures and criteria shall not be established by the two Chairmen without the advice of the National Council on the Arts or the National Council on the Humanities and the Federal Council on the Arts and the Humanities.

Question: May a State, with Federal matching funds, jointly with one or more other States, support projects of a regional nature in the arts?

Answer: Yes. One of the purposes of the act specifies support for the advancement of cultural progress by "local, State, regional, and private agencies."

Question: Is an applicant required to go through a State agency?

Answer: No; under the law any application may be made directly to the National Endowment for the Arts. It is assumed, however, that, as State programs are developed, there will be cooperation between the local and private groups within an individual State and the designated State agency.

Question: What are the general guidelines for the activities which the National Endowment for the Arts will support?

Answer: They are very broad in scope and include the following:

- (1) Productions which have substantial artistic and cultural significance, giving emphasis to American creativity and the maintenance and encouragement of professional excellence;
- (2) Productions, meeting professional standards or standards of authenticity, irrespective of origin, which are of significant merit and which, without such assistance, would otherwise be unavailable to our citizens in many areas of the country;
- (3) Projects that will encourage and assist artists and enable them to achieve standards of professional excellence;
- (4) Workshops that will encourage and develop the appreciation and enjoyment of the arts by our citizens; and
- (5) Other relevant projects, including surveys, research, and planning in the arts.

Question: May a State arts council, a community arts council, or other appropriate State or local agency, apply for a grant now?

Answer: Yes; for specific projects under special circumstances. For States to receive grants under the earmarked allocations, applications must be filed prior to the first day of the fiscal year in which such grant will be made. Funds under this earmarked program could not be available prior to July 1, 1966.

Question: Must all grants to groups be limited to 50 percent of the total cost?

Answer: No; but in most cases 50 percent is the maximum ceiling on a grant to a group. Not more than 20 percent of the funds allotted to support projects and productions may be reserved for grants without regard to the 50-50 matching limitation and evidence must be submitted that the sponsoring group has attempted to obtain its share of the cost of the production or project.

Question: What is the function of the National Endowment for the Humanities?

Answer: To develop and encourage scholarship, and research in and greater public understanding of the humanities.

Question: What is the function of the National Council on the Humanities?

Answer: It shall advise the Chairman of the National Endowment for the Humanities with respect to policies, programs, and procedures, and must make recommendations with respect to all applications. Its broad function may be compared to that of a board of directors of a corporation. The same concept applies to the National Council on the Arts.

Question: What is the function of the Federal Council on the Arts and the Humanities?

Answer: To advise and consult with the two Endowment Chairmen; to assist in the coordination of the work of the two Endowments; to coordinate the programs of the Foundation with related programs of other Federal agencies; to plan and coordinate appropriate participation in major and historic national events; and to divide appropriately, between the two Endowments, such gifts as may be directed to the Foundation, rather than to one of its two Endowments.

Question: What are the guidelines for activities to be supported by the National Endowment for the Humanities?

Answer: As with the Arts Endowment's guidelines, they are broad in concept and include authorization to—

- (1) develop and encourage the pursuit of a national policy for the promotion of progress and scholarship in the humanities;
- (2) initiate and support research and programs to strengthen the research potential of the United States in the humanities by making arrangements (including grants, loans, and other forms of assistance) with individuals or groups to support such activities;
- (3) award fellowships and grants to institutions or individuals for training and workshops in the humanities. Fellowships awarded to individuals under this authority may be for the purpose of study or research at appropriate nonprofit institutions selected by the recipient of such aid, for stated periods of time;
- (4) foster the interchange of information in the humanities;
- (5) foster, through grants or other arrangements with groups, public understanding and appreciation of the humanities; and
- (6) support the publication of scholarly works in the humanities.

Question: What subjects does the term "humanities" include?

Answer: As defined in the act, the term "humanities" includes the study of the following: "Language, both modern and classic; linguistics; literature; history, jurisprudence; philosophy; archeology; the history, criticism, theory, and practice of the arts; and those aspects of the social sciences which have humanistic content and employ humanistic methods".

Question: How are the arts defined in the legislation?

Answer: As in the case of the humanities definition, the definition of the arts is intended to be as comprehensive as possible. The term "the arts" includes the following: "Music (instrumental and vocal), dance, drama, folk art, creative writing, architecture and allied fields, painting, sculpture, photography, graphic and craft arts, industrial design, costume and fashion design, motion pictures, television, radio, tape and sound recording, and the arts related to the presentation, performance, execution, and exhibition of such major art forms."

Question: Will governmental assistance to the arts diminish the amounts of private funding available for their support?

Answer: Experience shows that quite the opposite is true. Perhaps the best example to demonstrate the governmental support for the arts serves to stimulate private funding is found in the 4-year history of the New York State Council on the Arts. During its first year (1961-62) the council operated with a budget of \$450,000, over 70 percent of which was supplied by its State appropriation, the remainder coming from private sources. During 1964-65 the ratio was entirely reversed, with almost 75 percent of a larger budget (\$562,000) coming from private funding and the remainder from the State. During the same period the number of communities served by the council doubled, from 46 to 92; the number of performances assisted by the council tripled, from 92 to 277; and the number of touring companies supported by the council increased almost twelvefold, from 6 to 71.

TEXT OF PUBLIC LAW 89-209

AN ACT To provide for the establishment of the National Foundation on the Arts and the Humanities to promote progress and scholarship in the humanities and the arts in the United States, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Foundation on the Arts and the Humanities Act of 1965".

DECLARATION OF PURPOSE

SEC. 2. The Congress hereby finds and declares—

(1) that the encouragement and support of national progress and scholarship in the humanities and the arts, while primarily a matter for private and local initiative, is also an appropriate matter of concern to the Federal Government;

(2) that a high civilization must not limit its efforts to science and technology alone but must give full value and support to the other great branches of man's scholarly and cultural activity;

(3) that democracy demands wisdom and vision in its citizens and that it must therefore foster and support a form of education designed to make men masters of their technology and not its unthinking servant;

(4) that it is necessary and appropriate for the Federal Government to complement, assist, and add to programs for the advancement of the humanities and the arts by local, State, regional, and private agencies and their organizations;

(5) that the practice of art and the study of the humanities requires constant dedication and devotion and that, while no government can call a great artist or scholar into existence, it is necessary and appropriate for the Federal Government to help create and sustain not only a climate encouraging freedom of thought, imagination, and inquiry but also the material conditions facilitating the release of this creative talent;

(6) that the world leadership which has come to the United States cannot rest solely upon superior power, wealth, and technology, but must be solidly founded upon worldwide respect and admiration for the Nation's high qualities as a leader in the realm of ideas and of the spirit; and

(7) that, in order to implement these findings, it is desirable to establish a National Foundation on the Arts and the Humanities and to strengthen the responsibilities of the Office of Education with respect to education in the arts and the humanities.

DEFINITIONS

SEC. 3. As used in this Act—

(a) The term "humanities" includes, but is not limited to, the study of the following: language, both modern and classic; linguistics; literature; history; jurisprudence; philosophy; archeology; the history, criticism, theory, and practice of the arts; and those aspects of the social sciences which have humanistic content and employ humanistic methods.

(b) The term "the arts" includes, but is not limited to, music (instrumental and vocal), dance, drama, folk art, creative writing, architecture and allied fields, painting, sculpture, photography, graphic and craft arts, industrial design, costume and fashion design, motion pictures, television, radio, tape and sound recording, and the arts related to the presentation, performance, execution, and exhibition of such major art forms.

(c) The term "production" means plays (with or without music), ballet, dance and choral performances, concerts, recitals, operas, exhibitions, readings, motion pictures, television, radio, and tape and sound recordings, and any other activities involving the execution or rendition of the arts and meeting such standards as may be approved by the National Endowment for the Arts established by section 5 of this Act.

(d) The term "project" means programs organized to carry out the purposes of this Act, including programs to foster American artistic creativity, to com-

mission works of art, to create opportunities for individuals to develop artistic talents when carried on as a part of a program otherwise included in this definition, and to develop and enhance public knowledge and understanding of the arts, and includes, where appropriate, rental, purchase, renovation, or construction of facilities, purchase or rental of land, and acquisition of equipment.

(e) The term "group" includes any State or other public agency, and any non-profit society, institution, organization, association, museum, or establishment in the United States, whether or not incorporated.

(f) The term "workshop" means a production the primary purpose of which is to encourage the artistic development or enjoyment of amateur, student, or other nonprofessional participants.

(g) The term "State" includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, and the Virgin Islands.

ESTABLISHMENT OF A NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

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, and a Federal Council on the Arts and the Humanities (hereinafter established).

(b) The purpose of the Foundation shall be to develop and promote a broadly conceived national policy of support for the humanities and the arts in the United States pursuant to this Act.

(c) In the administration of this Act no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the policy determination, personnel, or curriculum, or the administration or operation of any school or other non-Federal agency, institution, organization, or association.

ESTABLISHMENT OF THE NATIONAL ENDOWMENT FOR THE ARTS

SEC. 5. (a) There is established within the Foundation a National Endowment for the Arts.

(b) The Endowment shall be headed by a Chairman, to be known as the Chairman of the National Endowment for the Arts.

(c) The Chairman, with the advice of the Federal Council on the Arts and the Humanities and the National Council on the Arts, is authorized to establish and carry out a program of grants-in-aid to groups or, in appropriate cases, to individuals engaged in or concerned with the arts, for the purpose of enabling them to provide or support in the United States—

(1) productions which have substantial artistic and cultural significance, giving emphasis to American creativity and the maintenance and encouragement of professional excellence;

(2) productions, meeting professional standards or standards of authenticity, irrespective of origin which are of significant merit and which, without such assistance, would otherwise be unavailable to our citizens in many areas of the country;

(3) projects that will encourage and assist artists and enable them to achieve standards of professional excellence;

(4) workshops that will encourage and develop the appreciation and enjoyment of the arts by our citizens;

(5) other relevant projects, including surveys, research, and planning in the arts.

(d)(1) In addition to performing any of the functions, duties, and responsibilities prescribed by the National Arts and Cultural Development Act of 1964, Public Law 88-579, approved September 3, 1964, the individual appointed under such Act as Chairman of the National Council on the Arts shall serve as the Chairman of the National Endowment for the Arts. In lieu of receiving compensation at the rate prescribed by section 6(c) of such Act, such individual serving as Chairman of the National Council on the Arts and Chairman of the National Endowment for the Arts shall receive compensation at the same rate prescribed by law for the Director of the National Science Foundation.

(2)(A) The first sentence of section 6(b) of the National Arts and Cultural Development Act of 1964 is hereby amended to read as follows: "The term of office of the Chairman shall be four years, and the Chairman shall be eligible for reappointment."

(B) The amendment made by clause (A) of this paragraph shall be applicable with respect to the Chairman holding office on the date of enactment of this Act and each Chairman holding office thereafter.

(e) No payment may be made to any group under this section except upon application therefor which is submitted to the National Endowment for the Arts in accordance with regulations and procedures established by the Chairman.

(f) The total amount of any grant to any group pursuant to subsection (c) of this section shall not exceed 50 per centum of the total cost of such project or production, except that not more than 20 per centum of the funds allotted by the National Endowment for the Arts for this purpose for any fiscal year may be available for such grants in that fiscal year without regard to such limitation in the case of any group which submits evidence to the Endowment that it has attempted unsuccessfully to secure an amount of funds equal to the grant applied for by such group, together with a statement of the proportion which any funds it has secured represent of the funds applied for by such group.

(g) Any group shall be eligible for financial assistance pursuant to this section only if (1) no part of its net earnings inures to the benefit of any private stockholder or stockholders, or individual or individuals, and (2) donations to such group are allowable as a charitable contribution under the standards of subsection (c) of section 170 of the Internal Revenue Code of 1954.

(h)(1) The Chairman, with the advice of the Federal Council on the Arts and the Humanities and the National Council on the Arts, is authorized to establish and carry out a program of grants-in-aid to assist the several States in supporting existing projects and productions which meet the standards enumerated in section 5(c) of this Act, and in developing projects and productions in the arts in such a manner as will furnish adequate programs, facilities, and services in the arts to all the people and communities in each of the several States.

(2) In order to receive such assistance in any fiscal year, a State shall submit an application for such grants prior to the first day of such fiscal year and accompany such application with a plan which the Chairman finds—

(A) designates or provides for the establishment of a State agency (hereinafter in this section referred to as the "State agency") as the sole agency for the administration of the State plan, except that in the case of the District of Columbia the Recreation Board shall be the "State agency";

(B) provides that funds paid to the State under this subsection will be expended solely on projects and productions approved by the State agency which carry out one or more of the objectives of subsection (c); except that in the case of the first fiscal year in which the State is allotted funds after the enactment of this Act, a plan may provide that not to exceed \$25,000 of such funds will be expended to conduct a study to plan the development of a State agency in the State and to establish such an agency; and

(C) provides that the State agency will make such reports, in such form and containing such information, as the Chairman may from time to time require.

(3) The funds appropriated pursuant to section 11(c) for any fiscal year shall be equally allotted among the States.

(4) The amount of each allotment to a State for any fiscal year under this subsection shall be available to each State, which has a plan approved by the Chairman in effect on the first day of such fiscal year, to pay not more than 50 per centum of the total cost of any project or production described in paragraph (1), and to pay up to 100 per centum of the cost of conducting a study and establishing a State agency under paragraph (2)(B) of this subsection.

(5) All amounts allotted under paragraph (3) for a fiscal year which are not granted to a State during such year shall be available at the end of such year to the National Endowment for the Arts for the purpose of carrying out section 5(c) to the extent that the value of gifts, bequests, and devises received by the Endowment under section 10(a)(2) exceeds amounts appropriated under the authority of section 11(b).

(i) Whenever the Chairman, after reasonable notice and opportunity for hearing, finds that—

(1) a group is not complying substantially with the provisions of this section;

(2) a State agency is not complying substantially with the terms and conditions of its State plan approved under this section; or

(3) any funds granted to a group or State agency under this section have been diverted from the purposes for which they were allotted or paid, the Chairman shall immediately notify the Secretary of the Treasury and the group or State agency with respect to which such finding was made that no further

grants will be made under this section to such group or agency until there is no longer any default or failure to comply or the diversion has been corrected, or, if compliance or correction is impossible, until such group or agency repays or arranges the repayment of the Federal funds which have been improperly diverted or expended.

(j) It shall be a condition of the receipt of any grant under this section that the group or individual or the State or State agency receiving such grant furnish adequate assurances to the Secretary of Labor that (1) all professional performers and related or supporting professional personnel (other than laborers and mechanics with respect to whom labor standards are prescribed in subsection (k) of this section) employed on projects or productions which are financed in whole or in part under this section will be paid, without subsequent deduction or rebate on any account, not less than the minimum compensation as determined by the Secretary of Labor to be the prevailing minimum compensation for persons employed in similar activities; and (2) no part of any project or production which is financed in whole or in part under this section will be performed or engaged in under working conditions which are unsanitary or hazardous or dangerous to the health and safety of the employees engaged in such project or production. Compliance with the safety and sanitary laws of the State in which the performance or part thereof is to take place shall be prima facie evidence of compliance. The Secretary of Labor shall have the authority to prescribe standards, regulations, and procedures as he may deem necessary or appropriate to carry out the provisions of this subsection.

(k) It shall be a condition of the receipt of any grant under this section that the group or individual or the State or State agency receiving such grant furnish adequate assurances to the Secretary of Labor that all laborers and mechanics employed by contractors or subcontractors on construction projects assisted under this section shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have with respect to the labor standards specified in this subsection the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z-15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(l) The Chairman shall correlate the programs of the National Endowment for the Arts insofar as practicable, with existing Federal programs and with those undertaken by other public agencies or private groups, and shall develop the programs of the Endowment with due regard to the contribution to the objectives of this Act which can be made by other Federal agencies under existing programs.

TRANSFER OF THE NATIONAL COUNCIL ON THE ARTS

Sec. 6. (a) The National Council on the Arts, established by the National Arts and Cultural Development Act of 1964, and its functions are transferred from the Executive Office of the President to the National Endowment for the Arts.

(b) The National Council on the Arts shall, in addition to performing any of the duties and responsibilities prescribed by the National Arts and Cultural Development Act of 1964, (1) advise the Chairman with respect to policies, programs, and procedures for carrying out his functions, duties, or responsibilities pursuant to the provisions of this Act, and (2) review applications for financial assistance made under this Act and make recommendations thereon to the Chairman. The Chairman shall not approve or disapprove any such application until he has received the recommendation of the Council on such application, unless the Council fails to make a recommendation thereon within a reasonable time.

(c) The function of the Secretary of the Smithsonian Institution with respect to serving as an ex officio member of the National Council on the Arts, now derived from section 5(a) of the National Arts and Cultural Development Act of 1964 is hereby abolished.

(d)(1) The first sentence of section 5(a) of the National Arts and Cultural Development Act of 1964 is amended by striking out "twenty-four" and inserting in lieu thereof "twenty-six".

(2) Clause (2) of the first sentence of section 5(b) of such Act is amended by inserting, immediately after "taking office", the following: "prior to May 31, 1965."

(3) The second sentence of section 7(a) of such Act is amended by striking out "Thirteen" and inserting "Fourteen".

(4) Section 7(d) of such Act is hereby repealed.

(5) Section 10 of such Act is hereby repealed.

(e) Except as inconsistent with the provisions of this Act, the provisions of the National Arts and Cultural Development Act of 1964 shall be applicable with respect to the Chairman and the National Council on the Arts insofar as necessary for, or incidental to, carrying out the objectives of this Act.

ESTABLISHMENT OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES

SEC. 7. (a) There is established within the Foundation a National Endowment for the Humanities.

(b) (1) The Endowment shall be headed by a chairman, who shall be appointed by the President, by and with the advice and consent of the Senate. The Chairman shall receive compensation at the rate prescribed by law for the Director of the National Science Foundation.

(2) The term of office of the Chairman shall be four years, and the Chairman shall be eligible for reappointment. The provisions of this paragraph shall apply to any person appointed to fill a vacancy in the office of the Chairman.

(c) The Chairman, with the advice of the Federal Council on the Arts and the Humanities and the National Council on the Humanities (hereinafter established), is authorized to—

(1) develop and encourage the pursuit of a national policy for the promotion of progress and scholarship in the humanities;

(2) initiate and support research and programs to strengthen the research potential of the United States in the humanities by making arrangements (including grants, loans, and other forms of assistance) with individuals or groups to support such activities;

(3) award fellowships and grants to institutions or individuals for training and workshops in the humanities. Fellowships awarded to individuals under this authority may be for the purpose of study or research at appropriate nonprofit institutions selected by the recipient of such aid, for stated periods of time;

(4) foster the interchange of information in the humanities;

(5) foster, through grants or other arrangements with groups, public understanding and appreciation of the humanities; and

(6) support the publication of scholarly works in the humanities without regard to the provisions of section 87 of the Act of January 12, 1995 (28 Stat. 622), and section 11 of the Act of March 1, 1919 (40 Stat. 1270; 44 U.S.C. 111).

(d) The Chairman shall correlate the programs of the National Endowment for the Humanities, insofar as practicable, with existing Federal programs and with those undertaken by other public agencies or private groups, and shall develop the programs of the Endowment with due regard to the contribution to the objectives of this Act which can be made by other Federal agencies under existing programs.

(e) The total amount of any grant under subsection (c)(3) to any group engaging in workshop activities for which an admission or other charge is made to the general public shall not exceed 30 per centum of the total cost of such activities.

ESTABLISHMENT OF THE NATIONAL COUNCIL ON THE HUMANITIES

SEC. 8. (a) There is established in the National Endowment for the Humanities a National Council on the Humanities.

(b) The Council shall be composed of the Chairman of the National Endowment on the Humanities, who shall be the Chairman of the Council, and twenty-six and other members appointed by the President from private life. Such members shall be selected on the basis of distinguished service and scholarship or creativity and in a manner which will provide a comprehensive representation of the views of scholars and professional practitioners in the humanities and of the public throughout the United States. The President is requested in the making of such appointments to give consideration to such recommendations as may from time to time be submitted to him by leading national organizations concerned with the humanities.

(c) Each member shall hold office for a term of six years, except that (1) the members first taking office shall serve, as designated by the President, nine for terms of two years, nine for terms of four years, and eight for terms of six years, and (2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed. No member shall be eligible for reappointment during the two-year period following the expiration of his term.

(d) The Council shall meet at the call of the Chairman but not less often than twice during each calendar year. Fourteen members of the Council shall constitute a quorum.

(e) Members not otherwise employed by the Federal Government shall receive compensation and be allowed travel expenses in the same manner as is provided in section 8 of Public Law 88-579 for the National Council on the Arts.

(f) The Council shall (1) advise the Chairman with respect to policies, programs, and procedures for carrying out his functions, and (2) shall review applications for financial support and make recommendations thereon to the Chairman. The Chairman shall not approve or disapprove an application until he has received the Council's recommendation unless the Council fails to make a recommendation on the application within a reasonable time.

ESTABLISHMENT OF THE FEDERAL COUNCIL ON THE ARTS AND THE HUMANITIES

SEC. 9. (a) There is established within the Foundation a Federal Council on the Arts and the Humanities.

(b) The Council shall be composed of the Chairman of the National Endowment for the Arts, the Chairman of the National Endowment for the Humanities, the United States Commissioner of Education, the Secretary of the Smithsonian Institution, the Director of the National Science Foundation, the Librarian of Congress, the Director of the National Gallery of Art, the Chairman of the Commission of Fine Arts, and a member designated by the Secretary of State. The President shall designate the Chairman of the Council from among the members. The President is authorized to change the membership of the Council from time to time as he deems necessary to meet changes in Federal programs or executive branch organization.

(c) The Council shall—

(1) advise and consult with the Chairman of the National Endowment for the Arts and the Chairman of the National Endowment for the Humanities on major problems arising in carrying out the purposes of the Foundation;

(2) coordinate, by advice and consultation, so far as is practicable, the policies and operations of the National Endowment for the Arts and the National Endowment for the Humanities, including joint support of activities, as appropriate;

(3) promote coordination between the programs and activities of the Foundation and related programs and activities of other Federal agencies; and

(4) plan and coordinate appropriate participation (including productions and projects) in major and historic national events.

ADMINISTRATIVE PROVISIONS

SEC. 10. (a) In addition to any authorities vested in them by other provisions of this Act, the Chairman of the National Endowment for the Arts and the Chairman of the National Endowment for the Humanities, in carrying out their respective functions, shall each have authority—

(1) to prescribe such regulations as he deems necessary governing the manner in which his functions shall be carried out;

(2) to receive money and other property donated, bequeathed, or devised, without condition or restriction other than that it be used for the purposes of the Foundation or one of its Endowments, to the National Endowment for the Arts, or the National Endowment for the Humanities; and to use, sell, or otherwise dispose of such property for the purpose of carrying out sections 5(c) and 7(c) and for the purpose of carrying out the functions transferred by section 6(a) of this Act;

(3) in the discretion of the Chairman of an Endowment, to receive (and to use, sell, or otherwise dispose of, in accordance with paragraph (2)) money and other property donated, bequeathed, or devised to that Endowment with a condition or restriction, including a condition that the Chairman use other funds of that Endowment for the purposes of the gift;

(4) appoint employees, subject to the civil service laws, as necessary to carry out his functions, define their duties, and supervise and direct their activities;

(5) utilize from time to time, as appropriate, experts and consultants, including panels of experts, who may be employed as authorized by section 15 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 55a);

(6) accept and utilize the services of voluntary and uncompensated personnel and reimburse them for travel expenses, including per diem, as

authorized by law (5 U.S.C. 73b-2) for persons in the Government service employed without compensation;

(7) rent office space in the District of Columbia; and

(8) make other necessary expenditures.

In any case in which any money or other property is donated, bequeathed, or devised to the Foundation (A) without designation of the Endowment for the benefit of which such property is intended, and (B) without condition or restriction other than that it be used for the purposes of the Foundation, such property shall be deemed to have been donated, bequeathed, or devised in equal shares to each Endowment within the scope of paragraph (2) of this subsection, and each Chairman of an Endowment shall have authority to receive such property under such paragraph. In any case in which any money or other property is donated, bequeathed, or devised to the Foundation with a condition or restriction similar to a condition or restriction covered by paragraph (3) of this subsection, such property shall be deemed to have been donated, bequeathed, or devised, within the scope of such paragraph, to that Endowment whose function it is to carry out the purpose or purposes described or referred to by the terms of such condition or restriction, and each Chairman of an Endowment shall have authority to receive such property under such paragraph. For the purposes of the preceding sentence, if one or more of the purposes of such a condition or restriction is covered by the functions of both Endowments, or if some of the purposes of such a condition or restriction are covered by the functions of one Endowment and other of the purposes of such a condition or restriction are covered by the functions of the other Endowment, the Federal Council on the Arts and the Humanities shall determine an equitable manner for distribution between each of the Endowments of the property so donated, bequeathed, or devised. For the purposes of the income tax, gift tax, and estate tax laws of the United States, any money or other property donated, bequeathed, or devised to the Foundation or one of its Endowments and received by the Chairman of an Endowment pursuant to authority derived under this subsection shall be deemed to have been donated, bequeathed, or devised to or for the use of the United States.

(b) The Chairman of the National Endowment for the Arts and the Chairman of the National Endowment for the Humanities shall each submit an annual report to the President for transmittal to the Congress on or before the 15th day of January of each year. The report shall summarize the activities of the Endowment for the preceding year, and may include such recommendations as the Chairman deems appropriate.

(c) The National Council on the Arts and the National Council on the Humanities, respectively, may each submit an annual report to the President for transmittal to the Congress on or before the 15th day of January of each year setting forth a summary of its activities during the preceding year or its recommendations for any measures which it considers necessary or desirable.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. (a) For the purpose of carrying out sections 5(c) and 7(c) and the functions transferred by section 6(a) of this Act, there is authorized to be appropriated for the fiscal year ending June 30, 1966, and each of the two succeeding fiscal years the sum of \$10,000,000; but for the fiscal year ending June 30, 1969, and each subsequent fiscal year, only such sums may be appropriated as the Congress may hereafter authorize by law. Sums appropriated under the authority of this subsection shall be equally divided between the Endowments of the Foundation, and shall remain available until expended.

(b) In addition to the sums authorized by subsection (a), there is authorized to be appropriated to each Endowment an amount equal to the total of amounts received by that Endowment under section 10(a)(2) of this Act, except that amounts appropriated to the National Endowment for the Arts under this subsection may not exceed \$2,250,000 for any fiscal year, and amounts appropriated to the National Endowment for the Humanities under this subsection may not exceed \$5,000,000 for any fiscal year. Amounts appropriated to an Endowment under this subsection shall remain available until expended.

(c) There is hereby authorized to be appropriated to the National Endowment for the Arts the sum of \$2,750,000 for each fiscal year, beginning with the fiscal year beginning on July 1, 1966, for the purposes of section 5(h). Sums appropriated under this subsection shall remain available until expended.

(d) There are authorized to be appropriated such sums as may be necessary to administer the provisions of this Act.

(e) No grant shall be made to a workshop (other than a workshop conducted by a school, college, or university) for a production for which a direct or indirect admission charge is asked if the proceeds, after deducting reasonable costs, are used for purposes other than assisting the grantee to develop high standards of artistic excellence or encourage greater appreciation of the arts and humanities by our citizens.

FINANCIAL ASSISTANCE FOR STRENGTHENING INSTRUCTION IN THE HUMANITIES AND THE ARTS

SEC. 12. (a) There is authorized to be appropriated to the Commissioner of Education for the fiscal year ending June 30, 1966, and each of the two succeeding years the sum of \$500,000; but for the fiscal year ending on June 30, 1969, and each subsequent fiscal year, only such sums may be appropriated as the Congress may hereafter authorize by law. Such sums shall be used for (1) making payments to State educational agencies under this section for the acquisition of equipment (suitable for use in providing education in the humanities and the arts) and for minor remodeling described in subsection (c)(1) of this section, and (2) making loans authorized in subsection (f) of this section.

(b) Sums appropriated pursuant to subsection (a) shall be allotted in the same manner as provided in subsections (a) and (c) of section 302 of the National Defense Education Act of 1958, as amended (72 Stat. 1588; 20 U.S.C. 442).

(c) Any State which desires to receive payments under this section shall submit to the Commissioner of Education through its State educational agency a State plan which meets the requirements of section 1004(a) of the National Defense Education Act of 1958, as amended (72 Stat. 1603; 20 U.S.C. 584), and—

(1) sets forth a program under which funds paid to the State from its allotment under subsection (b) of this section will be expended solely for projects approved by the State educational agency for (A) acquisition of special equipment (other than supplies consumed in use), including audio-visual materials and equipment, and printed and published materials (other than textbooks), suitable for use in providing education in the humanities and the arts, and (B) minor remodeling of laboratory or other space used for such materials or equipment;

(2) sets forth principles for determining the priority of such projects in the State for assistance under this section and provides for undertaking such projects, insofar as financial resources available therefor make possible, in the order determined by the application of such principles;

(3) provides an opportunity for a hearing before the State educational agency to any applicant for a project under this section; and

(4) provides for the establishment of standards on a State level for special equipment acquired with assistance furnished under this section.

(d) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (c) of this section and the provisions of subsections (b) and (c) of section 1004 of the National Defense Education Act, as amended (72 Stat. 1603; 20 U.S.C. 584), shall apply to this section in the same manner as applicable to State plans under that Act.

(e) Payments to States from allotments made under subsection (b) shall be made in the same manner as provided in section 304 of the National Defense Education Act of 1958, as amended (72 Stat. 1589; 20 U.S.C. 444).

(f) The Commissioner shall allot and administer loans to nonprofit private schools in the same manner as provided in section 305 of the National Defense Education Act of 1958, as amended (72 Stat. 1590; 20 U.S.C. 445).

TEACHER TRAINING INSTITUTES

SEC. 13. (a) There is authorized to be appropriated to the Commissioner of Education for the fiscal year ending June 30, 1966, and each of the two succeeding years the sum of \$500,000; but for the fiscal year ending on June 30, 1969, and each subsequent fiscal year, only such sums may be appropriated as the Congress may hereafter authorize by law. Such sums shall be used to enable the Commissioner of Education to arrange, through grants or contracts, with institutions of higher education for the operation by them within the United States of short term or regular session institutes for advanced study, including study in the use of new materials, to improve the qualification of individuals who are engaged in or preparing to engage in the teaching or supervising or training of teachers, of such subjects as will, in the judgment of the Commissioner, after consultation with the

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Chairman of the National Endowment for the Humanities, strengthen the teaching of the humanities and the arts in elementary and secondary schools.

(b) Each individual who attends an institute operated under the provisions of this part shall be eligible (after application therefor) to receive a stipend at the rate of \$75 per week for the period of his attendance at such institute, and each such individual with one or more dependents shall receive an additional stipend at the rate of \$15 per week for each such dependent.

PRESIDENTIAL APPOINTMENTS

Sec. 14. The President is requested to make such appointments (including any nomination) as are provided for in this Act within ninety days after the enactment of this Act.

