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DEPARTMENT OF AGRICULTURE
DEPARTMENT OF ENERGY
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DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1994

TUESDAY, MAY 4, 1993

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 2:23 p.m., in room SD-116, Dirksen Senate Office Building, Hon. Harry M. Reid presiding.

Present: Senators Reid, Nickles, Cochran, and Burns.

SMITHSONIAN INSTITUTION

STATEMENT OF ROBERT McC. ADAMS, SECRETARY

ACCOMPANIED BY:

CONSTANCE B. NEWMAN, UNDER SECRETARY

ALICE G. BURNETTE, ASSISTANT SECRETARY FOR INSTITUTIONAL INITIATIVES

JAMES C. EARLY, ASSISTANT SECRETARY FOR EDUCATION AND PUBLIC SERVICE

TOM L. FREUDENHEIM, ASSISTANT SECRETARY FOR THE ARTS AND HUMANITIES

ROBERT S. HOFFMANN, ASSISTANT SECRETARY FOR THE SCIENCES

NANCY D. SUTTENFIELD, ASSISTANT SECRETARY FOR FINANCE AND ADMINISTRATION

MARC PACTER, ACTING ASSISTANT SECRETARY FOR EXTERNAL AFFAIRS

RICHARD L. SIEGLE, DIRECTOR, OFFICE OF FACILITIES SERVICES

MICHAEL H. ROBINSON, DIRECTOR, NATIONAL ZOOLOGICAL PARK

L. CAROLE WHARTON, DIRECTOR, OFFICE OF PLANNING AND BUDGET

RICHARD KURIN, CHAIRMAN, COUNCIL OF INFORMATION AND EDUCATION DIRECTORS

STEVE C. NEWSOME, CHAIRMAN, COUNCIL OF BUREAU DIRECTORS

CLAUDINE K. BROWN, DEPUTY ASSISTANT SECRETARY FOR THE ARTS AND HUMANITIES

OPENING STATEMENT OF SENATOR REID

Senator REID. The subcommittee will come to order.

I apologize for being late, but the two parties had their conferences today.

I was asked to speak, and my time came late and I was unable to leave any earlier.

This afternoon we will be reviewing the fiscal year 1994 budget request for the Smithsonian Institution.

Testifying in support of the Smithsonian's fiscal year 1994 budget request is the Secretary, Mr. Robert McC. Adams.

The Smithsonian's fiscal year 1994 budget request is \$339,449,000.

The decrease consists of a net increase of \$4,089,000 in the "Salaries and expense" account, and decreases of over \$6 million in construction, about \$2.5 million in construction improvements at the National Zoological Park, and \$193,000 for repair and restoration.

Mr. Secretary, we have your prepared statement which will be made a part of the record.

If you would, come forward and introduce your associates and summarize your statement, and we will proceed to the subcommittee's questions.

INTRODUCTION OF ASSOCIATES

Secretary ADAMS. Thank you, Mr. Chairman.

On my left is Constance B. Newman, who is the Under Secretary of the Smithsonian. Beyond her is Carole Wharton, who is Director of the Office of Planning and Budget.

On my right is Nancy Suttentfield who is the Assistant Secretary for Finance and Administration.

We have many of the senior officers of the Smithsonian here and we may call upon them as the questioning proceeds.

Shall I proceed with a brief oral statement?

Senator REID. Yes; I would like you to do that.

I understand you have had surgery, so feel free to use your glasses—

SUMMARY STATEMENT

Secretary ADAMS. I will be putting them on and taking them off continuously. I am sorry, but that is the nature of things.

Senator REID. That is fine.

Secretary ADAMS. At this time I would like to highlight a number of important issues which are discussed in greater depth in my written statement.

The Smithsonian Institution's budget request totals \$339,449,000.

Recognizing the constraints on the Federal budget, this figure represents a decrease of \$4,824,000 from the fiscal year 1993 appropriation.

While a reduction of any amount is difficult to endure, the Smithsonian has been able to address its most compelling needs through a proposed phasing of current construction projects and through the recently approved reprogramming which places our operating budget on a firmer foundation.

I would like to take this opportunity to express my gratitude to the members of the subcommittee for their cooperation and assistance in approving phase I of our restructuring plan.

The approval of the Institution's \$5.07 million reprogramming request, coupled with voluntary staff reductions and selective program consolidation and termination, is allowing us to restructure

in the short term and plan strategically for the Institution's operation in the long term.

The Institution is now in a much better position to function within the tight budget constraints of the present.

Last April in conjunction with the Institution's budget request for fiscal year 1993, I had the opportunity to outline for this subcommittee the many steps undertaken by the Smithsonian to improve overall management, establish Institution-wide priorities, reorganize, and ultimately restructure for the future.

The goal of this exercise was, and remains, to bring financial equilibrium to both the Federal and trust budgets in order for the Institution to fulfill its mission with excellence.

I am pleased to report significant progress in all of these areas.

Briefly, phase I of the reorganization plan was developed and shared with Congress in the spring of 1992.

As we began fiscal year 1993, it became readily apparent that changes needed to be made sooner rather than later in order to address the long-term needs of the Institution.

With the reality of the budget situation, both Federal and trust, it was clear that prompt action was necessary if the desired results were to be achieved in the future.

While the congressional appropriation was generous for fiscal year 1993, postponing the tough decisions into the future would have only made their ultimate impact harder to accept.

In the summer of 1992, Constance Newman came on board as Under Secretary, and together we continued the comprehensive review and assessment of Institution programs and activities which would allow us to establish priorities and begin the process of restructuring.

Collectively, the Institution established six core priorities which have guided its decisionmaking during the process.

In the context of these core priorities, the Under Secretary led frank discussions among Smithsonian management officials on all programs funded by trust and Federal accounts.

In those discussions there was consideration of programs and services that should be strengthened, sustained as is, reduced, or eliminated.

In conjunction with the establishment of priorities and subsequent program restructuring, the Institution is also implementing significant management reforms with an eye toward spending resources more cost effectively.

These reforms are affecting central administrative functions, as well as bureau and office programs and procedures. Steps are being taken to require greater accountability by all program managers for each dollar spent.

Hence, there is a more considered evaluation of all options for program and service delivery.

In another area of management activity, the Institution's internal oversight capabilities have been greatly enhanced this past year.

The results of both internal and external audits are reviewed regularly, not only by the Audit and Review Committee of the Board of Regents, but also by the Under Secretary of the Smithsonian.

More than 80 percent of audit recommendations issued since 1991 have been resolved.

Finally, the Institution has recognized the need to seek other sources of nonappropriated funds in order to keep pace with the ever-growing demands of the Institution.

As you are aware, the Institution must now more than ever look to individual donors and the private sector to assist in its mission.

For the first time, the Board of Regents approved a policy of having the Institution, on a demonstration basis, provide an opportunity for visitors to make voluntary contributions at selected museums.

The proceeds from this demonstration will be earmarked for exhibitions and other programs that presently require additional resources and are of direct benefit to the public.

Additionally, the Smithsonian's National Board, with the approval of the Regents, has established the Smithsonian fund for the future which will seek to provide additional resources to the Institution through the dedicated efforts of Board members.

Internally, the Institution must also increase its income from business activities. In that regard, we have recently hired a senior business manager, a former vice president of the Marriott Corp.

My testimony today has focused on the Institution's response to limited available resources. This is not to imply that the Institution has not continued to undertake and complete exceptional endeavors.

Allow me to mention about two exciting events that will take place very shortly.

On Sunday, May 9, the Freer Gallery of Art, the first art museum of the Smithsonian, will open to the public after a long period of renovation.

This renovation, strongly supported by Congress with approximately \$25 million in Federal funds, is a wonderful example of the cooperative relationship which exists between the Institution and the Congress.

The Freer, home to one of the world's greatest Asian art collections, and including one of the greatest collections of the art works by James McNeil Whistler, will celebrate its 70th anniversary on May 9.

One of the highlights of this opening is the fully conserved Peacock Room which was designed by Whistler and is his only surviving interior design.

In July of this year, the Smithsonian's National Postal Museum, a joint effort of the Institution and the U.S. Postal Service, will open to the public.

The Postal Museum will house the Smithsonian's single largest collection, more than 16 million objects, and is the largest collection of its kind in the world.

Located in the city Post Office Building adjacent to Union Station, the Museum will be a major public attraction and a wonderful addition to the Nation's patrimony.

As I stated at the outset, this is a time for carefully setting priorities and for assessing the quality, breadth of outreach and responsiveness to research needs of the Institution.

PREPARED STATEMENT

We will continue to restructure, first to strengthen the best and most crucial of our activities, and ultimately to meet the needs and opportunities that will surely present themselves as the next century approaches.

I thank you and the members of the subcommittee and will be pleased to answer any questions you and they may have.

[The statement follows:]

STATEMENT OF ROBERT MCC. ADAMS

Thank you, Mr. Chairman, and good afternoon. I am pleased to appear before the subcommittee today to present the Smithsonian Institution's budget request for fiscal year 1994 which totals \$339,449,000. Recognizing the constraints on the federal budget, this figure represents a decrease of \$4,824,000 from the fiscal year 1993 appropriation. While a reduction of any amount is difficult to endure, the Smithsonian has been able to address its most compelling needs through a proposed phasing of current construction projects and through the recently approved reprogramming which places our operating budget on a firmer foundation.

I would like to take this opportunity to express my gratitude to the members of the subcommittee for their cooperation and assistance in approving Phase One of our restructuring plan. The approval of the Institution's \$5.07 million reprogramming request coupled with voluntary staff reductions and selective program consolidation and termination is allowing us to restructure in the short term and plan strategically for the Institution's operation in the long term. The Institution is now in a much better position to function within the tight budget constraints of the present.

Last April, in conjunction with the Institution's budget request for fiscal year 1993, I had the opportunity to outline for this subcommittee the many steps undertaken by the Smithsonian to improve overall management, establish Institution-wide priorities, reorganize and, ultimately, restructure for the future. The goal of this exercise was, and remains, to bring financial equilibrium to both the federal and trust budgets in order for the Institution to fulfill its mission with excellence. I am pleased to report significant progress in all of these areas.

Let me recount some of the events which led us to undertake this process. Phase One of the reorganization plan was developed and shared with Congress in the spring of 1992. As we began fiscal year 1993, it became readily apparent that changes needed to be made sooner rather than later in order to address the long term needs of the Institution. With the reality of the budget situation, both federal and trust, it was clear that prompt action was necessary if the desired results were to be achieved in the future. While the Congressional appropriation was generous for fiscal year 1993, postponing the tough decisions into the future would have only made their ultimate impact harder to accept.

In the summer of 1992, Constance Newman came on board as under secretary and together we continued the comprehensive review and assessment of Institution programs and activities which would allow us to establish priorities and begin the process of restructuring. This exercise represented a thorough and comprehensive review of the Smithsonian's utilization of federal and non-appropriated trust funds within the context of its priorities.

Collectively, the Institution established the following six core priorities which have guided its decision-making during the process: (1) the care and conservation of its collections and facilities; (2) the retention of a vibrant, broadly appealing exhibition program (probably relying more heavily on its own collections); (3) the maintenance of momentum in those major research programs where the Institution has a strong tradition and comparative advantage, with particular emphasis on fellowships, internships, and minority access; (4) the meeting of mandated responsibilities, including but not limited to those related to environmental management, safety, and access for people with disabilities; (5) the provision of an adequate administrative and service base to plan for and handle a transition to downsized programs and operations, without sacrificing present standards; and (6) the retaining of recognizable salience, to the fullest extent that these other priorities permit, for key outreach programs to educate, widen and diversify its audiences, and for those contributions to an understanding of global change that lie most directly within the Smithsonian's area of expertise and responsibility.

In the context of those core priorities, the under secretary led frank discussions among Smithsonian management officials on all programs funded by trust and federal accounts. In those discussions, there was consideration of programs and services that should be strengthened, sustained as is, reduced, or eliminated. The process provided for widely inclusive and informed dialogue among senior management, assistant secretaries, and heads of bureaus and offices to examine programs with respect to their view on the Institution's activities and their centrality to the mission, quality and effectiveness, cost effectiveness and optimum funding requirements.

This is an extremely difficult process for any organization—but one that is crucial at this time in order for the Institution to fulfill its mission “for the increase and diffusion of knowledge.” While virtually every program or activity within the Institution has been beneficial and worthy of support, in times of limited resources priorities must be established and resources allocated in a way that supports the Institution's highest priorities.

I am pleased to say that Smithsonian managers participated actively in this process. Each had an opportunity to defend and promote his or her programs in the context of the established priorities. In addition, each was given the opportunity to comment on other programs or activities within the Institution. The decisions finally made thus represent the outcome of an open process of deliberation involving all of the Institution's senior management. Their actions reflect the full commitment of the Institution's personnel to work for the success of the Institution as a whole rather than for its individual components.

In conjunction with the establishment of priorities and subsequent program restructuring, the Institution is also implementing significant management reforms with an eye toward spending resources more cost-effectively. These reforms are affecting central administrative functions as well as bureau and office programs and procedures. In an institution which relies on creativity and quality of effort, any perceived movement toward greater bureaucracy and micromanagement can be harmful. But at the same time, there is the necessity to review all services to determine whether the services are more cost-effective if provided centrally or if they were to be decentralized. In this spirit, we have reviewed both direct program and indirect administrative and service costs across the Institution. Steps are being taken to require greater accountability by all program managers for each dollar spent. Hence there is a more considered evaluation of all options for program and service delivery. Management reviews themselves are not a panacea in an environment of constrained resources, but they do encourage all Smithsonian components to seek better methods of doing business and require that the measured expenditure of resources be a key component of any plan from the outset.

Additionally, our internal oversight capabilities have been greatly enhanced this past year. The results of both internal and external audits are reviewed regularly not only by the audit and review committee of the Board of Regents, but also by the under secretary of the Smithsonian. The under secretary monitors progress in closing open audit recommendations and works with the managers responsible for the audits to ensure that proper documentation is transmitted to the Office of the Inspector General. In January of this year, the under secretary began to issue monthly status reports on the audit recommendations and to distribute these reports to assistant secretaries and other key managers.

More than 80 percent of open audit recommendations issued since 1991 have been resolved. The remaining audits, which in the main have to do with upgrading accounting procedures and computer needs, are being aggressively worked on by Smithsonian staff. Work is underway to close out essentially all of these this year through discussions with management and the Office of the Inspector General and intensified follow-up and implementation.

Under the approved reprogramming plan, two separate funds—one to support the upgrade and replacement of research equipment and the other to support information resources development with special focus on collections management support needs—have been established. These Institution-wide funds—approximately \$1.2 million for small research equipment and \$1.2 million for information resources—will ensure that funding is available for the priority needs in these two areas. The concept of one fund for each of these purposes will also ensure that the Institution's purchasing power for research equipment and information systems is not, once again, dissipated. The Institution has established these funds to provide a stable base for the renewal of its research equipment and its information resources in a rational and timely manner.

Finally, the Smithsonian has recognized the need to seek other sources of non-appropriated funds in order to keep pace with the ever-growing demands on the Institution. As you know, the Smithsonian Institution must now, more than ever, look

to individual donors and the private sector to assist in its mission. For the first time, the Board of Regents approved the policy of having the Institution, on a demonstration basis, provide an opportunity for visitors to make voluntary contributions at selected museums. The proceeds from this demonstration will be earmarked for exhibitions and other programs that presently require additional resources and are of direct benefit to the public.

Additionally, the Smithsonian's National Board, with the approval of the regents, has established the "Smithsonian fund for the future" which will seek to provide additional resources to the Institution through the dedicated efforts of board members. This effort will focus on creating an endowment to provide unrestricted funds which are so critical to the Institution's programmatic activities.

The Institution must also increase its income from business activities. The Smithsonian has been successful in raising funds through its shops, mail order, product licensing, magazine, and membership programs. But we must do even better. In that regard we have recently hired a senior business manager, a former vice president of the Marriott Corporation.

My testimony today has focused on the Institution's response to limited available resources. This is not to imply that the Institution has not continued to undertake and complete exceptional endeavors. Allow me to mention but two exciting events that will take place very shortly.

On Monday, May 9, 1993, the Freer Gallery of Art, the first art museum of the Smithsonian Institution, will reopen to the public after a long period of renovation. This renovation, strongly supported by Congress with approximately \$25 million in federal funds, is a wonderful example of the cooperative relationship which exists between the Institution and Congress. The Freer, home to one of the world's greatest Asian art collections and including one of the greatest collections of the art works of James McNeill Whistler, will celebrate its seventieth anniversary on May 9th. One of the highlights of this reopening is the fully conserved "Peacock Room" which was designed by Whistler and is his only surviving interior design.

In July of this year, the Smithsonian's National Postal Museum, a joint effort of the Institution and the United States Postal Service, will open to the public. The Postal Museum will house the Smithsonian's single largest collection—more than 16 million objects—and the largest collection of its kind in the world. Located in the City Post Office Building adjacent to Union Station, the Museum will be a major public attraction and wonderful addition to the nation's patrimony.

As I stated at the outset—this is a time for carefully setting priorities, and for assessing the quality, breadth of outreach, and responsiveness to research needs. We will continue to restructure—first to strengthen the best and most crucial of our current activities, and ultimately to meet the needs and opportunities that will surely present themselves as the next century approaches.

I thank the Chairman and the members of the subcommittee and will be pleased to answer any questions you and they may have.

Biographical Sketch of Marc Pachter

Marc Pachter was appointed Deputy Assistant Secretary for External Affairs at the Smithsonian in 1990. With the Assistant Secretary, he is responsible for the Institution's interaction with the international community as well as membership, visitor information and media concerns. From 1974 to 1990, Pachter served as the Chief Historian and then Assistant Director of the Smithsonian's National Portrait Gallery. A graduate of the University of California at Berkeley in 1964, he was then a Woodrow Wilson Fellow and a Five Year Prize Fellow in American History at Harvard University. An author and editor, with a particular interest in biography, Marc has also conducted public interviews with such notable Americans as Agnes de Mille, William L. Shirer, and Katherine Graham.

Biographical Sketch of Constance Berry Newman

Constance Berry Newman became Under Secretary of the Smithsonian Institution in July, 1992. She was Director of the Office of Personnel Management from June, 1989 to June, 1992. For more than 20 years she managed public and private organizations. Among her major management positions were: Assistant Secretary of the United States Department of Housing and Urban Development, Director of VISTA, and President of the Newman & Hermanson Company. She was also Commissioner and Vice-Chairman of the Consumer Product Safety Commission.

From 1987 to 1988, Ms. Newman worked for the Government of Lesotho as a Co-operative Housing Foundation consultant to a committee established for the purpose

of advising the Ministry of Interior regarding the establishment of a housing corporation to receive World Bank funding.

During her public career which began in 1961, Ms. Newman worked in 12 Federal government agencies with four Presidential appointments, three of which were confirmed by the Senate.

Ms. Newman was a Woodrow Wilson Visiting Fellow from 1977 to 1985 and a member of the Adjunct Faculty at the Kennedy School, Harvard University from 1979 to 1982. She has received an Honorary Doctor of Laws from her Alma Mater, Bates College, Amherst College and Central State University. In addition to receiving an A.B. from Bates College, she received a Bachelor of Science in Law degree from the University of Minnesota Law School. In 1985, she received the Secretary of Defense Medal for Outstanding Public Service. She is a life member of the National Association for the Advancement of Colored People and has served on numerous civic boards and committees.

SMITHSONIAN MAGAZINE

Senator REID. Thank you, very much.

This is not part of my prepared questions. Tell me about the Smithsonian magazine.

Secretary ADAMS. The Smithsonian magazine began in about 1970. It was begun by personnel who I believe were primarily brought from Life magazine, although I am not sure; I think that was the start of it.

It was an inspiration of my predecessor S. Dillon Ripley that was almost instantaneously successful. It has a present stable subscription level slightly in excess of 2 million members—

Senator REID. Really.

Secretary ADAMS [continuing]. Who become Smithsonian associates as they become subscribers to the magazine. They become members—

Senator REID. Does the magazine pay for itself, then?

Secretary ADAMS. The magazine is a major source of income to the Institution and has been for at least 20 years. It is somewhat less so as postal rates seem to continue their inexorable climb.

Senator REID. But it is a—

Secretary ADAMS. There has also been an erosion for all magazines in advertising income, but it is still a major source of income.

Senator REID. We in Government only have people talk to us, and we talk to each other, about the bad things going on in Government and we do not often talk about things that are going well.

From a personal level, I think the magazine is tremendous. I am glad to hear now from a public level that it certainly is not a loss leader for the Smithsonian.

Secretary ADAMS. I think you would have to say it is our major form of public outreach, and a highly successful one.

Thank you for the comment.

STRATEGY AND PHILOSOPHY OF THE FISCAL YEAR 1994 REQUEST

Senator REID. Could you indicate for me what the overall strategy and philosophy was behind your request to OMB, your \$424.1 million request to OMB?

Secretary ADAMS. I think I would like to defer to the Under Secretary on that, Mr. Chairman, because we are dealing with a complex sequence of requests and reevaluations and so on, and I am sure that the amount of that request in relation to the present size

of the budget is what you are really reaching for some assessment of.

Senator REID. I want to know what the strategy and philosophy was behind this request.

Ms. NEWMAN. May I just start, Mr. Chairman, by spending a few moments with the timing.

The budget request went to OMB in September 1992, which was before we had received our appropriation from Congress for fiscal year 1993.

The fiscal year 1994 budget to OMB represented our expectations in terms of construction and program initiatives that followed on the previous year.

But then when we got the 1993 appropriation back, which was at \$344 million, there was a recognition that we needed to rethink. The base was really \$20 million less than contemplated. We had the appropriation at that level.

Then, I think you will remember, we came to both the House and the Senate on restructuring, recognizing that there was a problem both on the trust and on the Federal side with regard to structural changes that needed to be made; that we could not expect we were going to get major increases in Federal appropriations, and we no longer wanted to make Band-Aid changes.

So we went through a fairly exhaustive give-and-take within the Institution to establish priorities and to place funding next to those priorities. That was ongoing through February when we submitted the reprogramming request.

That request moved to address the mandated changes. It moved to establish funds to help us deal with research equipment and our information resources management. We are attempting to develop a pool of money which could be bid on within the Institution to address those particular needs.

Then, following the restructuring, we had the OMB passback which indicated a \$4.8 million reduction.

The good thing about the passback—and not everything about the passback was good—but the one good thing about the passback was that it allowed us the flexibility to determine how we would distribute that \$4.8 million reduction.

We then, building on the approved restructuring, came to Congress with our \$339.4 million request which took into consideration the reduction from OMB.

The strategy was really to push out our construction projects and to attempt to have the programs use existing resources for the initiatives on cultural diversity and education.

The request you have does a number of things. It does not reflect the legislated pay raise which was in the initial request to OMB.

It builds on the restructuring, and it pushes out of construction a reduction of about \$28 million. It pushes out the construction on the east court of Natural History. It pushes out the Cultural Research Center associated with the American Indian Museum.

It takes off the books the General Post Office Building and the African American Museum.

I will stop after I say one other thing.

FUNDING ALTERNATIVES FOR NEW INITIATIVES

When we recognized the difficulty we were going to have with financing generally with both Federal funds and private sector funds, we determined to take the position that with regard to our initiatives such as the African American Museum and the extension for the Air and Space, we need to seek other sources of funding.

Where you would have found initially in our budget submission a request for funding these initiatives, you will now find even after authorization that there will be very small requests. Those will be only for the purpose of helping us plan. One of the planning items will be the sources of the funding.

Secretary ADAMS. I think it should be clear to all of us, Mr. Chairman, that we have become progressively more and more conscious of the constrictive budgetary climate, and that is reflected in our own planning, and that is, of course, as it should be.

It is reflected also in this intent to move more and more toward the public/private partnership as a source of funding for construction.

Senator REID. Would you provide for the record the major initiatives, programs, or projects that were deleted that were initially included in your request to OMB?

Secretary ADAMS. We would be happy to do that, sir.
[The information follows:]

PROGRAM FUNDING NOT INCLUDED IN REQUEST TO CONGRESS

	FTE	Amount
Salaries and expenses:		
Infrastructure requirements:		
Collections management	5	\$1,597,000
Specialized and technical staff and support costs	8	1,219,000
Major scientific instrumentation	3	1,158,000
Information systems	1	1,244,000
Management control and audit deficiencies		61,000
Facilities maintenance deficiencies	13	2,137,000
Health and safety (including asbestos cleanup)	11	973,000
Subtotal, infrastructure	41	8,389,000
Program initiatives:		
Global change research	5	1,300,000
Cultural pluralism	24	2,007,000
Education	19	1,030,000
Subtotal, program increases	48	4,337,000
Total, salaries and expenses	89	12,726,000
Zoo construction:		
Rock Creek master plan aquatic trail—living in water		3,200,000
Conservation and research center development plan maintenance facility (design)		400,000
Total, zoo construction		3,600,000
Repair and restoration of buildings:		
Major capital renewal		7,600,000
Repairs, restoration, and code compliance:		
General repairs		460,000
Facade, roof, and terrace repairs		1,935,000
Fire detection and suppression projects		815,000

PROGRAM FUNDING NOT INCLUDED IN REQUEST TO CONGRESS—Continued

	FTE	Amount
Access, safety, and security projects		2,480,000
Utility systems repairs		1,225,000
Advanced planning and inspection		485,000
Subtotal		7,400,000
Total, repair and restoration		15,000,000
Construction:		
African American Museum		300,000
General post office building		1,300,000
Suitland Collections Research Center		4,500,000
National Museum of the American Indian:		
Mall Museum Building		5,000,000
Suitland Building		9,800,000
National History East Court Building		5,000,000
Minor construction, alterations, and modifications		2,000,000
Construction planning		550,000
Total, construction		28,450,000

SMITHSONIAN FUNDRAISING EFFORTS

Senator REID. Are you talking about raising moneys privately? What are you talking about?

Secretary ADAMS. We have every expectation of raising more money privately than we previously intended.

That often is something that is difficult to plan for, but as our campaign for the private contribution to the cost of the Museum of the American Indian goes forward, we are also learning how we can be effective in that effort.

SMITHSONIAN RESTRUCTURING PLAN

Senator REID. The original request you made that was pared down for the reasons that Ms. Newman gave, do you feel that first request was what it would take to properly run the Smithsonian and do those things that are needed in the way of new programs, new construction, et cetera?

Secretary ADAMS. I do not think it was a request that was inflated.

I think it represented reasonable aspirations in a different budgetary climate.

Senator REID. Your restructuring proposal, how does that relate to this large budget increase requirement?

Ms. NEWMAN. The restructuring proposal took into consideration our expectations that we were going to have to reduce, or we would be having a reduction in the amount of Federal funds coming in, and that that would be a permanent situation.

So the restructuring is a permanent shifting based on our priorities. So the final request to Congress, the one that you have now, reflects that approved restructuring of the Institution.

SCHEDULES FOR CONSTRUCTION PROJECTS

Senator REID. In your budget justification you have certain language that I would like you to talk about a little bit, but would you

provide for the record copies of the schedules for Smithsonian construction projects?

Ms. NEWMAN. Yes.

Senator REID. Do you have those?

Secretary ADAMS. Yes; we do.

Senator REID. And as you have indicated, are those projects that you are going to give, for the record, are those already funded, or that you want to be funded?

Secretary ADAMS. Well, we will indicate in each case where the funding—

Senator REID. It includes both, then?

Secretary ADAMS. Yes; and in some cases they are authorized, and in some cases they are not yet authorized. We will provide all that.

[The information follows:]

CURRENT SCHEDULE OF MAJOR CONSTRUCTION PROJECTS IN 5-YEAR PROGRAM

[Based on funding projections in "Choosing the Future, Fiscal Year 1994-98"]

	Estimated cost	Design start	Construction start	Occupancy	Public opening
NMAI Custom House (Authorized)	\$24 million (two-thirds nonappropriated funds)	July 1990	September 1992	April 1994	November 1994
NMAI Cultural Resources Center (Authorized)	\$50 million (Federal)	August 1992	Spring 1995	1997	
NMAI Mall Museum (Authorized)	\$110 million (one-third nonappropriated funds)	Summer 1993	1997	2000	2001
NMNH East Court (Authorized)	\$30 million (Federal)	January 1992	Spring 1994	1996	
Suitland Collections Center (Not authorized)	\$81 million for phase I (Federal)	1995	1997	2000	
Air and Space Museum extension (Not authorized).	\$185 million	1996	1999	2002	
African American Museum (Not authorized)	No detailed schedule or cost estimates for design, construction, occupancy or opening can be developed without further planning.				
General post office (Authorized)	\$40 million authorized (Federal). On hold pending evaluation of construction priorities and discussion with GSA.				
Administrative Service Center (Not authorized)	\$60 million (mortgage to be paid off with S&E/ trust). From authorization to occupancy will take about 4 years.				
NMNH west court (Not authorized)	\$13 million (nonappropriated funds, not including projection equipment or film production).	January 1994	Spring 1995	July 1997	July 1997

FINANCING CONSTRUCTION PROJECTS WITH EXTERNAL DEBT

Senator REID. Are you proposing to finance any of these projects using external debt?

If so, explain.

Secretary ADAMS. We will explain.

There certainly is at least one that we have very carefully analyzed and that appears to us to be able to recover its ongoing costs and still make a profit in addition to recovering those costs.

Senator REID. Have you ever done that before?

Secretary ADAMS. We are doing it currently on the Air and Space restaurant.

Senator REID. And how are you doing that? Explain to me.

Secretary ADAMS. We are doing very well.

Ms. SUTTENFIELD. We took out a bank note in I believe it was 1988. It is a 15-year term loan, and the loan is to be retired from the proceeds that we receive on the restaurant that is operated in the facility.

We are on schedule in making the principal and interest payments, and we will retire the debt according to that schedule.

Senator REID. Out of the proceeds from the restaurant?

Ms. SUTTENFIELD. Yes.

MUSEUM OF NATURAL HISTORY EAST COURT BUILDING

Senator REID. It is my understanding you are going to be requesting \$2.5 million next year, and then in 1995, to fund costs associated with the planning and design of the Museum Support Center expansion that relates to Natural History's east court project.

I did not see anything in your 1994 request relating to this project.

Ms. NEWMAN. Mr. Siegle has joined us. He can probably give you that.

Mr. SIEGLE. Good afternoon, Mr. Chairman.

The project at Suitland for the additional storage is part of an overall master plan for that area. It would be the first building that is built at Suitland as part of a long-range plan.

We are also building into the east court of the Natural History Building, and we have sufficient funding that we do not need to ask for anymore in 1994.

We will be coming in for the remainder of the money in 1995, as indicated in our budget request, for that east court building.

Senator REID. We have some more questions we will submit to you in writing in that general area.

Secretary ADAMS. Let me add a further comment that may be obvious, Mr. Chairman.

We have pushed out into the future a number of these construction projects, as we have said. We also recognize that there is an uncertainty about the budgetary climate, and there is nothing firm about the dates that we have chosen.

Those are dates that seem reasonable to us at the moment, but there may need to be further postponements.

COLLECTION OF VOLUNTARY DONATIONS

Senator REID. You have established eight demonstration sites for the collection of voluntary donations. The total cost for this demonstration is estimated to be about \$56,000. That comes out to about \$7,000 per collection site for installation and operation.

Mr. Secretary, I realize this demonstration has only been in place for a little while, but can you give me an idea as to how it is progressing and how much money has been collected so far?

Secretary ADAMS. Perhaps Mr. Freudenheim can correct me on this, but my impression is that the original estimate on the cost of the installation turned out to be considerably too high. I think the number—

Ms. NEWMAN. It is \$27,000.

Secretary ADAMS. \$27,000 instead of—

Senator REID. Rather than \$55,700?

Secretary ADAMS. Yes; rather than \$55,700.

I cannot give it to you at this moment, because it is a moving target, Mr. Chairman. This is a demonstration. We do not regard the present location of the boxes as optimal in all cases. We expect to be doing various kinds of fine tuning in order to put them in prominent places where they will be most effective.

I do not think we can give you a clear trend line for some time to come.

Senator REID. What about the comments? It is my understanding that there are these boxes, and then next to them you have a place for a visitor to sign their name and say what they thought about the visit?

Secretary ADAMS. My impression is that that is no longer part of the installation.

Can someone correct me on that?

Senator REID. Someone can. State your name for the record, please.

Mr. FREUDENHEIM. Tom Freudenheim.

We have been soliciting comments and, much to our surprise, so far we have had no negative comments.

Senator REID. So it is still part of the program?

Mr. FREUDENHEIM. It is still part of the program. We have an information brochure at every museum's information box which further explains what is not in the signage that they see on the box itself.

We are very anxious to receive comments. I see friends from the press here—and we are interested in the comments we are getting in the press. It is really interesting to note that—you know, we expected a lot of mixed comments—we really have not received negative comments from the public.

Senator REID. What is the largest donation you have gotten in one of those boxes?

Mr. FREUDENHEIM. I cannot tell you that, but we can check it and let you know.

[The information follows:]

LARGEST DONATION IN COLLECTION BOX

The Institution cannot determine the largest cash donation dropped into the collections boxes as individual donations are mixed with others. We have, however, received checks for \$25.

REPAIR AND MAINTENANCE BACKLOG

Senator REID. There are some problems with the condition of the buildings. We have talked about that before.

Secretary ADAMS. Yes.

Senator REID. You have indicated in your budget that funding levels for maintenance, repair, and preservation of buildings are not keeping pace with the rate of deterioration.

Secretary ADAMS. That is right.

Senator REID. Which is a real concern.

Secretary ADAMS. Yes.

Senator REID. What are we going to do about that?

Secretary ADAMS. I think I would like to ask Mr. Richard Siegle, who is the Director of the Office of Facilities Services, to begin with a comment on that.

Senator REID. Recognizing that the repair and maintenance backlog now exceeds \$250 million. This is one of the most visited attractions we have in the Nation's Capital.

I think it is something that, in the context of this budget, that we have to seriously consider.

Senator Nickles is the ranking Republican on the Subcommittee on Interior, or on the full committee—on the subcommittee, and we are spending, and I am just as guilty, or just as responsible is probably a better word because I am glad I have done what I have done—we are buying up property all the time all over, acquiring new property, and all the time we are doing this these facilities we already have are going into disrepair.

I believe that is something the committee has to look at, Senator Nickles.

Senator NICKLES. We have raised this issue before all the committees that have land acquisitions. Last year we had over \$300 million in land acquisitions, and I for one have been saying we should not be buying additional land until we take care of the facilities that we now have.

I am afraid that, both in our parks and in some of our natural resources, including the Smithsonian, I do not think we are doing a good enough job of maintenance and accessibility for visitors and constituents.

So I appreciate your echoing that concern.

Senator REID. I think we have to each year figure out a way to somehow remove some of the backlog.

I know at the Library of Congress we have had a concerted effort to retire the backlog of books and materials that they have obtained, so that they do not just sit around and rot, and decay, and mildew.

We have had for several years a program Senator Hatfield and I worked real hard to get going to do that.

I think we are going to have to do something in that regard here. I think as part of your written comments that you give us that we

need from you to come up with some way that we can start gaining rather than continuing to lose.

Secretary ADAMS. May I make a comment, Mr. Chairman?

It has to be borne in mind that this is in no way an excuse or——

Senator REID. Excuse me——

Secretary ADAMS. Go ahead.

RELATIONSHIP OF NEW CONSTRUCTION TO REPAIR BACKLOG

Senator REID. It was just pointed out to me that new construction, the things that we have just talked about, exceeds \$500 million. So we not only have the backlog, we are doing new things all the time.

I think that is where we need to maybe look. We know how good some of these new projects are, but we cannot continually do the new stuff if we do not take care of the old.

Secretary ADAMS. I think there is a clarification that may be applicable more generally.

The problems of renovation and reconstruction constitute a moving target rather than a fixed list. I think Mr. Siegle could provide some details to back me up on that.

You are always reassessing what is on that list in terms of the immediacy of the need. That is not a list that has items that stay in place until they are attended to in a fixed order of priority; they have to be reexamined continuously.

That does not say that the list is not as long as you say it is. It only says that in order to account for what you have done and not done, it requires sort of a moving assessment rather than a fixed one. It is a complicated thing to make clear in a report to the Congress.

I am not suggesting at all that it is less important than you indicate.

Senator REID. Did you indicate there was someone else who you wished to speak on this subject?

Ms. NEWMAN. Yes, Mr. Siegle, but before he does, I might just suggest, too, that some of the new construction, not all, but some of the new construction is as a result of the condition of the old facilities.

So it is not as if it is only new construction for new projects.

But I think it would be helpful if Mr. Siegle talked about the process, because it is a fairly sophisticated process used for determining this.

Mr. SIEGLE. First, Mr. Chairman, the east court facility at Natural History and the master plan at Suitland are both to take care of existing unmet needs for storage, proper storage of our collection.

So they are not new programs. They are to replace metal buildings, World War II-type metal buildings, and buildings that are not adequate for the storage of the collection.

Senator REID. So even though this is new construction——

Mr. SIEGLE. It is not a new program.

Senator REID. It is not a new program.

Mr. SIEGLE. No; it is properly taking care of our national collection, which is not being taken care of properly now because of the type of facilities that we have.

FUNDING REQUIREMENTS FOR NATIONAL MUSEUM OF THE AMERICAN INDIAN FACILITIES

Senator REID. Senator Burns, Senator Nickles, I have exceeded my time.

Now, Senator Nickles, you have 15 minutes.

Senator NICKLES. Mr. Chairman, I will not take that much time. Would Senator Burns—are you leaving?

Senator BURNS. Yes; I have to go. [Laughter.]

Senator NICKLES. Do you have questions?

Senator BURNS. I have got 100 of them, and I shall submit them.

Senator NICKLES. Go ahead, then.

Senator BURNS. No; I will get out of here. I have got some questions I want to submit for the record, though.

Senator REID. We appreciate your attendance, Conrad.

Senator BURNS. Thank you.

Senator NICKLES. The chairman mentioned that you have a list of construction projects of \$500 million?

Mr. SIEGLE. That's right.

Senator NICKLES. That is over what period of time?

Mr. SIEGLE. That is out through the year 2010.

Senator NICKLES. And in this year's budget you have construction projects of, what, \$10 million?

Mr. SIEGLE. There is actually \$6.2 million toward the American Indian Cultural Resources Center, and the others are for planning and design of smaller projects.

So the only thing of any consequence in 1994 is the front-end work on the Museum of the American Indian Cultural Center.

Senator NICKLES. What will be the total expense for the American Indian Museum?

Mr. SIEGLE. \$50 million is needed for construction of the facility which is under design now at Suitland; \$110 million, one-third of which is being privately raised, is for the museum on The Mall; and then the facility that is under construction in New York City at the Custom House is being paid for by one-third from New York City, one-third from New York State, and one-third from the Federal Government. That project is about 20 percent complete. The construction is ongoing.

Senator NICKLES. What is the expense in New York City?

Mr. SIEGLE. \$24 million.

Senator NICKLES. One-third Federal?

Mr. SIEGLE. Right.

Senator NICKLES. And The Mall museum is how much?

Mr. SIEGLE. \$110 million, of which one-third of that is being privately raised. That is in the early stages of design.

Senator NICKLES. And you mentioned—

Mr. SIEGLE. And then the storage for the collection, and study and conservation of the collection that goes out in Suitland, MD, which is about a 15-minute drive from here, is \$50 million Federal construction dollars.

Senator NICKLES. Will that be strictly for warehousing, or for display?

Mr. SIEGLE. Not for display. The collection will be housed there. It will be studied. They will work on the collections to preserve them and understand them.

FACILITIES PROJECTS MANDATED BY LAW

On the backlog question that you mentioned before, I think it is important to know that the backlog also includes work on accessibility for our buildings as a result of the Americans With Disabilities Act.

It also includes asbestos removal and other types of environmental issues that are mandated by law. So it is not all just strictly repair. It also is compliance with various laws dealing with these issues.

REPROGRAMMING REQUEST FOR RESEARCH VESSEL

Senator NICKLES. You have given the subcommittee a reprogramming request for \$1.3 million to cover the design and construction shortfalls of the marine research vessel. Are you familiar with that?

Ms. NEWMAN. Yes; we are.

Senator NICKLES. This is an increase of about 80 percent over the original cost.

Why is that necessary?

Ms. NEWMAN. Dr. Hoffmann? I think, just to start, the vessel it turns out is going to be covering more work than was initially contemplated, research that was contemplated to be conducted in the land-based laboratories.

Also, the situation there with regard to the Kuna Indians and the ability to negotiate a long-term lease that had originally been contemplated is no longer available.

Senator NICKLES. Is that where the land-based facility is?

Ms. NEWMAN. That was to have been.

Why do I not let Dr. Hoffmann, who is at the table now, speak to that?

Dr. HOFFMANN. This started off with the fact that our former research vessel, the *Benjamin*, was about, I will not say ready to sink, but we did not want that to happen. It was too old, and simply in too poor repair and inadequate, so we figured we needed a replacement.

As we began to develop our concepts for that vessel, we were also negotiating, as Mrs. Newman says, with the Kuna Nation where we had one of our Caribbean research stations.

We were also dealing with a study of the oilspill at Galeta, also on the Caribbean, that resulted from a leak from an oil refinery there.

What has happened is that the Kuna have decided that they will not give us any more than a 5-year lease, and we feel that it is unwise for us to enter into a long-term research operation there with so little control over our future.

Second, our 6 years of research on the oilspill clearly demonstrated that oil would continue to be in the sediments and on the

reef for a much longer period of time than we had originally anticipated.

Consequently, it did not make any sense to develop to expand that operation.

With each of these developments it became necessary to put more of our eggs into the research vessel basket, so to speak.

What we now propose is a larger vessel which will replace all of those activities that we had originally anticipated developing at the San Blas Station and at Galeta.

Senator NICKLES. Where are those two land stations now?

Dr. HOFFMANN. They are on the Caribbean side. Galeta is very close to the Caribbean, the Atlantic side of the canal. The San Blas Station is a relatively few miles to the south and east of that.

Senator NICKLES. Are you expecting that both land stations will close?

Dr. HOFFMANN. They will not close. We will simply not further develop them. We will maintain them for the relatively few long-term projects we have there such as the oilpill.

It is worthwhile, very much scientifically worthwhile, to continue to monitor the gradual changes in and recovery of the reef and the mangroves there, and there are some long-term research projects going on in the San Blas which we can do simply by maintaining our very minimal facilities there.

The research vessel will give us the capability of studying anywhere either on the Atlantic or on the Pacific side.

It is going to be a very important development. There are a number of funded projects that we have had to suspend or to maintain only by charter rental that await our developing of this new research vessel, so we regard it as very important.

Senator NICKLES. I just will tell you that I have some reluctance about this reprogramming when we appropriated about \$1.7 million for the smaller vessel, and then to have, oh, that is not big enough and now we want \$3 million.

We see a lot of proposals come around where people get in the tent on the lower side, and then they come back the next year saying oh that is only one-half the project, we have decided to double the project and we have doubled the price.

The size of the vessel you originally contemplated, is that comparable to the size of the retiring vessel?

Dr. HOFFMANN. No; it is bigger. As I say, what we discovered—and I can understand your caution here—but when we originally proposed the smaller vessel, it was with the expectation that we would have the two land-based sites in the Atlantic, as well.

As that has become clearly impossible, or certainly unwise for us to try to do that, we have had to add capacity to the vessel.

We have had to add additional laboratories that might otherwise have been in these land-based facilities. For this reason, the vessel has gotten larger.

Senator NICKLES. Is the vessel that you contemplated last year, is that the same size as the vessel that is now being retired, the 40-year-old vessel?

Dr. HOFFMANN. No; by last year we knew that we needed the larger vessel.

Ms. NEWMAN. Right.

Senator NICKLES. I am still trying to figure out the size of the retiring vessel.

Dr. HOFFMANN. The retiring vessel, the *Benjamin*, is somewhere between 40 and 50 feet. I believe the new one is 88 feet?

Ms. NEWMAN. Eighty-eight.

Senator NICKLES. The proposal is now 100 feet. Am I correct? 100 by 25 by 12?

Dr. HOFFMANN. No; those figures do not sound right and I do not have the details with me.

Senator NICKLES. Could you give me the dimensions of the new vessel?

Ms. NEWMAN. We will do that.

Dr. HOFFMANN. We can provide those to you.

Senator REID. What are you asking? The size of it?

Senator NICKLES. The size, and—

Secretary ADAMS. We can also provide the laboratories it will include.

Senator NICKLES. Mr. Chairman, I have several questions, but I also have an Energy Committee that is getting ready to do your royalty bill, your mineral bill.

Senator REID. I want you to get over there. [Laughter.]

[The information follows:]

SMITHSONIAN TROPICAL RESEARCH INSTITUTE MARINE RESEARCH VESSEL

	<i>Feet</i>
Overall Length	100
Waterline Length	85
Beam (max. width)	27
Depth	12
Draft	8

The laboratories are designed to complement the field platform and sampling functions of the vessel. The heart of the wet laboratory is the running sea water system to maintain organisms alive under controlled conditions for physiological and behavioral experiments at sea, extraction of larvae for studies of life cycles and recruitment important to fisheries, washing dredge and core samples to extract living organisms, holding specimens fresh prior to sampling for molecular studies, and for transport to land based laboratories and aquaria. The dry laboratory (protected from sea water corrosion) will provide clean power for computers and instruments for on-line oceanographic observations, an ultracold freezer and liquid nitrogen capacity to store samples for molecular analysis, fume hood for safe preservation of specimens with toxic fixation agents for electron microscopy, as well as general laboratory equipment for simple chemical analyses, light microscopy, etc. There is no equivalent at-sea research capability stationed anywhere in tropical America today.

RELATIONSHIP OF SMITHSONIAN RESEARCH TO OTHER FEDERAL RESEARCH PROGRAMS

Senator REID. You raised some questions that I wanted to cover.

I think, Mr. Adams, we do have some problems. How can we justify spending money on a ship when we cannot repair what we have?

How can we go into areas like biodiversity, into the biodiversity initiative, with the Smithsonian studying things that many other agencies of Government are covering? Global warming. We have every agency who appears here studying global warming.

Secretary ADAMS. Well, there are two separate questions there.

Let me take the biodiversity one, because I think that is of great importance. Again I think Dr. Hoffmann is probably the one to re-

spond more fully, but the initiative that has now been taken up by Secretary Babbitt in the Interior Department calling for a biological survey is one with which we articulate closely, with which our own work in the Natural History Museum and at the Tropical Research Institute articulates closely.

Rather than seeing this as a parallel and overlapping effort, it is a complementary one that strengthens that effort.

To take simply one example, one of the major concerns under the Endangered Species Act is the effect on migratory birds. Those birds are migrating from Central America up to here—

Senator REID. I understand all that. But why the Smithsonian?

Secretary ADAMS. Well, the Interior Department works within the continental United States. It has no way of obtaining this information. That is within our charter and not within the Interior Department's charter.

Senator REID. Explain that to me.

Secretary ADAMS. Well, Interior is within the interior of the United States and the Tropical Research Institute, and, in fact, the charter of the Smithsonian, has no boundaries on it.

It is for the increase and diffusion of knowledge without having any stated limitation.

That is the way the functional division has developed over more than a century.

Senator REID. How many scientists work for the Smithsonian, or on contract to the Smithsonian on this?

Secretary ADAMS. Total?

Senator REID. Yes.

Secretary ADAMS. Total Ph.D., scientists? My impression is the number is around 600.

Am I right?

Dr. HOFFMANN. A little over 600, yes.

Senator REID. So it is a major function.

Secretary ADAMS. It is a major function.

And under its charter, the increase and diffusion of knowledge are its functions.

Senator REID. I think most think that the Smithsonian is a place where you go look at things.

Secretary ADAMS. That is the public impression. That is not the history of the Institution.

And, in fact, I regret that we have been less successful than we should be in communicating this.

These two functions come together in an important way. Take the Natural History—

Senator REID. I understand that.

Secretary ADAMS. All right. I will not pursue the point.

REPAIR AND RESTORATION PROGRAM

Senator REID. Let us return to the repair and restoration of buildings.

To what extent does the Smithsonian utilize outside contractors for its rehabilitation and restoration work?

Secretary ADAMS. Mr. Siegle?

Mr. SIEGLE. Mr. Chairman, we use them almost exclusively. Probably more than 99 percent for both design and construction. Very little of that work is done with in-house staff.

Senator REID. In-house is mainly?

Mr. SIEGLE. Day-to-day maintenance.

Senator REID. Let us talk a little more, because I do not think we finalized it, and I interrupted you. It is my fault, not yours.

We have this backlog we were talking about. Do we have a program to retire this backlog?

If so, when is it going to start?

Ms. NEWMAN. It has been going on.

Mr. Siegle can go through how that works.

Mr. SIEGLE. Some years ago we formulated a 10-year program which required funding in the area of \$35 to \$39 million per year. We felt that in 10 years we would be able to get the backlog down to a much more manageable level and include the new things that keep coming along like environmental issues, or accessibility, because all of that is a part of that program.

We have never reached that funding. We are down to about \$24 million. So we are pushing a bow wave of projects ahead of us.

Now not all of that \$225 million of things are going to cause the roof to cave in today. There is probably about \$85 million which are the highest priority, and of that maybe about one-third are in the area of safety or—

Senator REID. That was the question I had.

Mr. SIEGLE [continuing]. Public safety, or public access.

So we try to measure each year that work which should have been done by that date. We pick a date in January each year, and we try to assess all of our buildings as of that date as a measure.

Senator REID. At the rate we are going, we are—

Mr. SIEGLE. We are falling behind. That is right. We are falling behind because we are not putting \$35 to \$39 million in, only about \$24 million, and we are falling behind.

That figure of \$35 to \$39 million was our best assessment as to the rate at which we could do repairs to our buildings.

[The information follows:]

FUNDING REQUIREMENTS FOR REPAIR AND RESTORATION PROGRAM

The optimal annual funding level for the Institution's Repair and Restoration of Buildings account is \$39 million. At this level of funding, the Institution would be able to make a sustained commitment to reduce the substantial backlog of deferred maintenance and repairs in its various facilities and protect the integrity of its physical infrastructure. These repairs are vital to ensure the continued reliable functioning of building equipment and systems, long-term preservation of buildings, and compliance with life safety and health codes and standards. The most recent estimate of the backlog of currently unfunded projects, made in January 1993, is \$226 million, an increase of \$5 million from the January 1992 estimate of \$221 million.

Despite annual increments of funding, with approximately \$24 million currently provided in fiscal year 1993 and requested for fiscal year 1994, actual appropriations have not kept up with the pace of deterioration. Without a substantial increase in the current level over a ten-year period, the backlog will continue to grow as problems that did not previously exist must be added, and the cost to complete existing repairs escalates. Only a sustained commitment to increase funding in the R&R account over the next ten years will allow the Institution to address this serious problem.

Compounding the problem of insufficient R&R resources to reduce the backlog of repairs, the Smithsonian's Office of Design and Construction (ODC) lacks the staff

necessary to administer the R&R program effectively and efficiently. Within the S&E account, an additional 17 full-time permanent positions and \$2.1 million in personnel and support costs are needed for ODC to manage the R&R program. Of this amount, \$1.5 million is needed for nine architects and engineers to manage projects at the current funding level. An additional \$600,000 (and 8 positions) is required for ODC to administer the program at the \$39 million level.

HIGH PRIORITY R&R PROJECTS

Senator REID. I think that we need to really come up with a program. I think the way I would suggest to do it is to put a category of safety, perhaps accessibility, or whatever order you want to put them, and whatever other categories that are appropriate in that backlog and see if we can start doing a better job of chipping away at that.

Mr. SIEGLE. Yes, sir; we will do that.

Senator REID. Do you think we could do anything with—and this is a question in its purest sense—do you think we could do anything with this backlog of maintenance problems if we used youth jobs programs that are contemplated?

Mr. SIEGLE. Well, we have looked at that and there are some jobs that are in there like reforestation projects at some of our research stations and so forth where we plan to try and get that sort of support.

But most of our projects involve electrical systems, or high-voltage electrical, or heavy mechanical systems, historic preservation of buildings that are over 100 years old that are here on The Mall.

So they are high-tech, high skills sorts of projects. We have looked at that concept but it does not lend itself to this kind of work.

NATIONAL BIOLOGICAL SURVEY

Senator REID. I was with Secretary Babbitt over the weekend, and one of the things he is interested in is the national biological survey.

How would that meld with the biological diversity program that the Smithsonian is involved in?

Secretary ADAMS. Well, as I am sure he may have already told you, in fact, the information that is available in this area is frankly a matter of shreds and patches.

There are many different kinds of institutions and many individuals who are doing pieces of this complex mix.

There is a very important task in pulling this information together and making it easily available to the researchers who form the community that will be working on this survey.

I think that is an area where the Smithsonian with its great strength in systematic knowledge in these fields can make a major contribution.

Mr. Babbitt has come over and visited with us, and we have loaned him the Assistant Secretary for External Affairs to work with him in designing his legislative program, and I think we will be cooperating very closely as that goes forward, and I think we really need to.

DEACCESSIONING OF COLLECTIONS

Senator REID. In today's newspaper, the Washington Post, there was an article on an auction that took place yesterday where certain things were sold, which brings us to the point as to whether we should be selling treasures that we have.

Are you familiar with this article and others like it?

Secretary ADAMS. I am familiar with many articles like it, but I did not see it this morning.

Senator REID. Do you think this is appropriate?

Secretary ADAMS. This is an area which we have given great thought to, and which is covered in detail in the collections management policy for each of our museums.

I think if Claudine Brown is here, perhaps she is the one to speak to this, Deputy Assistant Secretary for the Arts and Humanities.

I think you need to understand the diversity of the Institution with different requirements and different priorities on this set of issues as you go from one part to another.

So one part of what I hope she covers will indicate the different ways in which we are approaching this in different parts of the Institution.

Ms. BROWN. Good afternoon.

The issue of deaccessioning collections and, in fact, selling them, and then using the proceeds, has been a topic of discourse within the American Association of Museums and its Ethics Committee.

Different types of museums have different issues when they are attempting to deaccess.

Natural history museums may be deaccessing specimens. Art museums may be deaccessing works of art. And history museums may be deaccessing works that are of great historical significance.

Their recent language that was just published about 1 month ago suggests that the proceeds from these sales should only be used for acquiring new collections or for maintaining existing collections.

In the past, the earlier language which had been a subject of great dispute suggested that possibly the moneys could be used for broader purposes.

There is a lot of controversy because a lot of museums are suffering right now because they are not getting the kind of support that they got in the past, so some of them are looking to sell collections in order to stabilize themselves.

That is a practice that is absolutely frowned upon, and it is highly discouraged, and all museums are encouraged to use any funds that they acquire specifically to acquire new objects, or to stabilize the collections.

Stabilizing the collections is a broadening of the language that many museums have fought for.

Senator REID. Stephen Weil, who is Deputy Director of the Hirshhorn, suggests that deaccessioning would be like opening Pandora's box.

Would you disagree with that?

Ms. BROWN. We absolutely agree, except that there is some deaccessioning that is done as a matter of course for very specific reasons by all museums.

Secretary ADAMS. For example, at the Hirshhorn itself the original donor specified that he wanted this to remain a museum of contemporary art, not a monument to his collection, but one that continued to become current.

The prospective of selective deaccessioning in order to acquire new works is something that proceeds at the Hirshhorn quite regularly in response to the intention of the donor.

Senator REID. Do you have an estimate as to the value of the things in the Smithsonian's collection that could be sold, deaccessioned?

Secretary ADAMS. We have no such estimate, and preparing one would be——

Senator REID. I bet you do not want one, either. [Laughter.] There is a vote pending.

CORPORATE SPONSORSHIP OF EXHIBITIONS

Would you care to comment on the news accounts and provide your thoughts on the display of corporate logos and commercialization at the Smithsonian?

Secretary ADAMS. This is a very troubling area but one that I think has to be understood in the context of the increasingly difficult financial conditions that all museums, not merely the Smithsonian, face.

If we are to vary the fare that attracts people to Washington and attracts people to the Smithsonian, we have got to maintain circulating exhibits rather than fixed ones.

I think it is a matter of embarrassment that some of our fixed exhibits have been in place for far too long. To have exhibits for shorter times is really a matter of great importance in most of our museums.

Now for that to be possible in the present climate, it is becoming more and more difficult to obtain funding from the usual sources which are corporate sources as a matter of pure philanthropy.

The sources of funding are tending more and more to come from advertising and marketing departments. We are faced with what is regarded by some as a path that leads down the road to total destruction of the fundamental ethical stance of the Smithsonian if we involve ourselves in this.

I do not think that is the case. I think we have to make some accommodations in order to maintain the private side of the public/private partnership under these conditions.

Obviously we have to do it within the bounds of good taste, and we have retained in every case the right to make the final determination on that score. We have also made it an absolute with no exceptions that the content of the exhibits is a matter that we alone control.

Senator REID. Because as you are aware there is a newspaper article, or a number of them, but one appeared in several newspapers, one entitled "Orkin As Salvation of Smithsonian Insects Has Critics Bugged."

Secretary ADAMS. It has critics bugged. I am aware of it. I think that may be a case where we went further than we should, I am not sure.

Senator REID. How much money did they, in effect, contribute?

Secretary ADAMS. I think it was \$500,000. On the other hand, we had tried—this was a very popular exhibit—we had tried very hard to find another source of funds for bringing this up to date, and at some point or other you have to make these difficult choices. As I say, I understand why we made it at the time. I am not sure I would make it today, now, knowing how extensive the criticism is.

Senator REID. We have numerous questions that we want to ask on deaccessioning.

Secretary ADAMS. Yes.

PROJECTED INCREASES IN RESTRICTED FUNDING

Senator REID. Also, on the subject that Senator Nickles brought up, the marine research vessel reprogramming. We have a lot of questions that need to be answered about approving the money that has been requested, in fact, in this area. We have many more questions here than in any other area. It is difficult for us to understand. Your estimate of nonrestricted funds for the Museum of Natural History next year is an increase of nearly \$1.8 million over 1993, or about 26 percent. For the Museum of American History you are showing an increase in restricted funds of about 84 percent.

Do these increases suggest a change in direction from the rather pessimistic view that was presented at last year's appropriation hearing concerning the amount of non-Federal funds that the Smithsonian was anticipating?

Secretary ADAMS. No; I think you really need to look at the combination of the restricted and the unrestricted—of the restricted funds and the unrestricted funds on the trust side, but also the Federal side, and I do not think this represents any shift of significance.

Perhaps Mrs. Newman could comment.

Ms. NEWMAN. I agree. What we can do is show you over a 2- or 3-year period of time how there have been changes in the restricted and the unrestricted, but the bottom line of pessimism unfortunately still is proper.

Senator REID. Is 1994 based on actual pledges?

Ms. NEWMAN. No; it is a projection.

MITCHELL CASE

Senator REID. Regarding the *Mitchell* case, are there any remaining financial responsibilities to the Smithsonian?

Secretary ADAMS. On the *Mitchell* case, no, there are no remaining financial responsibilities. The case goes to trial I believe on the 17th of this month.

Senator REID. How much is the Smithsonian likely to spend in these costs? That is, travel, legal representation?

Secretary ADAMS. In connection with that trial?

Senator REID. Yes.

Secretary ADAMS. Well, there are only a very few Smithsonian witnesses who are here in town.

Senator REID. So it is nothing that is extraordinary?

Secretary ADAMS. I do not see anything there.

ADVANCED X-RAY ASTROPHYSICS FACILITY

Senator REID. The Smithsonian Astrophysical Observatory. How much has been spent to date on this facility? You are requesting about \$250,000 this year.

Secretary ADAMS. Mr. Hoffmann, can you respond?

Dr. HOFFMANN. Are you referring to the major scientific instrumentation account?

Senator REID. Advanced x-ray astrophysics facility.

Dr. HOFFMANN. Oh, the advanced x ray astrophysics. That is a program that was won as a competitive grant by SAO, and the total grant on the contract is on the order of \$80 million over 10 years.

I cannot give you specific figures as to what we have done so far. We are looking for space for it.

Senator REID. But you will give us that figure?

Dr. HOFFMANN. I do not have the figure, but I can give you that figure.

[The information follows:]

ADVANCED X-RAY ASTROPHYSICS FACILITY SCIENCE CENTER

From inception (May 14, 1991) through the end of fiscal year 1993 (September 30, 1993), SAO expenditures for the Advanced X-Ray Astrophysics Facility (AXAF) Science Center from SAO Federal funds are projected to total \$1.1 million (including initial provision of computer equipment, staff salaries, and rental of space). During this same period, SAO expenditures of NASA funds for the AXAF Science Center will amount to about \$4.6 million.

From the start of fiscal year 1994 through the first third of fiscal year 2001 (end date for the current contract between SAO and NASA for the AXAF Science Center), total SAO expenditures of SAO Federal funds associated with the AXAF Science Center are projected to be \$7.2 million. These projected SAO costs assume the hiring of two additional Federal staff members beginning in fiscal year 1995 and continuing for the duration of the program.

During this same period, total SAO expenditures of NASA funds for the AXAF Science Center are projected at \$75 million. Thus, the SAO contribution from SAO Federal funds would represent a "cost-sharing" of about 9 percent of the total cost.

Dr. HOFFMANN. We had also asked for in our original request for two positions and \$196,000. This was to try to make good on what we had originally told NASA we thought we could put into it. Unfortunately, that was removed.

Senator REID. Tell me to what extent, if at all, will these costs be shared with NASA?

Dr. HOFFMANN. Well, NASA is providing the lion's share of the funding. That \$80 million is coming from NASA.

Senator REID. What does Smithsonian anticipate they will realize from this project?

Dr. HOFFMANN. We will have the world's major data center for the advanced x-ray telescope, and we will be responsible for the reduction of those data. Those data will be available to scientists all over the world.

The Smithsonian will be playing a very important role in world astrophysics and in the understanding of the universe.

ADDITIONAL COMMITTEE QUESTIONS

Senator REID. I have to leave. We have a vote. I think, rather than coming back, I think we will recess the hearing. We have, as

I indicated, a number of written questions and we would appreciate your getting those back to us as soon as possible.

I am sorry I had to come late and leave early.

Secretary ADAMS. We will move very expeditiously.

[The following questions were not asked at the hearing, but were submitted to the Institute for response subsequent to the hearing:]

ADDITIONAL COMMITTEE QUESTIONS

Budget Request

Question 1: According to the minutes of the Board of Regents' meeting of February 1, 1993, your FY 1994 request to OMB totalled \$425.4 million, an increase of over \$81 million from the FY 1993 appropriation and nearly \$86 million over your request to Congress. This would appear to be a considerably different funding strategy for 1994 than what has been presented to Congress.

Could you indicate for me what the overall strategy and philosophy was behind your \$425.4 million request to OMB?

Answer: The Smithsonian's FY 1994 budget request to OMB (submitted in September 1992) reflected the priorities highlighted in Choosing the Future, FY 1993 - 1997, the Institution's five-year prospectus in effect at that time: providing stewardship of the public trust, conducting research and increasing our understanding of the environment, exemplifying cultural pluralism, and modeling effective education practices.

The Salaries and Expenses (S&E) request to OMB (\$337.7 million and 4,985 workyears) represented a net increase of \$26.7 million over the FY 1993 base (which represented the FY 1993 S&E Request to Congress--\$311 million). Of this requested increase, \$22.3 million was for the support of ongoing programs and operating infrastructure requirements including \$17.5 million to cover the increased costs of mandated items such as utilities, rental of space, and legislated pay raises. New program initiatives, each responding to a clear national and public imperative, accounted for \$4.4 million of the requested increase in Salaries and Expenses, including \$2 million for activities related to cultural pluralism, \$1.3 million for global change research, and \$1.1 million for education.

The Smithsonian's request to OMB for the Construction program for FY 1994 totaled \$38.85 million. Projects proposed by the Smithsonian for the FY 1994 budget include planning, design and construction for the facilities of the new National Museum of the American Indian (\$21 million); completing the Natural History Building's East Court project (\$5 million); beginning design for the Collections Research Center at Suitland, Maryland (\$4.5 million); completing the design for renovation of the General Post Office Building (\$1.3 million); planning an African American Museum (\$300,000); and several projects involving minor construction and/or modifications to existing buildings (\$6 million). The Institution also requested \$750,000 for FY 1994 to continue planning for future construction projects.

The request to OMB for the construction program at the National Zoological Park for FY 1994 was \$8.5 million. The request included \$3.1 million to fund the highest priority repair and renovation projects at the Rock Creek Park site and Front Royal, Virginia; \$5 million for major construction at Rock Creek, including completion of the Aquatic Trail - Living in Water phase of the Zoo's Aquatic Habitats and beginning construction on the African Grasslands Exhibit; and \$400,000 to design a new, prefabricated building to consolidate maintenance, grounds, transportation, supply and commissary operations into a single location at the Conservation and Research Center at Front Royal, Virginia.

The request to OMB for the Repair and Restoration program for FY 1994 was \$39 million. The request included \$8.95 million for the Major Capital Renewal program and \$30.05 million for the Repair, Restoration, and Code Compliance projects.

Following the submission of the FY 1994 budget request to OMB in September 1992, three factors combined to change the overall strategy and philosophy of the FY 1994 budget as presented to Congress in April 1993.

- (1) Congressional action on the FY 1993 appropriation resulted in a decrease of \$15.44 million to the FY 1993 S&E base as it was reflected in the FY 1994 request to OMB.
- (2) The Smithsonian conducted a comprehensive review of its programs and began to implement the first phase of a multi-year restructuring plan, which significantly changed the composition of the FY 1993 S&E base. Primary features of the restructuring included (1) the redistribution of funding to eliminate shortfalls in required funding to cover mandated costs; (2) the establishment of two SI-wide funds for (a) Research Equipment, and (b) Information Resources/Collections Management; and (3) the redirection of base resources to strengthen funding for the Institution's highest programmatic priorities.
- (3) The Smithsonian received its FY 1994 Passback from OMB totaling \$339.449 million for all accounts. The Passback, based on the FY 1993 appropriation and incorporating the effects of Government-wide reductions in the Federal workforce and administrative expenses, represented a reduction of \$4.8 million in the Salaries and Expenses account from its FY 1993 level and straight-lined the capital accounts at their FY 1993 appropriation level. (This represented a \$84.6 million reduction to the Institution's request to OMB.) Using the flexibility allowed by OMB, the Institution determined the redistribution of the Passback among accounts in order to provide for the most critical operating and capital requirements for FY 1994.

Question 2: Would you provide for the record the major initiatives, programs or projects and the funding associated with each of them, that were included in your request to OMB but were deleted from your request to Congress?

Answer: The following list provides a summary of the major initiatives, programs and projects which had been included in the Smithsonian's FY 1994 request to OMB, but were deleted from the request to Congress.

In the Salaries and Expenses account, the list has been adjusted to exclude \$125,000 initially requested as increases in the FY 1994 OMB request, but which had subsequently been included in the FY 1993 appropriation.

The FY 1994 increases partially funded in FY 1993 included infrastructure support for the Festival of American Folklife (included in "Specialized and Technical Staff"); and facilities maintenance and education at the Cooper-Hewitt Museum.

In the Zoo Construction account, the list has been adjusted to exclude funding for Renovation, Repair, and Improvements which had increased from the request to OMB to the request to Congress by \$400,000.

Program Funding Not Included in Request to Congress

	<u>FTE</u>	<u>\$000s</u>
<u>SALARIES AND EXPENSES</u>		
<u>Infrastructure Requirements</u>		
Collections Management	5	1,597
Specialized & Technical Staff and Support Costs	8	1,219
Major Scientific Instrumentation	3	1,158
Information Systems	1	1,244
Management Control and Audit Deficiencies		61
Facilities Maintenance Deficiencies	13	2,137
Health and Safety (including Asbestos Cleanup)	<u>11</u>	<u>973</u>
Subtotal, Infrastructure	41	8,389
<u>Program Initiatives</u>		
Global Change Research	5	1,300
Cultural Pluralism	24	2,007
Education	<u>19</u>	<u>1,030</u>
Subtotal, Program Increases	48	4,337
TOTAL, SALARIES AND EXPENSES	<u>89</u>	<u>12,726</u>
<u>ZOO CONSTRUCTION</u>		
<u>Rock Creek Master Plan</u>		
Aquatic Trail - Living in Water		3,200
<u>Conservation and Research Center Development Plan</u>		
Maintenance Facility (design)		400
TOTAL, ZOO CONSTRUCTION		<u>3,600</u>
<u>REPAIR AND RESTORATION OF BUILDINGS</u>		
Major Capital Renewal		7,600
<u>Repairs, Restoration, and Code Compliance</u>		
General Repairs		460
Facade, Roof, and Terrace Repairs		1,935
Fire Detection and Suppression Projects		815
Access, Safety, and Security Projects		2,480
Utility Systems Repairs		1,225
Advanced Planning and Inspection		<u>485</u>
Subtotal		7,400
TOTAL, REPAIR AND RESTORATION		15,000

	<u>FTE</u>	<u>\$000s</u>
<u>CONSTRUCTION</u>		
African American Museum		300
General Post Office Building		1,300
Suitland Collections Research Center		4,500
National Museum of the American Indian		
Mall Museum Building		5,000
Suitland Building		9,800
National History East Court Building		5,000
Minor Construction, Alterations, and Modifications		2,000
Construction Planning		550
TOTAL, CONSTRUCTION		<u>28,450</u>

Question 3: Mr. Adams, on February 4, the Smithsonian submitted a proposed restructuring/reprogramming to the Congress. It is my understanding that the primary goal of the restructuring is to reach a financial equilibrium that balances wise use of available resources and the priorities of the Smithsonian. In your reprogramming request, you targeted a \$14 million reduction with about \$5.8 million being redistributed throughout the Smithsonian for identified shortfalls.

Concerning your request to OMB, is the level of funding you requested from OMB the amount that you feel would be necessary for the Smithsonian even considering the goals and effects of your restructuring/reprogramming proposal?

Answer: The request to OMB included several items in support of program initiatives that are essential to maintain the vibrancy of the Smithsonian's research and educational outreach programming as well as to sustain the supporting collections management, administrative, and facilities infrastructure. In the short run, the Institution can defer some of the planned actions associated with these funds, and can accommodate its most pressing needs through internal reallocations. In the long run, however, its programs will be seriously compromised without an infusion of funds to permit catch-up and regular sustenance of the infrastructure items and development in newly emerging areas.

Question 4: Would you please comment on how your restructuring proposal relates to such a large budget increase requirement?

Answer: The Institution's restructuring plan, approved by Secretary Adams in December 1992 and the Smithsonian's Board of Regents in February 1993, represents a significant change from the strategy and philosophy of the earlier request to OMB, which had reflected a large budget increase requirement for FY 1994.

In the spring of 1992, the prospects for increased Federal appropriations dimmed considerably, as the Federal deficit continued to grow and the economy remained stagnant. Within the Smithsonian, it was becoming increasingly clear that in the absence of major structural changes, each component bureau and office of the Institution would continue to find itself in a state of financial imbalance with very little financial flexibility. Both conditions would only worsen as costs continue to increase and the Federal appropriation and unrestricted Trust fund income each remain flat or decline--the anticipated reality for the next several years.

Based on this reality, the Institution undertook a comprehensive and systematic financial restructuring to implement a permanent downsizing and to attain an equilibrium through contraction rather than growth. The decision-making throughout this restructuring process has been guided by a framework of six core priorities: the care and conservation of Smithsonian collections and facilities; the retention of a vibrant, broadly appealing exhibition program; the maintenance of momentum in Smithsonian major research programs where the Institution has a strong tradition and comparative advantage; the meeting of mandated responsibilities, including but not limited to those related to environmental management, safety, and access for people with disabilities; the provision of an adequate administrative and service base to plan for and handle a transition to downsized programs and operations; and the retaining of recognizable salience, to the fullest extent that these other priorities permit, for key outreach programs to educate, widen, and diversify Smithsonian audiences, and for those contributions to an understanding of global change that lie most directly within the Smithsonian's area of expertise and responsibility.

In addition, eleven principles were established as the basis for decisions to reduce or leave static the FY 1993 levels for individual bureaus and offices: inherent validity of programs as contributors to the Smithsonian's reputation for scholarly excellence and high standards of performance of public service; strategic importance of programs to the future of the Institution, including central services widely required by Smithsonian bureaus and offices; comparative historical growth in Federal appropriations among the bureaus and offices; financial and operating flexibilities suggested by scope and variety of efforts; access to and availability of multiple sources of alternative funds; evidence and indications of cost-conscious operations; unalterable commitments that control spending plans; ratio between personnel costs and funds available for other objects of expense; prospective organizational changes, reductions or placements; potential for streamlining operations; and efficiencies through cost-reimbursement procedures.

Whereas the FY 1994 budget request to Congress is based on the stark reality of the Federal budgetary situation and the assumption that the Institution must rely primarily on its own restructuring process to provide resources for future funding requirements, the earlier FY 1994 budget request to OMB had been based on the Institution securing additional funding from OMB and Congress to address its most critical infrastructure requirements and program initiatives related to national imperatives. Therefore, it is extremely difficult to relate the two requests.

Question 5: Did your request to OMB ask for additional funds in areas where you targeted a reduction in the reprogramming request?

Answer: There are a small number of areas for which the Smithsonian had asked for additional funds in the FY 1994 request to OMB, but which had been targeted for reduction in the Institution's Restructuring Plan. The major areas involved include Major Scientific Instrumentation, Collections Storage Equipment for the Museum Support Center, and the Smithsonian/Man and the Biosphere Program. As part of the restructuring plan, Smithsonian management determined that the timelines for the first two programs could be lengthened, shifting funding for certain program costs from the current year to future fiscal years, without drastically affecting their progress in the short term. In the case of the Man and the Biosphere Program, the reduction was related to savings in administrative and program support costs as a result of eliminating the separate office established to administer the program.

New Construction

Question 6: On page iii of your FY 1994 budget justification you state:

"In order to work within the current constrained environment and to minimize the disruptions to the restructuring process underway, the Institution examined carefully the schedules for all its construction projects and determined that it could absorb the cost of personnel reductions by limiting the requests in the construction accounts without jeopardizing any projects."

Would you please provide for the record copies of all the schedules for Smithsonian construction projects?

Answer: The following chart provides the current schedule and estimated costs of construction projects now in the five-year program.

CURRENT SCHEDULE OF MAJOR CONSTRUCTION PROJECTS AND
CONSTRUCTION COSTS IN FIVE YEAR PROGRAM

(Based on Funding Projections in Choosing the Future, FY 1994 - 1998)

<u>NMAI Custom House</u>		Authorized
Estimated Cost:	\$24 million (2/3 non-appropriated funds)	
Design Start:	July 1990	
Construction Start:	September 1992	
Occupancy:	April 1994	
Public Opening:	November 1994	
<u>NMAI Cultural Resources Center</u>		Authorized
Estimated Cost:	\$50 million (Federal)	
Design Start:	August 1992	
Construction Start:	Spring 1995	
Occupancy:	1997	
<u>NMAI Mall Museum</u>		Authorized
Estimated Cost:	\$110 million (1/3 non-appropriated funds)	
Design Start:	Summer 1993	
Construction Start:	1997	
Occupancy:	2000	
Public Opening:	2001	
<u>NMNH East Court</u>		Authorized
Estimated Cost:	\$30 million (Federal)	
Design Start:	January 1992	
Construction Start:	Spring 1994	
Occupancy:	1996	
<u>Suitland Collections Center</u>		Not Authorized
Estimated Cost:	\$81 million for Phase I (Federal)	
Design Start:	1995	
Construction Start:	1997	
Occupancy:	2000	

<u>Air and Space Museum Extension</u>		Not Authorized
Estimated Cost:	\$185 million	
Design Start:	1996	
Construction Start:	1999	
Occupancy:	2002	
<u>African American Museum</u>		Not Authorized
Estimated Cost:	no detailed schedule or cost estimates for design, construction, occupancy or opening can be developed without further planning	
<u>General Post Office</u>		Authorized
Estimated Cost:	\$40 million authorized (Federal)	
	on hold pending evaluation of construction priorities and discussion with GSA	
<u>Administrative Service Center</u>		Not Authorized
Estimated Cost:	\$60 million (mortgage to be paid off with S&E/Trust)	
	from authorization to occupancy will take about 4 years	
<u>NMNH West Court</u>		Not Authorized
Estimated Cost:	\$13 million (non-appropriated funds, not including projection equipment or film production)	
Design Start:	January 1994	
Construction Start:	Spring 1995	
Occupancy/Opening:	July 1997	

Question 7: While I am impressed by the Smithsonian's efforts to restructure and adapt to budget realities, I am concerned that in some areas this amounts to little more than simply postponing the inevitable. I note, for example, that the Regents agreed at their February meeting to seek authorization for what I believe is to be the first phase of a \$191 million building program to expand the Museum Support Center. This is to commence immediately after the \$44 million Cultural Resource Center is completed at the Suitland site as a part of the National Museum of the American Indian which also includes construction of a Mall facility that is estimated to cost \$106 million. Then there is the extension facility for the Air and Space Museum which is estimated to cost \$163 million and the proposed National African American Museum for which the Smithsonian has yet to provide us with a cost estimate.

Which of the construction projects I just mentioned have been specifically authorized by the Congress?

Answer: The preceding chart indicates the authorization status of each project currently in the construction program.

With regard to the concerns expressed by this question, it should be noted that restructuring--an iterative, participative process involving all segments of the Institution--has to be done deliberately and carefully in a manner that is the least disruptive to normal operations. Although it may appear that this is postponing the inevitable, the incremental nature of the process is essential to making these difficult decisions in a prudent manner.

Question 8: Are you proposing to finance any of these projects using external debt?

Answer: Yes, if the extension facility for the Air and Space Museum is authorized by Congress, the Institution may finance a portion of the investment through external debt. Preliminary studies done in 1989-90 indicated that revenue generating activities (e.g., parking fees, restaurant, shops) may be able to support up to \$50 million of external debt. Once the project is authorized, the Institution will update the project plan and develop a more detailed evaluation of the need for and the amount of external debt to be used in the funding of the project. The Smithsonian also plans to finance the National Museum of Natural History West Court project with external debt, as discussed further in answer number 10.

Question 9: Has the Smithsonian ever used external debt to finance any other construction projects?

Answer: Yes, the Smithsonian borrowed \$11 million in 1986 to fund a portion of the \$17 million construction cost for the restaurant at the National Air and Space Museum. At the end of FY 1992, the outstanding balance on the loan was \$9.5 million.

Question 10: With regard to the Smithsonian's proposal to finance the Museum of Natural History's West Court Redevelopment project with external debt, does the Institution intend to seek appropriated funds to make up for any unanticipated shortfalls needed to repay the private financing? To what extent will the Federal Government be ultimately liable for any such shortfalls?

Answer: No, the Institution does not intend to seek appropriated funds to make up for any shortfalls needed to repay the private financing. The external debt for each project is designed to be serviced from the revenues generated by the project. In fact, federal funds will specifically be excluded as a source for debt repayment. Hence, under no circumstances will the Federal Government be liable. Shortfalls in project revenues will be funded from Trust funds of the Institution.

Question 11: The minutes of the Regents' February meeting indicate that you will be requesting \$2.5 million in FY 1994 and FY 1995 to fund costs associated with the planning and design of the Museum Support Center expansion. I did not see anything in your FY 1994 request related to this project. Will you be requesting any funding for this project in FY 1994?

Answer: At its February 1993 meeting, the Board of Regents voted to approve the development of the Suitland Collections Research Center--a new complex of facilities at the Smithsonian's Suitland site to store, conserve, document, and research collections from several Smithsonian museums. Phase I of the Collections Research Center would be the construction of a building to house collections of the National Museum of American History, the Anacostia Museum, the National Museum of American Art, the National Portrait Gallery, the National Museum of African Art, the Hirshhorn Museum and Sculpture Garden, and the Arthur M. Sackler Gallery. It also supported the introduction of legislation to authorize \$5 million to plan and design the facility. The Smithsonian's budget request to Congress does not include any funding for this project in FY 1994.

The development of the Collections Research Center is the central feature of the Institution's long-term plan to resolve collections storage, care, and study space deficiencies. The Smithsonian has had to resort to storing collections in leased space because it currently does not have sufficient space in its existing facilities. However, leased facilities often cannot provide the optimal environmental conditions required for museum objects; nor is the use of leased space an economical solution, particularly for the long term. In the current budgetary situation, though, the major increases in funding

required to construct these facilities will be a significant obstacle to implementing this plan.

Question 12: The total cost of these projects exceeds one half of a billion dollars. I am concerned that many of the mortgages associated with these projects will overlap during the next ten years. How are we expected to pay for these projects?

Answer: Although the total cost of these projects exceeds \$500 million, we currently plan to borrow only about \$85 million (i.e. \$50 million for the NASM extension and \$35 million for the West Court Redevelopment). The remaining funding will come from Federal funds and Institutional fund raising from external private sources. Our current projections show that the two projects funded by external borrowings should have ample revenue to service the increased debt.

In some cases, however, there are no viable alternatives to Federal funding because they do not lend themselves to fund-raising (e.g., Suitland Collections Research Center) and/or they lack income streams that can be dedicated to retiring mortgages.

Question 13: What are the estimated staffing and operational costs associated with these projects?

Answer: Staffing and operational costs will be developed during detailed planning of each project.

Question 14: How do these new projects and their related operating and staffing costs relate to your efforts to restructure the Institution?

Answer: Because the first phase of the restructuring process was concerned with the equilibrium within Salaries and Expenses, or operating funds, there has been no direct relationship to the Institution's decision-making process for future construction projects to date. During FY 1992, the Institution revised its construction planning process to establish a Capital Program Planning Review Board which considers the impact of operating and staffing costs as part of the decision-making process for construction projects. As future phases of the restructuring effort are implemented, these restructuring decisions will incorporate the implications of the required operating and staffing costs related to specific approved construction projects as these project are ready to come "on line."

Collection Boxes

Question 15: Eight demonstration sites for the collection of voluntary donations have been established at the National Air and Space Museum, the Museum of American Art, the National Portrait Gallery, the National Zoo, and the Anacostia Museum. This collection demonstration is scheduled to run for seven months and was started in April 1993. The total cost for this demonstration, including on-going collection and accounting for the demonstration period is estimated to be \$55,700. That comes out to nearly \$7,000 per collection site for installation and operation.

Mr. Secretary, I realize that this demonstration has only been in place for a short time, but can you give me any idea of how it is progressing and how much money has been collected so far?

Answer: The demonstration was implemented on March 26, 1993 and, as approved by the Regents at its February 1 meeting, will be operate for one year rather than the seven months originally proposed. Security, accounting, public relations and

overall monitoring procedures are in place. To date, all aspects of the infrastructure supporting the demonstration are functioning smoothly.

Preliminary reports suggest that changes need to be made to increase public awareness of the donation boxes. Given the demonstration nature of the project, the Institution is planning to experiment with location, box design and ancillary materials. Some changes in location have already been made.

Reports on receipts will be submitted to the Secretary on a quarterly basis. The Institution can make this information available to the Subcommittee following the initial quarterly report.

Question 16: Given what appears to be significant initiation and operation costs for this type of collection operation, do you think that this type of collection really has a chance to be profitable?

Answer: The Institution is reserving judgement on whether or not the demonstration will prove that this type of operation can be profitable. As anticipated, collecting funds in a public institution and ensuring the integrity of the process is both complex and costly.

Question 17: Did you look at any alternative types of volunteer collection procedures when you were developing this idea?

Answer: Yes, the Institution examined voluntary collection procedures in several major metropolitan communities.

Question 18: If so, would you please indicate what they were and why they were not used?

Answer: The Institution considered the costs and the implication of having a staff member collect contributions directly from the visitors. This method is considered the most persuasive, however it would necessitate that we incur on-going costs for admissions staff and additional security and it may be misinterpreted as mandatory by some visitors. While the start-up costs for the collection boxes is significant, the long-term costs should be lower than for a system requiring additional personnel. In addition, the Institution determined that the use of collection boxes was less intimidating and would not deter visitation. We are currently attempting to identify a strategy to encourage voluntary contribution, without appearing to have an admissions fee.

Question 19: It is also my understanding that there are books next to the collection boxes to allow museum visitors to provide comments and suggestions. Have any comments been provided? If so, have they been negative or positive concerning the donation demonstration?

Answer: Based on staff recommendations, the final design did not include comment books. Upon request, a handout providing additional information--in English, Spanish, French, German, Chinese, and Japanese--is available at information desks. Press interest, public inquiries and comments have been minimal. The comments we have received have been generally supportive.

Repair and Restoration of Buildings

Questions 20: Mr. Secretary, I would like to read a few sentences from your budget concerning the condition of the Smithsonian buildings:

"Funding levels for maintenance, repair and preservation of buildings are not keeping pace with the rate of deterioration. A substantial backlog of unfunded but currently needed essential repair work exists and continues to grow. These repairs are vital to ensure the continued reliable functioning of building equipment and systems, long-term preservation of buildings, and compliance with life safety and health codes and standards. The most recent (January 1993) estimate of the backlog of currently unfunded projects is \$226 million. This figure represents an increase from the January 1992 level (\$221 million) for which Congress appropriated \$24.2 million in FY 1993."

Mr. Secretary, the message carried by this passage does not paint a pretty picture of the condition of the Smithsonian facilities. With a repair and maintenance backlog that now exceeds a quarter of a billion dollars at one of the most visited national attractions in our nation's capital, I think it would be appropriate to try and look to ways to get this problem under control.

Your budget on page 174 further states:

"Only a sustained commitment to increased funding over the current level will allow the Institution to reduce the backlog in an orderly manner to ensure preservation of its buildings for continued use by future generations."

Mr. Secretary, with this type of problem staring you in the face, why did you not request additional repair and restoration funds in your budget request to the Congress?

Answer: The Smithsonian would have requested a level of \$39 million for the Repair and Restoration account had it been possible to do so. However, after the receipt of the OMB Passback for FY 1994, the Institution had to make many hard decisions about the best way to distribute the Passback by account. The Institution remains committed to continuing its efforts to reduce the substantial backlog of deferred maintenance and repairs in its various facilities and protect the integrity of its physical infrastructure.

At the same time, however, Smithsonian management also believed that it was essential to maintain a degree of stability in the Salaries and Expenses account, following the difficult restructuring process undertaken earlier in the year. The restructuring process had required a comprehensive reexamination of the Institution's resource allocation process and had resulted in broadly based participation at all levels to reach the difficult decisions on the redistribution of S&E base funding. Further reductions to base funding could not be absorbed at this time without reversing decisions agreed upon by this process.

For FY 1994, therefore, it could not request more than \$24 million for the Repair and Restoration program and still provide for mandated costs increases and essential operating requirements in the Salaries and Expenses account, and for other capital requirements in the Construction and Zoo Construction accounts.

Question 21: As a matter of fact, what was the rationale for requesting a small decrease in this area?

Answer: The slight decrease in the level requested for the Repair and Restoration account represented a "rounding" adjustment, resulting in a request level in

"whole" million dollars. The decrease was not related to any programmatic decision to reduce R&R funding.

Question 22: What level of annual funding commitment do you feel is necessary to address the facility backlog?

Answer: The optimal annual funding level for the Institution's Repair and Restoration of Buildings account is \$39 million. At this level of funding, the Institution would be able to make a sustained commitment to reduce the substantial backlog of deferred maintenance and repairs in its various facilities and protect the integrity of its physical infrastructure. These repairs are vital to ensure the continued reliable functioning of building equipment and systems, long-term preservation of buildings, and compliance with life safety and health codes and standards. The most recent estimate of the backlog of currently unfunded projects, made in January 1993, is \$226 million, an increase of \$5 million from the January 1992 estimate of \$221 million.

Despite annual increments of funding, with approximately \$24 million currently provided in FY 1993 and requested for FY 1994, actual appropriations have not kept up with the pace of deterioration. As indicated in the response to Question 20, the Institution would have requested \$39 million for Repair and Restoration funding for FY 1994 had it been possible to do so. Without a substantial increase in the current level over a ten-year period, the backlog will continue to grow as problems that did not previously exist must be added, and the cost to complete existing repairs escalates. Only a sustained commitment to increase funding in the R&R account over the next ten years will allow the Institution to address this serious problem.

Compounding the problem of insufficient R&R resources to reduce the backlog of repairs, the Smithsonian's Office of Design and Construction (ODC) lacks the staff necessary to administer the R&R program effectively and efficiently. Within the S&E account, an additional 17 full-time permanent positions and \$2.1 million in personnel and support costs are needed for ODC to manage the R&R program. Of this amount, \$1.5 million is needed for nine architects and engineers to manage projects at the current funding level. An additional \$600,000 (and 8 positions) is required for ODC to administer the program at the \$39 million level.

Question 23: To what extent does the Smithsonian utilize outside contractors for its rehabilitation and restoration work?

Answer: The Institution currently uses outside contractors almost exclusively for design and construction of R&R projects.

Question 24: Would a greater reliance on outside contractors help expedite completion of your rehabilitation and restoration work?

Answer: No, the only work the Institution does not currently contract out is the kind of work that is more economically done with in-house capability.

Question 25: What was your FY 1994 funding request to OMB for Repair and Restoration of Buildings?

Answer: The request to OMB for FY 1994 was \$39 million, including \$8.95 million for Major Capital Renewal and \$30.05 million for Repairs, Restoration, and Code Compliance. Funding requested for Major Capital Renewal supported the beginning of the phased implementation plan for physical plant renovation of the Air and Space Building (\$1.95 million); the completion of fire protection modifications on

the fourth and fifth floors and the relocation of staff and collections affected by HVAC replacement in the basement of the American History Building (\$1 million); the implementation of the initial phase of construction for physical plant improvements and utility tunnel replacement for the Arts and Industries Building (\$2.3 million); the completion of equipping the roof mechanical rooms, interim repairs of failing equipment, window replacement or repair in the central portion of the building, and the preparation of staff and collections for relocation during construction (\$3.5 million); and the continued design of utility system replacement, energy conservation improvements, and associated architectural modifications of the Smithsonian Institution Building (\$200,000).

Funding requested for Repairs, Restoration, and Code Compliance supported general repairs (\$6.2 million); repairs to facades, roofs, skylights, terraces, and windows (\$4.9 million); fire detection and suppression projects (\$1.95 million); access, safety, and security projects (\$9.4 million); repairs and energy conservation improvements to HVAC, plumbing, electrical, and communications systems and improvements to rest room facilities (\$5.5 million); and advanced design of future-year projects and long-range planning (\$2.1 million).

Question 26: Does the Smithsonian have a long term strategy in place for resolving this problem and reducing this maintenance backlog?

Answer: The Institution's long term strategy calls for annual funding in the range of \$39 million over about 10 years to reduce the backlog to a manageable level and to maintain a responsible ongoing facilities renewal program. Once the backlog of systems requiring upgrades and/or replacement is stable, each facility's subsystem will be placed in a program for scheduled upgrade and/or replacement, based on its remaining useful life. Over time, each facility will be fully renewed by virtue of having renewed each of its subsystems.

Questions 27 and 28: How much of this backlog is considered a priority which deserves immediate attention? How much of the backlog is safety related?

Answer: Approximately \$85-100 million of work in the backlog of essential maintenance and repair is high priority and deserves immediate attention. Of that amount, approximately \$32.5 - 47.5 million can be attributed to major capital renewal; \$20 million to access, safety and security; \$16 million to facade, roof and terrace items; \$8 million to general repairs items; \$7 million to utility repairs; and \$1.5 million to fire detection and suppression.

Approximately \$30-35 million included in the above list is safety related (including work incorporated into Major Capital Renewal projects in various buildings). Much of this total involves removing asbestos and installing new, or upgrading old, emergency systems.

Question 29: What do you think is a reasonable amount of time to eliminate this backlog?

Answer: The Institution believes that ten years is a reasonable time in which to reduce the backlog without significantly increasing the risk of system failure. It would be difficult to accomplish the work much faster, as the buildings cannot accommodate more than about \$39 million worth of work without closing them down and without additional staff to oversee the contractors' work.

Question 30: Mr. Secretary, given the difficult fiscal situation that is before us, has there been any thought to more innovative means to stretch funding capability to help reduce this maintenance backlog?

Answer: The Smithsonian continually seeks innovative means to stretch funding capability to accomplish the repair work more rapidly. The Institution now achieves substantial cost savings by combining projects, either by including similar kinds of work at several locations under a single contract, or by doing different kinds of work required at a particular facility under one contract.

Question 31: Has thought been given to using a youth jobs program for teenagers in the DC area to do some of the less intensive maintenance work and thus free up Smithsonian maintenance personnel to do more heavy maintenance work?

Answer: Few opportunities exist for using area teenagers to assist in the R&R program as most of the repair work requires highly skilled craftspersons. In addition, most of the backlog of work is in the Mall buildings where issues of public safety and historical preservation complicate the repairs and would require close direction of the work of youths. Smithsonian staff are currently not available to provide this high level of supervision.

Question 32: Could local high schools or universities or trade schools be contacted to assist in some manner?

Answer: For the reasons enumerated above, the Institution has not pursued using high school, university or trade schools to assist in the R&R program.

Question 33: Has a volunteer effort been considered?

Answer: The Institution has also not pursued using volunteers to assist in repairing the building, for the reasons cited above.

Question 34: Could you please consider these, and perhaps some other options and provide some information for the record on your thoughts on ways to address this maintenance issue?

Answer: We have given the issue a great deal of thought, and believe that the plan we have outlined on previous occasions is the most efficient and cost-effective solution to the problem of the growing backlog of repairs. With an increase in annual funding of the R&R program to \$39 million, the Institution will be able to bring the backlog down to a manageable level within ten years and thereafter maintain a responsible, ongoing and systematic facilities renewal program. With a parallel increase to S&E funding for the Office of Plant Services, we would be able to provide a higher level of maintenance to the buildings, and thus avoid adding some work to the backlog.

Biological Diversity

Question 35: How much funding is devoted to biological diversity in your FY 1994 budget request? Is this an increase or decrease from the amount included in the FY 1993 appropriation?

Answer: Approximately \$5,600,000 is devoted to biological diversity in the FY 1994 budget request. The FY 1994 budget request for biodiversity is the same as the FY 1993 appropriation.

Question 36: As I am sure you are aware, Mr. Adams, the Secretary of the Interior, Mr. Babbitt is proposing to establish a National Biological Survey within the Department of the Interior. Although we do not have the specifics on this proposal as of yet, my understanding is that this new entity would deal with research and expanding the scientific base surrounding such issues as biodiversity, endangered species among others. As a matter of fact, the Smithsonian has sent Mr. Tom Lovejoy to the Department of the Interior to help develop the details on this proposal.

The minutes of the February meeting of the Board of Regents states that a National Center for Biodiversity will be housed at the Smithsonian and that initial planning efforts to establish such a Center will be conducted by the staff of the National Museum of Natural History.

Mr. Adams, the Smithsonian may be actively pursuing some of the same or similar issues that this new National Biological Survey would undertake. Based on your understanding of this concept, would you care to comment on how you would foresee the Smithsonian interrelating or being involved with a National Biological Survey as proposed by Interior Secretary Babbitt?

Answer: The Smithsonian has been working on several levels to ensure coordination with the Department of Interior's new initiative on the National Biological Survey (NBS). The Director of the National Museum of Natural History (NMNH), along with two members of the Museum's National Board and three staff members, met with Secretary Babbitt to discuss how the Smithsonian might collaborate and interact with the National Biological Survey. In addition, the NMNH met with the National Academy of Sciences Committee that was asked by Secretary Babbitt to provide a report on the organization of the National Biological Survey. As you have noted, The Smithsonian's Assistant Secretary for External Affairs, Tom Lovejoy, is currently on detail to help Secretary Babbitt with planning for the National Biological Survey.

All of these efforts will help to ensure that the Smithsonian's plans do not overlap with the Department of Interior's, but rather that they are developed jointly, relying on the strengths of both institutions. The Smithsonian applauds the effort to establish the NBS, and current plans call for the proposed National Center for Biodiversity at the NMNH to be the focal point for this collaboration. The Biodiversity Center will facilitate information flow between natural history collections and the data therein and the NBS, among other users. The Center will also maintain appropriate contacts with similar centers in other countries. While the NBS concentrates its efforts on understanding the flora and fauna of the United States, the Smithsonian will continue its current worldwide programs and contacts.

Question 37: How does the Smithsonian interrelate with the Department of the Interior now with respect to these and other biological issues where there appears to be some overlap in program responsibilities or scientific direction?

Answer: The Smithsonian has had a long and healthy relationship with the Department of Interior with respect to joint scientific interests. Our collaboration dates back over a century to the beginnings of the original Bureau of Biological Survey, the forerunner of the current Fish and Wildlife Service. The national collections of vertebrate animals were developed jointly by the Smithsonian and the Biological Survey, and are maintained jointly today. The NMNH houses scientists from the Department of the Interior's Biological Survey Unit and from the Geological Survey as affiliates. The

Interior scientists retain curatorial responsibility for the national collections of mammals, birds, reptiles, and amphibians. The Institution has memoranda of understanding and cooperative agreements developed over many decades to help guide our collaborative activities. The collaboration has been a productive one and we look forward to even greater joint contributions with the development of the National Biological Survey.

Question 38: In addition, how does the Smithsonian interact with Forest Service regarding the Forest Service's ecosystem management initiatives?

Answer: The Smithsonian and the Forest Service have a joint committee to oversee mutual interests. The last meeting of the committee was in April, 1993 and included representatives from the Smithsonian's National Museum of Natural History, the Smithsonian Environmental Research Center, and the Smithsonian Tropical Research Institute. The Forest Service's recent increase in international forestry activities has increased the area of mutual scientific interest, and the Institution expects the coordinating committee to continue to provide the appropriate institutional oversight and planning for both parties. A draft Memorandum of Understanding between the Forest Service and the Smithsonian is presently being circulated.

Question 39: How would you see the Smithsonian's Center for Biological Diversity working with a National Biological Survey?

Answer: The Smithsonian envisions its Center for Biological Diversity taking the lead for cooperative activities with the National Biological Survey (NBS). The Center will provide a mechanism for the NBS to access scientific information on biodiversity within the United States and its territories, as well as available information for other countries. In addition, it will promote the general adoption of standardized methods for the collection and management of biodiversity information in order to maximize the utility of scientific data. The Center will promote the development of methods and systems that will enable the NBS to have access to reliable trend information on biodiversity within the United States and other countries. It also will assess the extent of knowledge of biodiversity, such as the presence or absence of natural history data and voucher specimens, in the United States and internationally. The Center will provide opportunities for experts to interact on technical aspects of biodiversity questions. Additionally, the Center will provide the NBS with the capability to exchange biodiversity information with other nations, and similar centers, both established and proposed, as well as other interested international organizations.

Corporate Contributions

Question 40: A news article appeared in early March in several newspapers titled "Orkin's Salvation of Smithsonian Insects has Critic's Bugged". The gist of the news account is that Orkin Pest Control Company contributed \$500,000 for renovation of the insect exhibit at the Museum of Natural History. The article continues to report that the insect exhibit will be known as the "O. Otto Orkin Insect Zoo", and will display the corporate logo of the Orkin Pest Control Company at its entrance, and that this will be the first Smithsonian museum facility to display a corporate insignia.

Mr. Secretary, would you care to comment on this news account and provide your thoughts on the display of corporate logos and commercialization at Smithsonian facilities?

Answer: Historically, the Institution has recognized donations from individuals, corporations, and foundations in a variety of ways--on plaques within exhibits, in

exhibition catalogs, books, brochures, audio-visuals, posters and press releases. Because many corporations feel that the public identifies more with their logo or trademark, they are becoming increasingly interested in having their logo displayed on the gift recognition plaque.

Current Institutional policy allows for the display of corporate logos on a case-by-case basis with the approval of the director of the recipient bureau or office. The terms and conditions of all major gifts to the Institution are outlined in a written agreement between the Institution and the donor. Any display of a corporate logo will be in keeping with the high standards of the Institution.

Moreover, all gift agreements clearly state that the content of all exhibits and programs remains at the sole discretion of the Smithsonian. These provisions ensure that corporate sponsors receive appropriate recognition without compromising the Smithsonian's intellectual control of its exhibits and programs.

In the specific case of the Insect Zoo, the Orkin Corporation donated \$500,000 for the renovation and new exhibit to be named the "O. Orkin Insect Zoo." The new exhibit will display the Orkin corporate logo in compliance with current Institutional policy. The Smithsonian Board of Regents approved the naming of the new exhibit.

In addition to this initial gift, the Corporation has agreed to provide funding for educational materials. The Smithsonian will rely on the expertise of professional educators in developing these materials and will distribute the materials to teachers across the country. The Orkin Corporation will have no intellectual control over the exhibit or related educational materials.

Question 41: Can we and the public expect to see more corporate insignias at Smithsonian facilities now that this door appears to have been opened?

Answer: The Smithsonian strives to maintain its reputation for the highest standards in exhibit design and content. However, many exhibits are in need of updating. Increasing the level of private support will allow the Institution to address these needs as quickly as possible. By allowing appropriately displayed corporate insignias, the Institution hopes to attract increased support from corporations, thus meeting the need to update exhibits and maintain its high standards.

Whether the public can expect to see more corporate insignias in the future will be a function of the Institution's success in raising corporate contributions.

Question 42: Would you care to comment on whether this could begin to establish a precedent on not only the display of corporate identifiers at Smithsonian exhibits, but also perhaps more and more leveraging and input by corporate sponsors concerning the contents and messages of Smithsonian exhibits?

Answer: In all gift agreements, the Institution clearly states that the content of all exhibits and programs remains at the sole discretion of the Smithsonian. The Institution will never compromise the content of exhibitions.

The Institution has been accepting private gifts in support of its work since its inception in 1846. It has also remained scrupulously careful to avoid the appearance and the practice of programmatic intervention on the part of any donor. It is the Institution's intention to continue with this well-established policy.

Question 43: Could you tell me how much input this company has had in developing the format and content of the insect exhibit?

Answer: Orkin has not had, nor has it requested, any input into the design or content of the Insect Zoo. The concept design and script were already complete before the Orkin gift was obtained. The gift agreement only specifies that if the Smithsonian significantly alter the exhibit design and script, it should inform Orkin of the changes.

Deaccessioning

Question 44: I noticed with some interest the discussion that occurred during the Regents' February meeting regarding the whole issue of deaccessioning or the selling of museum collections and artifacts. I was struck by the article written by Steven Weil, Deputy Director of the Hirshhorn Museum, who suggested that deaccessioning might be like "opening Pandora's box".

Mr. Secretary, what is your view of the role of deaccessioning in museum management and specifically what role should deaccessioning play at the Smithsonian? To what extent do we run the risk, because of funding limitations, of turning the "havens for our culture" into auction houses?

Answer: The issue of deaccessioning collections and in fact selling them, and then using the proceeds, has been a topic of much discussion within the American Association of Museums (AAM) and its Ethics Committee. The revised AAM language that was recently published suggests that the proceeds from these sales should only be used for acquiring new collections or for maintaining existing collections.

In the past, the earlier language which had been a subject of great dispute suggested that possibly the monies could be used for broader purposes. This has generated much controversy because museums are not getting the kind of financial support that they received in the past, and are under pressure to find new sources of funding. Accordingly, some of them are looking to sell collections in order to stabilize their fluctuating financial support.

That is a practice that is highly discouraged; all museums are encouraged to use any funds that they acquire specifically to acquire new objects or to stabilize current collections. Stabilizing the collections is a broadening of the language that many museums have fought for.

Specifically at the Smithsonian, deaccessioning must be placed into the context of a more comprehensive collections management policy. In accordance with the Institution's Office Memorandum 308, all Smithsonian museums must have an approved collection management policy in place before they can acquire collections. Each plan raises issues specific to the mission and type of museum. Each must also include Institutionally mandated language that addresses collections care, accessioning, and deaccessioning.

Regarding deaccessioning, Office Memorandum 808 states:

"A collection proposed for disposal is reviewed on the basis of its intellectual value; cultural origin; research potential; attribution and provenance; condition, quality, and quantity; price; cost of conservation, storage, and maintenance; and restrictions of use."

As Stephen Weil's assessment notes, there are risks in making deaccessioning decisions driven by external pressures, but it must be noted that some deaccessioning is

done as a matter of course for very specific reasons by all museums. For example, at the Hirshhorn itself, the original donor specified that he wanted it to remain a museum of contemporary art, not a monument to his collection, but one that continued to remain current. The prospective of selective deaccessioning in order to acquire new works is something that proceeds at the Hirshhorn quite regularly in response to the intention of the donor.

When the Smithsonian collects objects for accession into the permanent collections, it does not intend to deaccession them in the future. However, when it is deemed necessary to do so, deaccessioning of an object must be considered when:

- the object is deemed to be no longer relevant and useful to the purpose and activities of the museum;
- there is a danger of not being able to preserve the object properly;
- the object has deteriorated beyond usefulness;
- the object is identified as redundant through the on-going collections inventory process;
- the deaccession will provide the means for improving or strengthening other areas of the collection and further the goals of the museum.

The Smithsonian will also evaluate the feasibility of taking other actions short of deaccessioning. For instance, as an alternative to disposing of collections, the Institution currently loans or exchanges objects with other museums and uses objects for demonstrations, tours, and conservation research.

Several factors minimize the risk of turning museums from "havens of culture" into "auction houses." Prudent management and curatorial responsibilities require that deaccessioning must be used on a selective basis and must be undertaken as part of a more comprehensive collections policy. Since donors make gifts to museums with the expectation that these objects will be used for research and public exhibition, these collections then become a part of a public trust for which the museum is legally responsible. The selling of museum collections can inflate the market, making it difficult for other museums to acquire; and it can make important objects inaccessible to the general public. Additionally, the practice of deaccessioning to stabilize institutions ultimately deprives the museum of its greatest assets, and can make it prey to those who might take advantage of an institution's vulnerability.

Question 45: Has the Smithsonian ever inventoried or attempted to identify by museum items or collections that might be candidates for selling or donating to other museums or academic institutions?

Answer: The process of inventorying the collections is on-going. This includes collections assessment. Most Smithsonian curators periodically review collections to determine gaps in the collections--which would indicate areas where new objects would need to be acquired and duplicative and extraneous material which might be deaccessioned. The deaccessioned items may be donated to other public institutions or sold at public auction. See questions 40 and 47 for further information.

Question 46: Do you have an estimate of the value of these items or collections?

Answer: The majority of the Smithsonian's collections have never been appraised. Many of its objects are priceless, because they are historically or scientifically unique.

Some are significant because of their relationships to other objects in the collections (i.e., archival materials that refer to objects). The only objects having an appraised value are those which have been auctioned or which are comparable to objects which have sold at auction. The Institution does not focus on the monetary value of the nation's collections. It does give great emphasis to their research and educational value which continues to be immeasurable as each generation approaches the material armed with new perspectives and technologies.

Question 47: The Smithsonian's policy regarding deaccessioning requires that funds realized from the sale of collections are "normally designated for additional collection acquisition" although exceptions to this requirement are allowed if approved by the museum director and by the Assistant Secretaries for the Arts and Humanities and the Sciences. Doesn't allowing for an exception force you to "open Pandora's box"?

Answer: The exception provision is to allow for the possible use of funds for collections management. The American Association for Museums Ethics Task Force has recently crafted new policy language regarding deaccessioning. It recommends that proceeds from the sale of non-living collections be used for both new acquisitions and the direct care of collections. If adopted, this broader language will enable museums across the nation to catch up on inventory backlogs and strengthen initiatives to make the collections more accessible.

Question 48: Would a more aggressive deaccessioning effort at the Smithsonian help you alleviate the need for additional storage space and the problem of funding shortfalls?

Answer: Deaccessioning at the Institution takes many forms. However, even the most aggressive program would not alleviate the need for additional storage space. The Institution currently exchanges with other museums; donates to other public institutions; uses objects for tours, demonstrations and conservation research; and sells works at public auction. Unfortunately, it also witnesses the destruction of objects due to inadequate and inappropriate space. Existing problems aside, adding to the collections is an on-going responsibility. History is made everyday. Species are disappearing from the face of the earth and artists are creating works in every conceivable medium. To curtail or substantially reduce collecting would be an act of irresponsibility on the part of this generation.

As stated in response to an earlier question, proceeds from the sale of deaccessioned items may only be used for additional acquisitions and, as an exception, for the direct care of the collection.

Question 49: In what areas is the Smithsonian expanding its acquisitions? What are the priorities for new acquisitions?

Answer: Each museum sets its priorities based on current research, exhibitions being planned and the availability of rare material and objects that are at risk. For example, the National Museum of American History is currently developing an exhibition on the 19th Century. The Museum is seeking material from that era which document community and labor history. One of the primary concerns of the National Museum of Natural History is the gradual loss of species throughout the world. The Natural History Museum is making efforts to collect species from areas which have been inadequately explored. Collecting priorities change as new research is made available and opportunities present themselves.

Question 50: The General Accounting Office (GAO) estimates that the Smithsonian used \$1.1 million in Federal funds for acquisitions in FY 1991. According to the GAO, the \$1.1 million represented 16.4 percent of the \$6.4 million spent on all acquisitions for the Smithsonian in FY 1991. How much is the Smithsonian currently spending for acquisitions and what portion of those funds are appropriated?

Answer: The portion of the Federal budget devoted to new acquisitions has remained at the level of approximately \$1.1 million dollars for many years. Trust fund expenditures for acquisitions in 1992 were \$8.3 million, including more than \$5.6 million from restricted endowment income funds. Smithsonian museums often accumulate funds for major acquisitions over the course of several years as costs for prime objects increase.

Question 51: In its July 1992 report entitled, "Artifacts Acquisition: Smithsonian Institution and The Library of Congress Should Not Compete", the GAO concluded that the Smithsonian and the Library of Congress had competed against one another for the purchase of jazz works and architectural drawings. In three out of four instances examined by the GAO where this competition existed, the Government ended up paying the highest of the prices being negotiated. To have the Government bidding against itself and to end up paying the highest price doesn't strike me as terribly cost effective.

What has the Smithsonian done to address the concerns raised by the GAO regarding the competition for acquisitions between the Smithsonian and the Library of Congress?

Answer: In response to the GAO's concerns, the Smithsonian has begun to work very closely with the Library of Congress to craft an agreement that describes the roles that each institution is responsible for, a process for inter-institutional negotiations, and methods for mediation.

Question 52: How does the Smithsonian prevent competition for acquisitions from occurring among museums within the Institution?

Answer: Generally, each museum has a separate area of interest with regard to collecting. In areas where an overlap may exist, the curators coordinate their efforts. Curators who are unable to accept important collections often refer donors to their colleagues in the other museums. At the same time, some collections are jointly acquired and owned.

Marine Research Vessel Reprogramming

Question 53: On April 21, 1993, the Smithsonian Institution submitted to the Subcommittee a request to reprogram \$1.3 million in the construction account to cover a projected shortfall of \$1.57 million for the design and construction of a research vessel for the Smithsonian Tropical Research Institute. Approximately \$240,000 of this shortfall would be obtained by the Smithsonian from trust funds and the sale of the existing research vessel. This reprogramming would bring the total cost of constructing the research vessel to \$3.05 million. This is an increase of \$1.34 million or 80 percent from the prior appropriation of \$1.69 million.

It is also my understanding that the proposed reprogramming is possible because it is no longer feasible to continue development of two land-based laboratories at Galeta and San Blas Islands. Funding provided previously for these two projects would be used to make up most of the shortfall for the research vessel.

Mr. Adams, there are several questions that I would like to ask you concerning your reprogramming request.

First, as it relates to priorities and the basic responsibilities of the Smithsonian Institution, it is my understanding that the Smithsonian is currently facing a backlog in maintenance and repair of facilities in excess of a quarter of a billion dollars.

Mr. Adams, given the grave situation concerning the condition of Smithsonian facilities, is the highest priority for reprogramming construction funds to build a research vessel?

Answer: The research vessel is the highest priority for reprogramming construction funds appropriated for STRI projects because it represents a necessary facility for continued world-class research and environmental monitoring at STRI for the whole marine and geological research staff. The reprogramming request not only represents an important augmentation of capacity for critical research but a replacement of facilities to support the existing research agenda.

STRI has been recognized as one of the Institution's top centers of research excellence, and the research vessel is a central component in its marine program. The research vessel will provide unique opportunities for comparative studies of biodiversity and evolution in the Caribbean and eastern Pacific, and for geological studies needed to reconstruct the rise of the Isthmus of Panama, with its consequent effects on global ocean circulation and climate.

Moreover, this vessel will be the only research vessel permanently based in either the Caribbean and eastern Pacific region. It will be available to many scientists from universities and research centers throughout the United States by virtue of STRI's membership in the University-National Oceanographic Laboratory System (UNOLS). It thus becomes a major resource for marine science nationally.

Finally, the research vessel is urgently needed because of the very grave situation concerning the condition of Smithsonian marine research facilities that STRI currently faces:

- First, the construction of the new research vessel is necessary to replace the R.V. Benjamin, a converted motor launch, which STRI had used for its marine research program for the past decade. Built 30 years ago, the Benjamin had exceeded its useful service life and has now been decommissioned and sold. Completion of the new research vessel is essential to sustain STRI's ongoing marine research program.
- Second, as a result of two major unexpected events, the anticipated expansion of two land-based facilities for marine research on the Atlantic side of Panama is no longer feasible. Because of the long-term effects of the 1986 catastrophic oil spill at Galeta, STRI has been forced to limit its research at that site to documenting the impact of the oil spill. Because of the inability to reach an agreement with the Kuna nation regarding the future of the field station in the San Blas Islands, STRI has been forced to eliminate earlier plans to construct a permanent research facility in San Blas. Completion of the new research vessel is essential to support the required relocation of marine research projects from these land-based facilities.

As indicated above, the importance of marine research at STRI, the decommissioning of the previous research vessel, and the failure of STRI's efforts to establish a long-term presence on usable sites on the Atlantic have combined to make

the completion of the construction of the research vessel the Institution's highest priority for reprogramming construction funds.

Question 54: Could you tell me how much of your total budget is dedicated to research and how much of your budget is dedicated to repair, maintenance and restoration of facilities in your FY 1994 budget request?

Answer: The Smithsonian uses a series of "base analysis" program categories to analyze the Salaries and Expenses budget by program function. Because there is a very high degree of overlapping activities between "Research" and "Curatorial" functions, it is extremely difficult to assign costs separately between these two functions. Accordingly, the base analysis distribution aggregates these two functions under the category, "Research/Curation and Direct Support." This category pertains to research and curatorial activities, including, but not limited to, research centers, museum curatorial department activity, and animal management at the National Zoological Park.

A second category, "Specialized Research/Curation Support Activities," includes operations such as archives offices, registrarial operations, conservation labs, special inventory efforts, collections acquisitions, libraries, and miscellaneous research support activities. The best approximation of research funding can be provided by adding the research-related components of "Specialized Research/Curation Support Activities"--archives offices, libraries, and miscellaneous research support services--to "Research/Curation." Under this definition, however, it should be that the total is overstated because there is no method available to exclude basic curatorial functions from "Research/Curation."

Presently, only preliminary estimates for this base analysis data are currently available for FY 1994; revised estimates are currently being compiled as part of the FY 1995 budget formulation process. Using the program categories explained above, the preliminary estimate for "Research/Curation" and the research-related components of "Specialized Research/Curation" for FY 1994 equals \$88.9 million.

For FY 1994, funding for "repair, maintenance and restoration" equals \$71.5 million. This includes the request for the Repair and Restoration account (\$24 million), the request for Renovation, Repair, and Improvements projects in the Zoo Construction account (\$3.6 million), and the preliminary estimate of S&E funding for "Building Maintenance and Plant Services" (\$43.9 million).

Question 55: Could you provide for the record, a table that shows the amount and percentage of your total budget that is used for research and the amount and percentage of your total budget that is applied to maintenance, repair and restoration of Smithsonian facilities for each year during the period of 1989 through 1993?

Answer: As explained in the previous question, the Smithsonian uses a series of "base analysis" program categories to analyze the Salaries and Expenses budget by program function. The base analysis distribution aggregates both "Research" and "Curatorial" functions under the category, "Research/Curation and Direct Support." This category pertains to research and curatorial activities, including, but not limited to, research centers, museum curatorial department activity, and animal management at the National Zoological Park.

A second category, "Specialized Research/Curation Support Activities," includes research-related components (archives offices, libraries, and miscellaneous research support services) as well as other curatorial components. The best approximation of research funding can be provided by adding the research-related components of "Specialized Research/Curation Support Activities" to "Research/Curation." Under this

definition, however, it must be highlighted that the total is actually overstated because there is no method available to exclude basic curatorial functions from "Research/Curation."

The following table presents the base analysis data for these items for FY 1989 through FY 1993 (in \$ millions):

	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>	<u>FY 1992</u>	<u>FY 1993</u> **
Research/Curation	52.2	59.3	67.8	74.9	74.9
Specialized Research/ Curation (pt.)*	<u>10.1</u>	<u>8.4</u>	<u>8.8</u>	<u>9.8</u>	<u>15.9</u>
Total	62.3	67.7	76.6	84.7	90.8

* Excludes registrarial operations, conservation labs, special inventory efforts, and collections acquisitions.

** Presently, only preliminary estimates for this base analysis distribution are currently available for FY 1993; revised estimates are currently been compiled as part of the FY 1995 budget formulation process.

Funding for "repair, maintenance and restoration" includes the full funding provided for the Repair and Restoration account and the funding for Renovation, Repair, and Improvements projects provided in the Zoo Construction account. The R&R request includes funding for repair, maintenance and restoration of research facilities, as well as other facilities. The Zoo Construction account includes funding for renovation, repairs, and improvements at the Conservation and Research Center at Front Royal, Virginia. "Building Maintenance and Plant Services" includes personnel and support funding for the Office of Plant Services, the Office of Design and Construction and building management in both research and non-research bureaus.

The following table presents the budget and base analysis data for these items for FY 1989 through FY 1993 (in \$ millions):

	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>	<u>FY 1992</u>	<u>FY 1993</u> *
Repair & Restoration	20.7	26.5	31.2	23.6	24.2
Zoo Construction/ Renovation/Repair/Improv.	2.1	2.0	2.7	2.7	3.3
Bldg. Maint./Plant Svcs. (S&E)	<u>36.8</u>	<u>39.4</u>	<u>41.5</u>	<u>43.8</u>	<u>44.8</u>
Total	59.6	67.9	75.4	70.1	72.3

* Presently, only preliminary estimates for S&E base analysis data for "Building Maintenance and Plant Services" are currently available for FY 1993; revised estimates are currently been compiled as part of the FY 1995 budget formulation process.

Because the base analysis estimates reflect the Salaries and Expenses budget only and funding for repair, maintenance and restoration and new construction of research facilities is included in the R&R, Zoo Construction, and Construction accounts, a comparison between funding for "research" and "repair, maintenance, and restoration of facilities" may not result in a valid conclusion concerning the relative priorities of these two areas of funding.

Question 56: Has the need to continue the development of this research vessel been reviewed in the context of the objectives and priorities established in your restructuring proposal?

Answer: Yes, the performance of STRI, including research conducted onboard the research vessel, has been reviewed in the context of the restructuring of the Smithsonian. It has been determined, based on the success and importance of STRI's research programs in marine tropical biology that the research vessel is an essential element in support of STRI's basic mission.

Question 57: If the research vessel is a necessary component of the Smithsonian's mission and basic functions in light of your restructuring and reallocation concept, why was there not an attempt to cover the research vessel shortfall in the reprogramming and reallocation for the restructuring?

Answer: Although the restructuring process focused primarily on the operating rather than the capital budget, the request to accommodate the research vessel was considered as part of the process. Smithsonian management deemed the request more appropriate for consideration for reprogramming in the Construction account.

Following a review of the Construction account, the decision was made to request reprogramming of funds already appropriated; but no longer required for other construction projects at STRI due to natural and political events (the 1986 oil spill and contract term limitations with the Kuna Indians).

Question 58: Mr. Adams, you indicate that your original preliminary estimate of costs of the vessel, completed in June, 1988, did not include several elements including "concept design, contract design, contingency funds (10 percent), performance bond (2.5 percent), inspections during construction, and American Bureau of Ships (ABS) certification, nor design, construction and equipping standards of the University-National Oceanographic Laboratory System (UNOLS)." You further state that by early 1990, you had obtained official estimates for the vessel that again did not contain contingency, inspection or equipment costs. It was not until 1992, when a third and final design estimate was submitted that these, in some cases key components of the construction of the vessel, were included in the cost estimate.

I am curious, why did it take the Smithsonian 5 years, three tries, and \$213,000 for design of this vessel to get an estimate that included key, basic components needed to get this ship built?

Answer: STRI, and indeed the SI, have practically no experience in designing and commissioning a boat for research of this size. Requirements such as contingency funds, performance bond, and various inspections required for ABS and UNOLS were not included by the naval architect in the preliminary estimates and were thus not at the time understood by STRI as necessary to complete construction. We originally expected to retrofit equipment such as winches and dredges that allow work in deeper water further off-shore, at a later date. However, it became clear that retrofitting equipment is much more expensive, requiring return of the vessel to the USA and subsequent modifications of structure that would not encountered if the equipment were built into the vessel during construction.

Concept and construction design were in part a response to Congress' request for reviews of an alternative to a new vessel and to the fact that very few new vessels of this size and function are built so that pre-existing designs are difficult to locate.

Finally, a decision was made to defer the boat request while the Institution completed Phase I of its restructuring process. A process which took approximately one year.

Question 59: Your initial cost estimate in 1988 called for a research vessel that would have measured 80 feet by 25 feet by eight feet. Your estimate in 1990 called for a research vessel that would have measured 100 feet by 25 feet by 12 feet. Would you please explain why the size of the proposed research vessel increased by 25 percent between 1988 and 1990 and the extent to which this increase has been responsible for driving up the overall cost of the vessel?

Answer: The initial estimate, made in 1988, did not have the benefit of a concept design on which to base construction cost. That estimate was made from a list of general specifications which were provided to a naval architect. The dimensions that were provided (80' x 25' x 8') represent the three dimensions of the displacement volume of the theoretical vessel (waterline length x beam x draft). It is from these dimensions, given no firm design, that rough estimates of displacement (weight of materials), speed and power requirements, tankage, and ultimately costs are determined. The dimensions used to describe both the concept and final designs are different: overall length, beam, and depth. Overall length is the maximum length of the vessel and is always longer than waterline length. Depth is the distance from the keel baseline to the main deck and is not the same as draft, which is the distance from the keel baseline to the waterline. Depth is always greater than draft as the deck is always well above the waterline. The following table will compare these dimensions for the three stages (initial, concept, and final) and will demonstrate that the vessel has increased very little in total size.

	<u>Initial</u>	<u>Concept</u>	<u>Final</u>
Overall Length	undefined	100'	100'
Waterline	80'	4.5'	85'
Beam(max. width)	25'	25'	27'
Depth	undefined	12'	12'
Draft	8'	8'	8'

While the small (2') increase in beam has allowed larger laboratories and deck space, it was made for an unrelated reason. The initial and concept vessels were to be built entirely of aluminum, a much more expensive medium than steel, to minimize maintenance costs during operation in the tropics. By the time the final design phase started, the world price of aluminum had increased to the extent that the decision to build the hull and decks from steel was made to lower construction cost. This decision resulted in the need to increase the beam (i.e. add flotation) to make up for the added weight of steel.

Question 60: The source of the funds to be reprogrammed is amounts available for the Galeta and San Blas Islands land-based laboratories. Also, as I understand it, the scope of the design of the research vessel has been expanded because these two labs are no longer feasible to develop further.

Would the proposed research vessel be able to pick up the research or associated functions that were to be done at these land-based labs in addition to the research and function that the vessel was originally envisioned to accomplish?

Answer: The vessel will be able to replace the land-based labs to a very considerable extent, but not completely. The facilities such as wet and dry labs, and the seawater system allow extensive research on living animals immediately upon collection as well as preservation until return to mainland labs--all functions expected from the original land-based laboratories. Field activities involving molecular biology and the collection of sediment and fossils will also benefit. Access to remote coastal sites will be even easier than from the land-based labs using their small boats, as will the dredging of marine sediments and plants and animals and the monitoring of currents, plankton, and water chemistry. The capability to sample coastal organisms over their natural ranges also will be enhanced over a land-based facility. This is necessary in order to understand

spatial patterns in their diversity and to monitor them on the appropriate ecological scale. The ability of a ship-collected sample to be transported directly and without further trauma from its natural habitat back to the main marine and molecular biological facility is a significant benefit of a floating laboratory over a satellite land-based laboratory.

Question 61: By moving funds from the land-based labs and constructing the research vessel, would there no longer be a need for further development of these two land-based labs or for alternative land-based labs that would perform similar research and functions at different locations?

Answer: Provided the present facilities of the newly repaired San Blas laboratory are sustained, and the \$290,000 currently proposed from the original appropriation for Galeta is used to upgrade the existing Galeta facility for long-term physical and biological ESP monitoring, then the new Research Vessel, with the proposed facilities and equipment, will fully support the research previously expected from the new land-based laboratories.

Question 62: Taking this a step further, if the research vessel is constructed, would we expect to see requests to restore the funds for the two land-based laboratories if it becomes feasible to develop them or funding requests for replacement land-based laboratories at different locations?

Answer: If the conditions outlined in the previous question are fulfilled, the Institution would not expect to request any further funds for land-based laboratories along the Caribbean coast.

Question 63: Would you please indicate how the research vessel design has changed as a result of not continuing with the two land-based laboratories and how much this has added to the cost of the vessel?

Answer: The vessel design has been impacted in two ways:

a) Scientific function--the new vessel will have dry and wet laboratories which have increased 20-25 percent in space from the concept design. The wet lab and uncontaminated seawater system have been added to allow long distance transport of live organisms back to STRI's mainland facilities. Larger field work boats and davits have been added to a larger deck. Instrumentation and computer systems are planned to allow on-board experimentation with living organisms and environmental monitoring.

b) Supply function--supplies must be provided to the present San Blas facility which has no power or fuel storage facilities as well as to the Bocas del Toro and other permanent or temporary field sites. The final vessel design has added fuel capacity, heavier crane and frames as well as a greater payload (deck space and tonnage) to accommodate this need.

Question 64: You mention in your reprogramming request a "pressing backlog of basic and environmental research which has accumulated over the last year with the decommissioning of the RV Benjamin". Would you please provide detail on what this research backlog is, and what is the significance of deferring it or perhaps substituting other research for which research facilities and resources are already in place?

Answer: The backlog of research constitutes much of the core program of established STRI scientists. There is no possibility of deferring or substituting the research currently held up by the lack of a research vessel because it forms the core of the marine and geological research at STRI and greatly facilitates aspects of the molecular and ESP programs.

The Panama Paleontology Project is part of STRI's Center for Tropical Paleocology and will make extensive use of the Research Vessel to reconstruct the neotropical marine environment over the past ten million years. As part of the Smithsonian Institution's Global Change research, the project is now in its sixth year and involves two STRI staff scientists, Jackson and Coates, and six other scientists from the Universities of Michigan, Iowa and Wisconsin, the U.S. Geological Survey and the Natural History Museum of Basel, Switzerland.

The project's initial results include a publication of the prominent scientific journal *Science*. The scientific importance of this program is indicated by the extent and number of major research grants recently awarded to the project's scientists. An initial award to Coates, Jackson (STRI) and Collins (Michigan) funded the research from 1990-1993. It included comparing the recorded geologic history of the eastern Pacific and Caribbean focusing on the rise and closure of the Isthmus of Panama. Ocean bottom samples were used to census modern animals known to be sensitive to environmental indicators; from these, environmental changes in the past are interpreted by collecting fossil assemblages of the same animals along the early coasts.

The Research Vessel is used in two ways:

It is used first to collect the bottom samples of living organisms and second to travel between fossil collecting sites, many of which are inaccessible by any other mode of transportation. The scheduled 1992 trip had to be canceled due to decommissioning of the RV Benjamin.

Coates, Jackson, and Collins have been awarded a second three year grant 1993-1996 in which trips using the Research Vessel have been proposed. This grant includes sampling deeper waters off eastern Panama and along the Burica Peninsula on the Pacific side. Three National Geographic Society awards have also provided funds for the use of the Research Vessel (1986-1990). Furthermore, there are two other large NSF multi-year awards to project scientists studying these samples. Collins and Geary (Wisconsin) and Budd (Iowa) have 1993 NSF awards to study samples collected by the Research Vessel as part of the STRI Panama Paleontology Project. Lastly Jackson (STRI) and Jung (Basel) have been awarded a large 2-year grant to study mollusks as part of the project. In total, more than one million dollars have been awarded over the last three years to STRI's Center for Paleocology for research substantially based on the use of the Research Vessel. In addition, the research of Dr. Cronin, U.S. Geological Survey and Drs. Cheethan and Cairns (National Museum of Natural History) has also extensively used samples from this project collected by the Research Vessel.

STRI has established a state-of-the-art molecular biology laboratory, a necessary modern tool for correctly identifying plants and animals (taxonomy) in order to understand the issues of biodiversity and evolutionary and ecological relationships. The majority of the marine staff (Birmingham, Knowlton, Lessios, Jackson) are involved in this work. The success of the program is demonstrated by the publication of three articles in *Science* since 1990. Discoveries include the unmasking of previously unrecognized species in many well-studied and abundant groups. These studies have importance for many other research programs. For example, the use of one major coral as an example of a coral reef's health and functioning in hundreds of projects was dramatically changed when it was shown to be an unrecognized complex of three separate species. This fundamentally changed the environmental interpretation of such phenomena as coral bleaching, environmental degradation and climate change.

Molecular studies involve extensive collecting of sea urchins, corals, bryozoans, mollusks, shrimp and fishes. In all cases, biogeographically broad sampling is required in order to interpret local patterns. Such sampling requires access to microscopes and ultracold freezers so that the specimens can be identified and tissues preserved for subsequent laboratory analysis. These facilities are not available at most sites and thus such sampling has ceased since the RV Benjamin was decommissioned.

Ecological research and environmental monitoring also will involve the extensive use of the Research Vessel. Reefs along the Caribbean coast of Panama have suffered extensive and as yet unexplained declines over the last decade. These findings grew out of both applied (STRI - Oil Spill Project) and basic research (Knowlton, Lessios, Robertson-STRI). This has attracted international attention and will be the focus of an upcoming symposium in Miami and the Eighth International Coral Reef Congress to be held at STRI in Panama. Widespread monitoring is needed to determine the cause and extent of this mortality, particularly including remote sites where human activity is minimal. A Research Vessel is a necessity for such monitoring and collecting.

On the Pacific Coast, the vessel is a primary need for the Eastern Pacific Coral Program which has been directed for over twenty years by Dr. Glynn (University of Miami). This work particularly monitors the El Niño oscillation, which so dramatically affects not only the marine ecology of Pacific Central and South America, but also weather in North America and elsewhere. This program operated until 1990 exclusively on the STRI vessel and the program staff has requested time on the new vessel.

In summary, this large range of research efforts is the core of STRI marine and geological research involving all the marine staff, who are internationally recognized for their excellence. Most of these projects already have decades of important data which cannot now be phased out and have no substitute. Deferring these programs not only would result in a critical loss of information desperately needed today in making policy in areas of global change and biodiversity, but would very seriously jeopardize the continuity of scientific leadership for which this bureau has become renowned internationally.

Question 65: The FY 1992 conference report earmarked \$50,000 for crew for the new research vessel for which construction funds were provided in FY 1991. Since the research vessel has yet to be constructed because of funding shortfalls, would you please tell us what happened to the funds that were provided for the crew?

Answer: Because of the delay in the construction of the new vessel, the hiring of the crew was postponed and the \$50,000 for crew positions was applied to other urgent bureau needs mostly related to the vessel. These included the cost of chartering a replacement vessel for marine research, sending the captain to review the design of the new vessel, a small amount to design a floating dock for the new vessel, and funds to recondition the Privateer so that it could undertake trips to the Perlas Islands, which were hitherto done by the RV Benjamin. The total amount spent for these four items was \$41,500.

Question 66: Would you provide for the record the estimated operation costs for the proposed vessel including the number of crew required, maintenance, storage, and supply costs.

Answer: The annual operating budget is estimated to be:

Salaries	
Ship's Captain	\$71,000
Marine Engineer	71,000
First Mate	51,000
Seaman/Cook	28,000
Oiler/Deck Hand	28,000
Fuel and Lube Oils	60,000
Food	10,000
Insurance	5,200
Stores and Miscellaneous	20,000
Travel	15,000
Shore Facilities Support	32,000
Repairs and Maintenance	<u>30,000</u>
Total Operating Budget	<u>411,200</u>
Existing Base Funding	<u>254,200</u>
Additional funding needed	<u>\$157,000</u>

Additional funding of \$157,000 is needed in FY 1995 to operate the vessel.

Non-Appropriated Funds

Question 67: Your estimate of non-Federal restricted funds for the Museum of Natural History for FY 1994 is an increase of nearly \$1.8 million over FY 1993 or over 26 percent. For the Museum of American History, you are showing an increase in restricted funds of \$2.4 million or an increase of 84 percent.

Do these increases suggest a change in direction from the rather pessimistic view that was presented at last year's appropriation hearing concerning the amount of non-federal funds that the Smithsonian was anticipating?

Answer: The Institution's concerns presented at last year's hearing regarding non-Federal funding were primarily focused on the unrestricted category. The Smithsonian uses its unrestricted funds to support special programs for research, exhibitions, education, and fellowships along with the non-Federal portion of its central management and administrative support units. The Institution has been forced to implement significant budget reductions over the past several years to offset declining revenues in unrestricted sources of funding. The increases in restricted funding projected for FY 1994 do not represent a change in the Institution's concerns about unrestricted Trust fund revenues.

The increased projections of restricted Trust funds for FY 1994 result from two major factors: (1) the anticipated receipt of funding associated with specific projects undertaken by each museum; and (2) a general Institutional commitment to secure additional funding through fundraising to offset necessary reductions in programs previously funded with unrestricted Trust funds.

Question 68: Could you indicate how you arrived at these estimates for this level of increase for these non-Federal funds?

Answer: Estimates for this level of increase in non-Federal funds are based on current projects for which we are actively trying to raise funds, projections from past experience with donors, and the feasibility of the projects as determined by an analysis of that portion of the philanthropic community that could be solicited for support.

With regard to the National Museum of American History, the increase is solely the result of income and expenses now anticipated for the American Festival in Japan. At the time of last year's budget preparation, plans for this traveling exhibit were not far enough along to forecast the funding and expenses for the project.

Question 69: Are your estimates for FY 1994 based on actual pledges?

Answer: Estimates for FY 1994 reflect projections based on current fund raising activity (new gifts and grants) as well as payments on pledges made in previous years.

Question 70: What happens if the Smithsonian does not realize this level of non-appropriated funding?

Answer: If the National Museum of Natural History does not realize this level of non-appropriated funding there are two options. Under option one, some projects would not move forward, based on a determination that the necessary combination of Federal and non-Federal funds were unavailable at the time. This would result in slowing the pace of exhibition renovation to unacceptable levels and the Museum would fall even further below National educational standards. The second option is that a project would move forward with a reduced budget based on the total funds raised.

The Mitchell Case and Ray Indemnification

Question 71: Regarding the Mitchell case, are there any remaining financial responsibilities to the Smithsonian related to the legal costs associated with Dr. Mitchell's defense in his upcoming Federal criminal trial?

Answer: There have been no requests made to the Smithsonian Institution by Dr. Mitchell or his defense counsel for the Smithsonian to pay any of the legal costs associated with Dr. Mitchell's defense in his Federal criminal trial, nor are any such requests anticipated. The Smithsonian Institution did pay a substantial portion of the legal expenses incurred by Dr. Mitchell up through April 1991 during the earlier investigation.

Question 72: How much is the Smithsonian likely to spend on costs (i.e. travel, legal representation) associated with Smithsonian officials and employees who will appear as witnesses in Dr. Mitchell's trial?

Answer: To date the Smithsonian Institution has spent \$27,100 for legal counsel for Smithsonian employees who may be subpoenaed as witnesses at Dr. Mitchell's trial, plus another \$17,700 for legal counsel for a Smithsonian senior management official who had been subpoenaed to be a witness at Dr. Mitchell's trial. It is anticipated that at least another \$20,000 may be spent for legal counsel for employees and management officials in connection with their serving as witnesses at Dr. Mitchell's trial.

Question 73: How much has the Smithsonian advanced Dr. Ray in connection with his legal costs regarding the Black Hills investigation?

Answer: The Smithsonian has advanced \$18,250 to Dr. Clayton E. Ray for his legal costs regarding the Black Hills investigation. An additional \$1,466 has been billed, but not yet advanced to Dr. Ray.

National Museum of the American Indian

Question 74: With regard to the one-time costs associated with the furnishings and equipment for the New York Custom House facility (\$800,000) and the National Campaign Office (\$44,000) which you are requesting be retained as a part of your base funding for FY 1994, when specifically was this funding provided to the Smithsonian?

Answer: Funding for the one-time costs associated with the furnishings and equipment for the New York Custom House facility was provided to the Smithsonian in FY 1992 and FY 1993. As part of the FY 1992 appropriation, an amount of \$600,000 was provided for the first increment of funding for Custom House furnishings and equipment. As part of the FY 1993 appropriation, an amount of \$950,000 (representing an increase of \$350,000 over the FY 1992 base) was provided for the second increment of funding. For FY 1994, funding of \$150,000 (resulting in a reduction of \$800,000 from the FY 1993 base funding of \$950,000) will be required for the final increment of funding to complete the total funding requirement of \$1.7 million.

Funding for the one-time costs associated with the National Campaign Office was provided in FY 1993.

Question 75: Is the \$800,000 identified in your FY 1994 budget presentation the same \$800,000 that was identified as a "return of one-time funds" in your FY 1993 budget presentation"?

Answer: No. The two \$800,000 reductions are not the same. As indicated in the previous answer, the \$800,000 reduction included in the FY 1994 budget request is associated with the one-time funding for New York Custom House furnishings and equipment appropriated in FY 1992 and FY 1993. The reduction included in the FY 1993 budget was associated with the one-time costs of designing and installing the "Pathways of Tradition" exhibition (which opened in the Custom House facility in November 1992). This funding had been appropriated by transfer from the Repair and Restoration account pursuant to Section 8153 of the FY 1992 Department of Defense Appropriations Act (Public Law 102-172).

Smithsonian Tropical Research Institute

Question 75a: In 1993, Congress provided an additional \$198,000 for the tropical forest canopy access system. How much funding is available for this effort in the FY 1994 request?

Answer: With the \$198,000 provided in FY 1993, the available funding for the tropical forest canopy access system in FY 1994 is \$530,000.

Question 75b: What is the status and anticipated completion schedule for the permanent access system planned for Barro Colorado Island?

Answer: External funding is being requested for the permanent canopy access system planned for Barro Colorado Island. The anticipated completion date is 1995.

Major Scientific Instrumentation

Question 76: In last year's budget, you expected "first light" for the converted multiple mirror telescope in FY 1994, and completion of the submillimeter telescope array in 1996. In your budget for 1994, both these dates have been pushed back a year. What is the justification for delaying completion of this project?

Answer: The delay in the schedule for completion of the submillimeter telescope array is attributable primarily to the decrease in appropriations relative to the complete funding plan for this project presented to Congress in prior years. In particular, for FY 1993 only half of the requested number of positions was approved. In FY 1994, neither restoration of these positions nor a request for the originally planned new positions for FY 1994 is included in the budget presented to Congress. Further, the last increase for the construction of the array in the Major Scientific Instrumentation line-item (called for in the original plan) is not included in the FY 1994 budget submitted to Congress. The combination of the lack of personnel and the funds for equipment is necessarily causing delays and will also lead to a somewhat higher overall cost.

The current delay in the schedule for completion of the conversion of the multiple mirror telescope was caused by the delay in the casting of the 6.5-meter diameter mirror. The mirror has now been cast successfully--the largest such casting ever made in the United States.

Question 77: If you did not reduce funding for the multiple mirror telescope by \$648,000, would the completion schedule not be delayed?

Answer: The reduction of \$648,000 does not seriously affect the scheduled completion of the conversion of the MMT, but will have a dramatic effect on the schedule for completion of the first instrument being built for the new telescope. Without this new instrument, the Smithsonian cannot take advantage of the telescope conversion. The main advantage of this conversion will be the more-than-three-hundredfold increase in the telescope's field of view, giving Smithsonian a unique opportunity to discover the largest structures in the Universe. Given this reduction of \$648,000 in funding, the annual amount now available for the new instrument, if not augmented, will be insufficient to complete the instrument without a delay of many years.

The Smithsonian is now the acknowledged world leader in this field, through its discovery and mapping of the "bubble" structure of the distribution of galaxies in the Universe. Significant delays in building the new instrument--a novel, high technology spectroscope--will cause the Smithsonian to lose its position of leadership in this fundamental field of astrophysical research, the search for the largest structures in the Universe.

Smithsonian Astrophysical Observatory

Question 78: The Smithsonian is requesting \$266,800 in FY 1994 for the Advanced X-Ray Astrophysics Facility Science Center.

How much has been spent to date on this facility?

Answer: From inception (14 May 1991) through the end of FY 1993 (30 September 1993), SAO expenditures for the AXAF Science Center from SAO Federal funds are projected to total \$1.1 million (including initial provision of computer equipment, staff salaries, and rental of space). During this same period, SAO expenditures of NASA funds for the AXAF Science Center will amount to about \$4.6 million.

Questions 79 and 80: What are the projected out-year capital, staffing, and maintenance costs associated with this facility? To what extent will these costs be cost-shared with NASA? If not, why not?

Answer: From the start of FY 1994 through the first third of FY 2001 (end date for the current contract between SAO and NASA for the AXAF Science Center), total SAO expenditures of SAO Federal funds associated with the AXAF Science Center are projected to be \$7.2 million. These projected SAO costs assume the hiring of two additional Federal staff members beginning in FY 1995 and continuing for the duration of the program.

During this same period, total SAO expenditures of NASA funds for the AXAF Science Center are projected at \$75 million. Thus, the SAO contribution from SAO Federal funds would represent a "cost-sharing" of about 9 percent of the total cost.

Question 81: What benefits does the Smithsonian expect to realize from participation in this program?

Answer: The AXAF mission was ranked as the #1 new priority for the United States in ground- and space-based astronomy and astrophysics for the 1980's by the National Academy of Science's (NAS) Astronomy Survey Committee; its highest priority status was reaffirmed by the corresponding NAS study for the 1990's. The AXAF Science Center will make SAO a focal point for the astrophysics community, facilitating important interdisciplinary collaborations, attracting top students and scientists to Smithsonian programs, and thereby making SAO the X-ray astronomy capital of the world.

The AXAF Science Center's mission of archiving and disseminating the AXAF data, and fostering the broadest possible participation in AXAF scientific research, is consistent with the Smithsonian's traditional mission of the increase and diffusion of knowledge. SAO has been in the forefront of X-ray astronomy since the early 1970's. Its being selected to form and operate the AXAF Science Center recognizes its preeminence in this exciting field and provides a superb opportunity to continue that excellence.

National Museum of Natural History

Question 82: In last year's budget, you requested \$350,000 for facilities planning and coordination to help NMNH meet the needs of physical plant renovation and other renovation and maintenance efforts. Congress provided \$347,000 to support this effort. Please indicate what the status of the physical renovation project is, what the estimated completion date is, and what funding in the FY 1994 budget is devoted to this effort?

Answer: The Major Capital Renewal Project is progressing well:

- (1) The newly constructed Air Conditioning (Chiller) Plant was completed in February 1993.
- (2) The new roofhouse structures on the East and West Wing roofs into which the new mechanical equipment will be installed at a later date are under construction now and will be completed in the fall of 1994.
- (3) The replacement East and West Wing windows, which will save energy costs and provide the necessary insulating value for the mechanical system to work properly, are being installed now and work will be completed in the fall of 1994.
- (4) The 20 percent design of the mechanical system for the entire building is underway and will be completed in the summer of 1993.

- (5) Final design of the selected mechanical system is planned to begin as soon as the 20 percent design is completed in 1993 in order to keep the project on track.

The physical plant renovation (Major Capital Renewal Project) is presently scheduled to be completed sometime between the year 2000 and 2005. The completion date is totally dependent upon the amount of funds appropriated by Congress, both for the MSC Move and for the Major Capital Renewal renovation project.

Other renovation and maintenance efforts at the Natural History Building will occur simultaneously with and will continue through time beyond the Major Capital Renewal Project.

All of the \$347,000 will be used in FY 1994 for facilities planning and coordination to help NMNH meet the needs of physical plant renovation and other renovation and maintenance efforts will be devoted to this purpose.

Museum Support Center

Question 83: In your request for the Museum Support Center, you state on page 65 that for the Natural History Building's Major Capital Renewal Project (mechanical renovation) to proceed on schedule, the Smithsonian must increase the rate at which it is moving collections to the Museum Support Center.

What is the real significance or impact of the mechanical renovation project not proceeding on schedule?

Answer: The longer the delay of the mechanical renovation project, the greater the potential that the collections, the public, and the staff will be without heating or air conditioning for several months while interim repairs and/or replacements are made to a broken-down mechanical system. This deprivation of conditioned air will cause damage to the collections, loss of staff productivity, and severe discomfort to the public visitors.

The majority of the mechanical equipment in the Natural History Building (NHB) is now almost 30 years old and requires replacement to avoid system failure. Life expectancy of a similar mechanical system in an office building would be 20 years, based on 12 hour days rather than the 24 hours a day the Museum requires the system to operate. The NHB Air Handling Units, the main components of the mechanical system, continue to deteriorate at a rapid pace, and replacement parts are very difficult to find. Evidence of deterioration and need for upgrading includes: (1) The chilled water and reheat coils, comprising the main components of the air handling units, show noticeable deterioration and break down regularly. (2) The bottoms of the Air Handling Units are rusting out, and patches must be installed periodically to keep the system running. (3) The insulation and sound barriers inside the air handling units and ductwork have deteriorated to the point that they have lost their effectiveness both for insulation and sound absorption. The lack of insulation causes condensation that drips on collection objects and damages them. (4) The automatic temperature control system is obsolete and does not operate satisfactorily.

In addition to the mechanical renovation, the Major Capital Renewal Project includes electrical replacements, removal of asbestos, and fire protection improvements. Ninety percent of the electrical lighting and power panels in the building are over 20 years old. Other panels installed in the 1960s would not meet today's established safety standards, and replacement circuit breakers are no longer available. The Smithsonian must completely replace these components and other related electrical equipment because repair parts are no longer available.

Asbestos has been and will be removed in FY 1993 through FY 1995 from the Natural History Building (NIIB) attics and mechanical spaces. However, asbestos on ductwork located throughout the building remains and continues to deteriorate. Fire protection improvements are also critically needed to protect collections and people.

Question 84: At the rate you will be able to move collections with the funds you are requesting in your budget, how long would the completion of the renovation project be delayed?

Answer: The capital renewal project would be delayed approximately 18 months if the MSC Move project proceeds only with the FY 1994 base of \$870,000 as reflected in the budget.

This projected schedule may be further delayed because of the necessity for funds in FY 1994 to decontaminate the asbestos-covered museum collection objects and other materials stored in Building 26 at the Garber Facility at Suitland. These items have always been on the Move schedule for decontamination, but not for several more years until after the moves out of the Natural History Building attics and other locations were completed. However, in November, 1992, a tornado damaged Building 26. The asbestos insulation in the building was ripped off the walls and deposited very thickly on the collection objects. The building itself is structurally damaged and must be replaced in the near future to avoid additional damage to collections. The FY 1994 budget request includes funds for replacing the building, but does not include funds for decontaminating the objects. The estimated amount needed for cleaning the objects is \$700,000. Unless funding is identified from another source, the MSC Move may have to delay its work in getting out of the way of the Major Capital Renewal Project in the Natural History Building and instead complete the decontamination process and move the items out of Building 26. If no other funding source is available for this purpose, the Move budget for FY 1994 would have to be used, and the Major Capital Renewal Project would be delayed for another year, for a total delay of 30 months.

The longer the delay of the Natural History capital renewal project, the greater the potential that the collections, the public, and the staff will be without heating or air conditioning while interim repairs and/or replacements are made to a broken-down mechanical system. Such breakdowns, if they occur, will cause damage to the collections, loss of staff productivity and severe discomfort to the public visitors, and at worst might require closing the building.

Question 85: How much faster do you need to move the collections to keep the renovation project on schedule?

Answer: To keep the renovation project on schedule, sufficient funds are necessary to provide staff, contracts and materials to increase the rate of the move by 18 months, or if MSC funds for FY 1994 are used for Building 26, by 30 months.

Question 86: What would it take in terms of funds or otherwise to increase the movement of collections to the desired rate to keep the renovation project on schedule?

Answer: To keep the renovation project on schedule, an increase of \$930,000 and 20 workyears would need to be added to the current base of \$870,000.

If FY 1994 MSC Move funds are used for Building 26 object decontamination, an additional increase of \$700,000 would be needed to prevent a 30 month delay.

Air and Space Museum

Question 87: When do you expect to have a repair schedule for the Garber Facility completed (page 76)?

Answer: We have already completed a repair schedule for the Garber Facility. The funding requirements in the R&R program to implement the schedule are as follows:

(\$000s)

<u>FY 1994</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>
3,875	2,422	2,142	1,066	1,109	984

Question 88: What effect would not receiving authorization and funding for the Air and Space extension have on plans, costs and logistics for repair of the Garber Facility?

Answer: If the Institution does not receive authorization and funding for the Extension, there will essentially be no change to interim repairs requirements. These repairs are needed now. Further, repairs would still be needed even if the Extension is authorized soon, as the Extension wouldn't be ready for occupancy for many years.

Columbus Quincentennial Funding

Question 89: Throughout various accounts in your budget, you are returning a total of \$1.56 million for Columbus Quincentenary funds. If this funding were to remain in your FY 1994 appropriation, how would you allocate these funds? What would be the priorities and/or projects for which you would seek to provide additional funding?

Answer: If the Institution were allowed to retain the \$1.56 million associated with the return of Columbus Quincentenary Program funding, it would be allocated to several of the Institution's highest priorities, including projects in support of collections management and accessibility requirements for several museums, infrastructure and high priority research activities, and the elimination of audit deficiencies. The Institution would also use a portion of this funding to begin to plan and develop programming for the proposed Institute of the Americas Project, a multi-disciplinary and multilateral center focused on cultural and scientific issues of importance for the Americas which have evolved from the programming developed for the Columbus Quincentenary.

 QUESTIONS SUBMITTED BY SENATOR DON NICKLES

General Budget

Question 90: The Smithsonian Institution's budget request of \$339.4 million is a decrease of \$4.8 million below the FY 1993 appropriation of \$344.3 million. Your request to the Office of Management and Budget was \$425.5 million, which is a difference of \$86.0 million above your final FY 1994 budget request.

What are the major initiative, program, and project differences between the OMB request and the request to Congress?

Answer: The following list provides a summary of the major initiative, program and project differences between the OMB request and the request to Congress. In the

Salaries and Expenses account, the list has been adjusted to exclude \$125,000 in funding (originally requested as FY 1994 increases in the OMB request) which has been provided in the FY 1993 appropriation as partial funding for three program requirements.

Differences in Program Funding between OMB and Congressional Request

	FY 1994		FY 1994	
	Request to OMB		Request to Cong	
	<u>FTE</u>	<u>\$000s</u>	<u>FTE</u>	<u>\$000s</u>
<u>SALARIES AND EXPENSES</u>				
<u>Infrastructure Requirements</u>				
Collections Management	5	1,597	--	--
Specialized & Technical Staff and Support Costs	8	1,219	--	--
Major Scientific Instrumentation	3	1,158	--	--
Information Systems	1	1,244	--	--
Management Control and Audit Deficiencies		61		--
Facilities Maintenance Deficiencies	13	2,137	--	--
Health and Safety (including Asbestos Cleanup)	<u>11</u>	<u>973</u>	<u>--</u>	<u>--</u>
Subtotal, Infrastructure	41	8,389	--	--
<u>Program Initiatives</u>				
Global Change Research	5	1,300	--	--
Cultural Pluralism	24	2,007	--	--
National Museum of the American Indian*	--	--	30	844
Education	<u>19</u>	<u>1,030</u>	<u>--</u>	<u>--</u>
Subtotal, Program Increases	<u>48</u>	<u>4,337</u>	<u>30</u>	<u>844</u>
TOTAL, SALARIES AND EXPENSES	89	12,726	30	844
<u>ZOO CONSTRUCTION</u>				
Rock Creek Master Plan				
Aquatic Trail - Living in Water		4,000		800
Grasslands and Forest Exhibit		1,000		1,000
Conservation and Research Center Development Plan				
Maintenance Facility (design)		400		--
Renovation, Repair, and Improvements				
Rock Creek		2,100		2,400
Conservation and Research Center		1,000		1,200
TOTAL, ZOO CONSTRUCTION		8,500		5,400
<u>REPAIR AND RESTORATION OF BUILDINGS</u>				
Major Capital Renewal		8,950		1,350
Repairs, Restoration, and Code Compliance				
General Repairs		6,245		5,785
Facade, Roof, and Terrace Repairs		4,920		2,985
Fire Detection and Suppression Projects		1,955		1,140
Access, Safety, and Security Projects		9,360		6,880
Utility Systems Repairs		5,450		4,225
Advanced Planning and Inspection		<u>2,120</u>		<u>1,635</u>
Subtotal		30,050		22,650
TOTAL, REPAIR AND RESTORATION		39,000		24,000

	FY 1994 Request to OMB \$000s	FY 1994 Request to Cong \$000s
<u>CONSTRUCTION</u>		
African American Museum	300	--
General Post Office Building	1,300	--
Suitland Collections Research Center	4,500	--
National Museum of the American Indian Mall Museum Building	5,000	--
Suitland Building	16,000	6,200
National History East Court Building	5,000	--
Minor Construction, Alterations, and Modifications	6,000	4,000
Construction Planning	750	200
TOTAL, CONSTRUCTION	38,850	10,400

* Necessary costs for operation of the Custom House (deferred until FY 1994)

Question 91: How did the Smithsonian's proposal to OMB take into consideration its recent restructuring efforts?

Answer: The FY 1994 budget request to OMB was submitted before the restructuring plan was completed, so it could not take these efforts into consideration. In fact, discussions on the restructuring plan had just begun when the FY 1994 request to OMB was submitted in September 1992 and the plan was not approved by the Board of Regents until February 1993.

Smithsonian Astrophysical Observatory

Question 92: Within the Salaries and Expenses appropriation, a mandatory increase of \$365,000 is proposed for the Smithsonian Astrophysical Observatory (SAO). The justification indicates \$30,300 is sought to cover rent increases for its facilities in Cambridge, MA. Another \$67,900 is requested for expansion of the facilities and an additional \$266,800 is proposed for additional space for the Advanced X-Ray Astrophysics Facility Science Center.

Last year's budget justification (page 34) states that the National Aeronautics and Space Administration selected SAO to plan, develop, and operate the international science center that will receive, analyze, and archive data from the Advanced X-Ray Astrophysics Facility Center.

How was the selection made? Was there competition for the Advance X-Ray Astrophysics Facility Center?

Answer: SAO was selected by NASA to develop and operate the AXAF Science Center through an open competition. In May 1990, NASA released a Request for Proposals (RFP), describing the requirements for the Science Center. In addition to SAO, two other teams (one comprising a consortium of several universities, and the other led by a commercial computer system firm joined by at least one major university) submitted proposals. The proposals were evaluated according to NASA procedures for major contract awards. A Source Evaluation Board supported by Technical Review Panels (including non-NASA scientists) reviewed and scored each proposal. The three competitors were required to respond to questions from the panels and the Board in

written form and in an oral presentation. SAO was selected on the basis of this competition.

Question 93: When was the development of the Advanced X-Ray Astrophysics Facility initiated? When did Congress provide approval for this expansion?

Answer: The Advanced X-Ray Astrophysics Facility underwent a phased development start. Formal approval was given by Congress in NASA's FY 1989 budget to start AXAF with the development of the first pair of X-ray mirrors. NASA's FY 1992 budget provided the approval to continue with development of the remaining mirrors, the science instruments, and the spacecraft. Between January and June of 1992, the AXAF program underwent a major restructuring to reduce overall program costs. The resulting restructured program with two spacecraft was approved and funded in the FY 1993 NASA budget. Funding for the AXAF Science Center is contained in the Mission Operations and Data Analysis (MO&DA) line of the Astrophysics portion of NASA's budget, separate from the line item for the satellite development. The award of the contract to SAO for the AXAF Science Center took place on 14 May 1991, with funding provided by Congress starting in FY 1991 as part of the Astrophysics MO&DA line.

Questions 94 and 95: Is the National Aeronautics and Space Administration providing funding for this project? If so, how much? What are the Smithsonian's anticipated costs associated with this expansion?

Answer: Yes, NASA is providing costs for this project. From the start of the first SAO contract with NASA on 14 May 1991 through the end of the present contract with NASA in FY 2001, NASA will provide about \$80 million. The Smithsonian's contribution over this same period is estimated to be about \$8 million, i.e., "cost sharing" by the Smithsonian of about 9 percent of the total cost.

Question 96: Why is this expansion considered a mandatory expense?

Answer: The additional rental space described is mandatory to accommodate the new staff and related space needed to carry out Smithsonian's contractual commitment to NASA. To house the primarily NASA-funded AXAF Science Center, the Smithsonian must rent additional space in Cambridge. The corresponding need for an increase in the Smithsonian Federal contribution to the rental expenses stems from the method by which rental costs are assigned to the Federal and to the Trust (contract and grant) portion of SAO's budget. Both internal and external auditors agree that SAO should distribute rental costs between Federal and Trust, dependent only on the fraction of the total square footage rented that is occupied by each. The new quarters that will house the AXAF Science Center must be rented commercially and are estimated to cost per square foot substantially more than the average rental now paid by SAO, thus driving up the cost of the Federal portion of the rent, independent of the (small) Federal component of the AXAF Science Center. The amount of this increase is estimated to be about \$267,000, as described in the FY 1994 budget submitted to Congress. Of course, by far the larger fraction of this rental increase will be borne by the NASA contract.

Question 97: Is the Science Center the only facility that will be linking with the orbiting X-ray telescope? Explain.

Answer: All communications with the two AXAF satellites will be carried out via the NASA Deep Space communications networks. Through these networks, the AXAF Operations Control Center (OCC) at Marshall Space Flight Center will relay operating

commands to the spacecraft and receive science and engineering data from the spacecraft. The AXAF Science Center at SAO will be directly linked to the OCC. The AXAF Science Center will generate the requests for science and calibration observations which will then be transmitted to the spacecraft via the OCC. Data received from the AXAF satellites will be relayed through the OCC to the AXAF Science Center. The Center will process, analyze, and archive these data for distribution to the science community. Thus, the AXAF Science Center is the link to and from the science community, and connects to and from the AXAF orbiting telescopes via the OCC.

Question 98: The National Air and Space Museum's archives and curatorial staffs are currently working on a collection plan for the Museum. It is noted that due to a lack of storage space, in FY 1992 a temporary moratorium was placed on collecting archival material for the National Air and Space Museum. I also note deaccessioning at the Smithsonian Institution was a topic of discussion at the February Regents' meeting.

Do all Smithsonian Museums have collection plans in place? What is the current status of these plans?

Answer: In accordance with the Institution's Office Memorandum 808, all Smithsonian museums must have an approved collection management policy in place before they can acquire collections. Each plan raises issues specific to the mission and type of museum. Each must also include Institutionally mandated language that addresses collections care, accessioning, and deaccessioning.

Question 99: As a lack of storage space occurs, how are museum collections re-evaluated as to their need for retention?

Answer: The Institution's Office Memorandum 808 states:

"A collection proposed for disposal is reviewed on the basis of its intellectual value; cultural origin; research potential; attribution and provenance; condition, quality, and quantity; price; cost of conservation, storage, and maintenance; and restrictions of use."

While space is one factor that the Smithsonian's museums consider in determining if an item will be deaccessioned, it is a relatively minor consideration compared to the other factors. As an alternative to disposing of collections, the Institution currently loan or exchanges with other museums and uses objects for demonstrations, tours, and conservation research. As noted above with regard to the Air and Space Museum, storage concerns have a much greater impact on a museum's ability to acquire new collections.

Question 100: What is the Smithsonian's policy on deaccessioning?

Answer: The Smithsonian Institution collects objects for retention in the collections, with no thought of quick disposal. The collections are considered part of a public trust. However, when it is deemed prudent to do so, deaccessioning is considered. Objects may be recommended for deaccessioning if:

- they are deemed to be no longer relevant and useful to the purpose and activities of the museum;
- there is a danger of not being able to preserve the object properly;
- the object has deteriorated beyond usefulness;

- the object is identified as redundant through the on-going collections inventory process;
- the deaccession will provide the means for improving or strengthening other areas of the collection and furthering the goals of the museum.

Question 101: Are all funds yielded from sale of collections used for additional collection acquisitions? If not, for what other purposes are the funds used?

Answer: In accordance with both Smithsonian policy and guidelines established by the American Association of Museums, proceeds from the sale of deaccessioned items may only be used for additional acquisitions. As an exception, museums may request permission to utilize the proceeds for the direct care of the collection. The AAM is considering amending its guidelines to incorporate this option.

Question 102: What role does deaccession play in the Institution's need for collections storage space?

Answer: Deaccessioning at the Institution takes many forms. However, even the most aggressive program would not alleviate the need for additional storage space. The Smithsonian loans/donates objects to other museums and public institutions, use objects for tours, demonstrations and conservation research, and sells works at public auction. But deaccessioning can only go so far. If the practice is used to alleviate storage problems or to stabilize a museum, it will ultimately deprive that museum of its greatest assets and it can make important objects inaccessible to the general public. In addition, it is important to remember that history is made everyday. Species are disappearing from the face of the earth and artists are creating works in every conceivable medium. Adding to the collections must remain an on-going activity. To curtail or substantially reduce collecting would be an act of irresponsibility on the part of this generation.

Repair and Restoration of Buildings

Question 103: The Smithsonian is requesting \$24.0 million for Repair and Restoration of Buildings in FY 1994, which is a decrease of \$200,000 from the FY 1993 enacted level. Your current backlog of unfunded projects is \$226 million. Mr. Adams, last year we were told \$39.0 million annually over the next decade would be needed to bring the backlog of repairs under control. The Institution's FY 1994 request to OMB was \$39.0 million.

How much would be needed annually over the next decade to keep the backlog under control?

Answer: The Institution would need R&R funding of \$39 million annually over the next ten years to bring the backlog under control and to maintain a responsible ongoing facilities renewal program, described in question 26.

Question 104: What will be foregone at the \$24.0 million level that would have been accomplished at the Smithsonian's requested level of \$39.0 million?

Answer: The following is a list of repairs that would have been accomplished at the \$39.0 million level but which cannot be done within the \$24 million request allowed by OMB:

- Implementing the next increment of the major project to maintain a continually controlled environment with clean conditioned air in the Natural History Building.
- Implementing a series of essential physical plant repairs in a logical and effective sequence at the Air and Space Building that coordinates with the programmatic needs of the museum.
- Repairing the fence, windows, walls, and ceilings at American Indian Museum Research Branch facility, located in The Bronx, New York, to prevent continued deterioration and improve security.
- Repairing the freight elevator at the American Indian Museum Research Branch to insure safe and continuous operation.
- Improving safety and security at the American Indian Museum Research Branch by installing closed-circuit TV and emergency and security lighting systems.
- Assuring safe walking surfaces at the American History Building by replacing unreliable ice melt equipment.
- Improving security in the American History Museum's Archives by installing closed circuit TV.
- Improving security at the Natural History Building by further separating public and staff areas, which includes new security doors, card reader systems, electric locks, and surveillance cameras.
- Improving elevator safety at the Natural History Building by installing elevator "fire fighter" service and smoke detectors in the elevator lobbies and machine rooms.
- Expanding the women's rest room, constructing a unisex rest room for the handicapped, and restoring the men's rest room in the north lobby of the Natural History Building.
- Assuring plumbing reliability and avoiding costly, future repairs at the Smithsonian Institution Building by repairing and replacing existing pipes with copper.
- Assuring unimpeded accessibility to public spaces and amenities by persons with disabilities by creating an accessible entrance at the American Art and Portrait Gallery Building.
- Repainting of the garage level at the Air and Space Building, including scraping and painting of corroding metal structural members.
- Repairing doors and windows and rectifying electrical deficiencies in several buildings at the Paul E. Garber Facility.
- Providing a safer and more secure environment at the Paul E. Garber Facility by installing panic hardware and security devices.
- Avoiding the risk of contaminating adjoining waterways and properties by hazardous chemical runoff at the Paul E. Garber Facility by constructing a proper facility for cleaning large artifacts.

- Preventing accelerated corrosion to artifacts and discomfort to visitors and staff by providing clean, conditioned air in Building 10 at the Paul E. Garber Facility.
- Replacing deteriorated, unsafe metal storage sheds at the Environmental Research Center in Edgewater, Maryland.
- Meeting growing security and fire safety needs at the Environmental Research Center by providing security fencing and fire lanes.
- Replacing boilers that have reached the end of their useful life span at the Environmental Research Center.
- Increasing safety and security at the Hirshhorn Museum by replacing smoke detectors and system panels and installing a card access system.
- Avoiding more costly future repairs by repairing the service drive at the Anacostia Museum.
- Improving safety and access by paving a portion of roadway between the Mt. Hopkins gate and the ridge observatory complex at the Whipple Observatory in Arizona.
- Restoring the ecology at the Whipple Observatory, Mt. Hopkins, road and construction sites to their pre-construction conditions.
- Avoiding disruption and failure of elevator service in the Quadrangle building by repairing the freight elevator.
- Improving staff safety and accessibility for the disabled persons by providing a better means of access and egress from the upper levels of the "pods" at the Museum Support Center.

Compounding the problem of insufficient R&R resources to reduce the backlog of repairs, the Smithsonian's Office of Design and Construction (ODC) lacks the staff necessary to administer the R&R program effectively and efficiently, as indicated in the response to Question 22. Within the S&E account, an additional 17 full-time permanent positions and \$2.1 million in personnel and support costs are needed for ODC to manage the R&R program at the \$39 million level.

Question 105: Taking into account the growing backlog and the Administration's reduction of \$15.0 million from your request, what are the Institution's plans to address the rehabilitation and repair of its buildings?

Answer: The Institution's long term plan calls for annual funding in the range of \$39 million over the next 10 years to reduce the backlog to a manageable level and maintain a responsible ongoing facilities renewal program. The Institution will continue to seek increased funding levels over the current request level of \$24 million. There is no other viable alternative to securing the additional funding that will allow the Institution to address these serious deferred maintenance and repair problems.

Priorities

Question 106: One of the Institution's core priorities is the care and conservation of its collections and facilities. On page 173 of the budget justification, it is stated

"funding levels for maintenance, repair, and preservation of buildings are not keeping pace with the rate of deterioration."

How do the proposed funding levels for care and conservation of the collections and facilities meet this core priority? Explain?

Answer: Unfortunately, the proposed funding levels for care and conservation of the collections and facilities do not meet this core priority. Given the current budgetary situation, the Smithsonian is not able to request funding to fully meet these needs, but will continue to identify unfunded needs for repair and restoration and collections management and to seek additional funding for these needs in future fiscal years.

As of January 1993, the Smithsonian has identified an estimated \$226 million backlog of deferred maintenance and repairs in its various facilities. The current level of Repair and Restoration funding, approximately \$24 million, is not adequate to address this backlog. The Institution will require an expanded level of \$39 million for a ten-year period to keep pace with the rate of deterioration.

Similarly, in response to the subcommittee's urging, the Institution has been engaged in assessing its unfunded collections management needs. The assessment efforts have focused on the need for space; storage equipment and supplies; information management systems; and human resources. The need for space has been largely articulated in the FY 1994 prospectus, Choosing the Future, FY 1994 - 1998; the information management system needs are being identified within a larger information management resources (IRM) needs assessment process to be completed in the fall of 1993.

Question 107: Is the expansion of the Astrophysical Observatory or are the expanding marine research vessel costs of greater importance than the Institution's collections and facilities?

Answer: Adequate resources to maintain excellence in Smithsonian research programs and the reinforcement of support for the care and conservation of the Smithsonian's collections and facilities are both high priorities. These priorities cannot be seen as mutually exclusive, but rather as mutually sustaining. Both are inherently tied to the Smithsonian's unique traditional strengths in these two areas and have built upon the Institution's continuing comparative advantages over other research centers and museums.

From the Institutional perspective, it is important to maintain not only support, but also momentum, for both of these high priorities. Through the planning and budget decision-making process, however, the Institution must make hard decisions regarding the most effective and efficient resource allocation among these competing high priority requirements each year. Thus, the resulting combination of budget requests for these priorities in any one fiscal year cannot be taken as an indication of the Institution's judgment of relative importance.

Marine Research Vessel

Question 108: The Subcommittee has received an April 21 reprogramming request for \$1,331 to cover the design and construction shortfalls of the marine research vessel. The Institution has been provided \$1,692,000, of which \$231,000 has been expended. The "revised" cost estimates have been calculated at \$3,050,000, which \$1,358,000 increase (+80 percent) above the original cost estimate. The sale of the Benjamin research vessel for \$40,000 and \$240,000 of trust funds have left a \$1,331,000 need.

As a result of unexpected changes with two land-based, marine facilities, the Smithsonian has proposed to redirect previously appropriated funding to meet the marine research vessel shortfalls.

How has the downsizing of the land-based labs affected the size and cost of the marine vessel?

Answer: The decision not to expand the land based facilities has only slightly affected the overall size of the vessel. The main impact has been on the design, configuration, and equipment of the vessel. Laboratory and workboat deck space have been increased, systems for more sophisticated laboratory work not possible in the downsized laboratories have been added such as clean power capability, organism holding facilities with uncontaminated seawater, instrumentation and computer systems for monitoring environmental factors, ultracold refrigeration for use in onboard molecular programs, and navigation systems for accurate station location. In addition, systems used in the supply function of the vessel have been maximized (such as fuel capacity) or augmented (e.g. crane, frame, and hoist capacity) to better serve the reduced remote facilities such as the San Blas station. None of these factors were included in the original design or construction estimates.

Question 109: Will a larger vessel require a larger crew, more staff, additional operations funding, more maintenance dollars, and greater storage costs? If so, how much and for what activities? What were the costs of those items for the Benjamin?

Answer: The new vessel will have a larger crew (5 vs 2) than the Benjamin, but still less than the support staff contemplated for the land-based laboratories which are proposed to be reprogrammed. This was contemplated in the revised Master Plan of 1988, due to the type of service it will assume rather than because of its larger size. The Benjamin, and her predecessors, served as short range, coastal platforms. Their design and construction made them unfit for open ocean service, and their capabilities severely restricted their range and endurance. While a crew of two (plus an occasional third) was normally adequate for Benjamin operation, members of the scientific parties on board often were required to serve watches. The new vessel is designed, and will be manned, for open ocean service, requiring a crew of five. It will require more funds for operation and maintenance than the Benjamin. A breakdown of the annual operating costs are:

	<u>New Vessel</u>	<u>Benjamin</u>
Salaries		
Ship's Captain	\$71,000	\$ 52,000
Marine Engineer	71,000	
First Mate	51,000	
Seaman/Cook	28,000	19,000
Oiler/Deck Hand	28,000	
Fuel and Lube Oils	60,000	5,000
Food	10,000	4,400
Insurance	5,200	2,600
Stores and Miscellaneous	20,000	1,000
Travel	5,000	3,000
Shore Facilities Support	32,000	2,000
Repairs and Maintenance	<u>30,000</u>	<u>13,000</u>
Total Operating Budget	<u>\$411,200</u>	<u>\$102,000</u>

Question 110: What future savings can we expect to realize as a result of the reduced program at Galeta?

Answer: No future savings are expected to be realized as a result of the reduction to the previously planned program at Galeta. The existing Galeta laboratory already operates with a skeleton staff.

Question 111: What other alternatives were considered to accomplish the ongoing research work without increasing costs?

Answer: STRI is not requesting the establishment of a new program. The vessel program has over 20 years of successful and productive operation and is an integral and necessary activity for all types of geological, biological, and physical research in the marine environment. No alternatives such as adequate charter vessels exist locally to provide this service. Replacement of the Benjamin with a similar vessel would not support the current major marine programs. The Benjamin had limited capabilities and numerous cruise requests from within and outside the Institution had to be rejected. The new vessel will allow current research to be done off both coasts of Central America, and will be the only vessel based in that large geographic area with modern capabilities. Its location and its entry into the national fleet as a UNOLS vessel will improve the overall efficiency of the nation's academic research vessel effort.

Question 112: How does this request fit into the Smithsonian's prioritization and restructuring efforts?

Answer: The Institution has made this request a high priority because of the success and importance of STRI's research programs in marine tropical biology and because the research vessel is an essential element in support of STRI's basic mission. The request to accommodate the research vessel was considered as part of the restructuring process, but Smithsonian management deemed it more appropriate for separate consideration for reprogramming in the Construction account because the restructuring process focused primarily on the operating budget.

The research vessel is the highest priority for reprogramming of STRI construction funds because it represents a necessary facility for continued world-class research and environmental monitoring at STRI for the marine and geological research staff. The reprogramming request not only augments the capacity for critical research but replaces facilities to support the existing research agenda.

STRI has been recognized as one of the Institution's top centers of research excellence, and the research vessel is a central component in its marine program. The research vessel will provide unique opportunities for comparative studies of biodiversity and evolution in the Caribbean and eastern Pacific, and for geological studies needed to reconstruct the rise of the Isthmus of Panama, with its consequent effects on global ocean circulation and climate.

Moreover, this vessel will be the only research vessel permanently based in either the Caribbean and eastern Pacific region. It will be available to many scientists from universities and research centers throughout the United States by virtue of STRI's membership in the University-National Oceanographic Laboratory System (UNOLS). It thus becomes a major resource for marine science nationally.

Finally, the research vessel is urgently needed because of the very grave situation concerning the condition of Smithsonian marine research facilities that STRI currently faces:

- First, the construction of the new research vessel is necessary to replace the R.V. Benjamin, a converted motor launch, which STRI had used for its marine research program for the past decade. Built 30 years ago, the

Benjamin had exceeded its useful service life and has now been decommissioned and sold. Completion of the new research vessel is essential to sustain STRI's ongoing marine research program.

- Second, as a result of two major unexpected events, the anticipated expansion of two land-based facilities for marine research on the Atlantic side of Panama is no longer feasible. Because of the long-term effects of the 1986 catastrophic oil spill at Galeta, STRI has been forced to limit its research at that site to documenting the impact of the oil spill. Because of the inability to reach an agreement with the Kuna nation regarding the future of the field station in the San Blas Islands, STRI has been forced to eliminate earlier plans to construct a permanent research facility in San Blas. Completion of the new research vessel is essential to support the required relocation of marine research projects from these land-based facilities.

As indicated above, the importance of marine research at STRI, the decommissioning of the previous research vessel, and the failure of STRI's efforts to establish a long-term presence on usable sites on the Atlantic have combined to make the completion of the construction of the research vessel the Institution's highest priority for reprogramming construction funds.

Long Range Facilities Planning

Question 113: I understand The Five-Year Prospectus: Choosing the Future, FY 1992-1996, which provided an indication of future funding requirements and time schedules, is no longer valid.

What are the Institution's plans for updating the planning document? When will it be available for the Committee?

Answer: The Institution's Five-Year Prospectus, Choosing the Future, FY 1994 - 1998, was approved by the Board of Regents on May 10, 1993. Following that approval, the Prospectus has been printed and copies have been submitted to the Committee.

Question 114: What planning efforts have been undertaken to re-think the Institution's construction priorities? How do they correlate to the restructuring efforts?

Answer: In November 1991, the Smithsonian established a Capital Program Planning Board to bring greater focus and discipline to the way in which future facilities expansion projects are brought to the Secretary's attention and ultimately to the Regents and to Congress. The Board, composed of five senior management officials and chaired by the Under Secretary, centralizes decision making for all Smithsonian capital construction or acquisition projects, regardless of how these projects are to be funded.

The Board deliberates on the currently defined capital program in light of the Institution's overall goals and priorities and economic realities. Although the long-range capital development program is likely to be more ambitious than the capacity of near-term funding sources to complete, the Institution believes that it is important to continue to express accurately the full range of capital needs to support current programs and new initiatives. In an era of shrinking resources, Smithsonian efforts towards meeting its facilities needs has begun to focus on the following three areas to assist it in "re-thinking" its construction priorities: (1) seeking and creating opportunities for funding from the private sector; (2) building more flexibility into the scheduling of priorities; and (3) a careful parsing and/or delaying of activities.

The Board also considers the impact of operating and staffing costs as part of the decision-making process for construction projects. As future phases of the Institution's restructuring effort are implemented, these restructuring decisions will incorporate the required operating and staffing costs related to specific approved construction projects as these project are ready to come "on line."

Question 115: What is the status and role of the Capital Program Planning Board in the Smithsonian's restructuring endeavors?

Answer: One of the reasons behind the formation of the Capital Program Planning Board was the recognition that in the previous Institutional planning environment decisions often were made without full consideration of the interrelationship among projects funded from different sources. Nor did the earlier planning process include sufficient assessment of the impact of new facilities on the Institution's program and operating infrastructure costs.

Under the new planning process, the Capital Program Planning Board will approve all capital expansion projects only after consideration of the complete range of operational implications and identification of necessary funding for operations and repair. The extra step in the approval process will bring more order to the Institution's capital program and will prevent premature commitment to projects for which continuing operating support will not be available.

At the same time, since the new planning process identifies the full operating requirements of these construction projects much earlier than in the past, the Institution's restructuring decisions will incorporate the required operating and staffing costs related to specific approved construction projects as these project are ready to come on line.

Question 116: For the record, please provide an updated schedule and projected costs for the Institution's construction projects.

Answer: The following chart provides an updated schedule and projected costs for the Institution's construction projects:

CURRENT SCHEDULE OF MAJOR CONSTRUCTION PROJECTS AND CONSTRUCTION COSTS IN FIVE YEAR PROGRAM

(Based on Funding Projections in Choosing the Future, FY 1994 - 1998)

<u>NMAI Custom House</u>		Authorized
Estimated Cost:	\$24 million (2/3 non-appropriated funds)	
Design Start:	July 1990	
Construction Start:	September 1992	
Occupancy:	April 1994	
Public Opening:	November 1994	
<u>NMAI Cultural Resources Center</u>		Authorized
Estimated Cost:	\$50 million (Federal)	
Design Start:	August 1992	
Construction Start:	Spring 1995	
Occupancy:	1997	

<u>NMAI Mall Museum</u>		Authorized
Estimated Cost:	\$110 million (1/3 non-appropriated funds)	
Design Start:	Summer 1993	
Construction Start:	1997	
Occupancy:	2000	
Public Opening:	2001	
<u>NMNH East Court</u>		Authorized
Estimated Cost:	\$30 million (Federal)	
Design Start:	January 1992	
Construction Start:	Spring 1994	
Occupancy:	1996	
<u>Suitland Collections Center</u>		Not Authorized
Estimated Cost:	\$81 million for Phase I (Federal)	
Design Start:	1995	
Construction Start:	1997	
Occupancy:	2000	
<u>Air and Space Museum Extension</u>		Not Authorized
Estimated Cost:	\$185 million	
Design Start:	1996	
Construction Start:	1999	
Occupancy:	2002	
<u>African American Museum</u>		Not Authorized
Estimated Cost:	no detailed schedule or cost estimates for design, construction, occupancy or opening can be developed without further planning	
<u>General Post Office</u>		Authorized
Estimated Cost:	\$40 million authorized (Federal)	
	on hold pending evaluation of construction priorities and discussion with GSA	
<u>Administrative Service Center</u>		Not Authorized
Estimated Cost:	\$60 million (mortgage to be paid off with S&E/Trust)	
	from authorization to occupancy will take about 4 years	
<u>NMNH West Court</u>		Not Authorized
Estimated Cost:	\$13 million (non-appropriated funds, not including projection equipment or film production)	
Design Start:	January 1994	
Construction Start:	Spring 1995	
Occupancy/Opening:	July 1997	

Question 117: Have any savings been realized as a result of this coordination?

Answer: It is not anticipated that the coordination of the Capital Program Planning Board and the restructuring plan will actually result in short-term savings that can be measured against a base level, but rather that the coordination will result in a more efficient utilization of Smithsonian resources over the long-term.

Museum Security

Question 118: I understand that your February Board of Regents meeting, museum security was discussed, due to the fact that there had been a few incidences of armed assault.

What steps, if any, have been taken to insure the physical security of visitors and employees? Have there been any further occurrences of this sort reported?

Answer: We have increased liaison and regular contacts with the U.S. Park Police, who have jurisdiction on the Mall and concurrent jurisdiction with us in the buildings, to spot potential offenders before entry to museums. We have been sharing intelligence data concerning identities of youthful offenders who may be prone to violence, as well as pickpockets and sex offenders. Further, we have stepped up our plainclothes coverage, and we have obtained excellent results in identifying individuals involved in criminal conduct, such as shoplifting, pickpocket crimes, and unwanted advances. In addition, we are hiring approximately 100 summer aides to assist our regularly assigned security officers during the summer months, beginning June 7, 1993.

Question 119: In the proceedings from the February 1, meeting, it was noted that metal detection devices would only be employed as a last resort. Has there been any further discussion in this regard?

Answer: There has been no further discussion about employing metal detectors.

Question 120: What effort has been made to meet the recommendation that enhanced training be given to security and other staff on how to handle dangerous situations?

Answer: A training center of excellence is being established to train officers to handle dangerous situations and to train them in the wide scope of duties they must perform. The course curriculum is complete, and training will begin this summer.

Question 121: Has an emergency number been installed at all Smithsonian telephones, as was also recommended?

Answer: The emergency telephone number is published in the first page of all Smithsonian telephone directories, accessible to all employees who use a phone. In addition, stickers are being ordered that will be affixed to each telephone instrument, listing the emergency number.

Voluntary Donation Program

Question 122: Earlier in the year, collection boxes were installed at various points through the Smithsonian complex. Has this experiment been as successful to date as you had hoped? Please give us a status report.

Answer: As approved by the Board of Regents at its February 1 meeting, on March 26, 1993 the Smithsonian implemented a one-year demonstration to determine whether or not to permanently seek voluntary contributions from visitors.

To date, all operational aspects of the demonstration are functioning smoothly. Press interest and public inquiries and comments have been minimal. Based upon conversations with the participating museums, we are planning to experiment with box

location, design and ancillary materials. The changes are expected to increase visibility, without intruding on the visitor experience or seeming coercive. Some changes in box location have already been implemented.

Since the boxes have been in place less than two months and we are still experimenting with presentation methods, we are not prepared to make any judgment about the success of the demonstration.

NMNII West Court Redevelopment Project

Question 123: I note that plans have been proposed for a National Museum of Natural History West Court Redevelopment project, which would house a theater and serve as an educational and commercial facility. While this project is to be funded with non-federal funds, Federal dollars may be sought in the future for operational and programmatic purposes, as indicated on page 101 of the proceedings from the February Board of Regents meeting.

Why, when Smithsonian staff and others have indicated that the current exhibits at the Museum are in serious need of upgrading, is your emphasis on expansion rather of renovation of the current facilities and exhibits?

Answer: Exhibits are only one educational medium we use to deliver our educational messages. A large format theater is a high impact technology for our environmental science education program. The museum is seeking creative, entrepreneurial ways to expand its educational impact without increasing costs. The West Court project will be a self-supporting educational enterprise that also includes a hands-on Discovery Room that will triple the size of the current Discovery area. Conservative fiscal projections indicate that the West Court project will significantly enhance shop and restaurant revenue, creating another source of funds for the upgrading of exhibits and educational programs.

Question 124: What are the anticipated Federal funding needs?

Answer: The costs for all support (operations, security, facility management) has been calculated in development of the Project budget, and will be borne by revenue generated from the theater, shops, and food service activities. However, there are some federal educational facilities in the current West Court that will reopen in the reconstructed West Court and that will continue to require base level federal support, including the Discovery Room and the Naturalist Center. Except for normal increases associated with these free educational activities, we do not anticipate federal support for new activities and operations that will result from the redevelopment project.

Question 125: Is there a possibility that this will put Congress in a bail-out situation if enough Federal dollars are not available for construction, operation and maintenance of the West Court?

Answer: No, the project has been designed to be funded entirely from Trust funds. A primary criterion for evaluation and approval of the project by the Smithsonian Board of Regents was that it not require any Federal funding for construction, operation or maintenance.

Global Climate Change

Question 126: What funding level is proposed for the Smithsonian's global climate change program in FY 1994? How would the FY 1994 program differ from the FY 1993 program?

Answer: The proposed funding level for the Smithsonian's global change program is \$7,300,000. The FY 1994 program will be essentially identical to the FY 1993 program.

International Forestry

Question 127: The Administration is requesting \$36,996,000 for the Forest Service's International Forestry program. The tropical forestry component is \$5,679,000. Its primary objectives are protection and conservation of the forest through training and technical cooperation, understanding the forest ecosystems through forest research, and providing sustainable forest management.

In light of reduced funding levels and deficit concerns, does the Smithsonian meet currently with other agencies having international forestry responsibilities to avoid duplication of activities? Explain.

Answer: The Smithsonian Institution and the U.S. Forest Service have a joint committee to oversee mutual scientific interests dealing with forestry research. That committee met most recently in April 1993, to review ongoing activities and to plan future cooperative efforts. A draft Memorandum of Understanding between the Forest Service and the Smithsonian is presently being circulated.

Question 128: Have any benefits been gained as a result of the Smithsonian's coordination with other agencies? Has any refocusing occurred? Explain.

Answer: The Smithsonian has representation on a variety of committees and working groups that provide coordination between various federal agencies. The benefits of such coordination are diffuse, but include the avoidance of overlap in programs of mutual interest. Refocusing rarely results from such coordination efforts, but the existence of the groups allows sufficient planning that refocusing is rarely necessary. Smithsonian scientists are studying basic scientific problems and providing the knowledge base that is used by other agencies in concentrating on research needs restricted to their own particular focus.

Migratory Birds

The Smithsonian is in the unique position of having responsibilities and ties to many areas, some of which may overlap with other agencies' responsibilities. At this time of fiscal difficulties and limited funding resources, it is critical that duplicate efforts be avoided.

Question 129: How does the Smithsonian's migratory bird efforts interface with the Fish and Wildlife Service's migratory bird program?

Answer: The Smithsonian Institution (SI) has played a central role in the conservation of songbirds that migrate to the tropics. Because of its international perspective and mandate for research (rather than policy implementation), SI historically has been able to focus on this issue more than have the land management agencies. The US Fish and Wildlife Service (USFWS) is the lead agency for implementing migratory

bird conservation. USFWS management policies have generally been oriented toward game birds, and only recently have the 650 species of non-game birds received increased attention. Because of their broader taxonomic scope and management mandate, and highly decentralized structure, USFWS programs do not focus on international aspects of research on tropical migrant songbirds.

The operational designs of USFWS and the Smithsonian Migratory Bird Center reflect their complementary approaches to migratory bird conservation issues. The Fish and Wildlife Service is a service agency for domestic management of wildlife habitats. This broad scope requires a diversified network of field units that tend to be focused on the region rather than on topics. Migratory birds transcend regions, as well as continents, and thus are more effectively "managed" by a topic-centered research organization, such as the Smithsonian Migratory Bird Center. These two agencies combine their resources and exchange expertise where necessary to strengthen migratory bird conservation efforts.

Recent studies (often involving collaboration between SI and USFWS) have detected disturbing declines in tropical migrant species. Problems surrounding the conservation of migratory songbirds are complex because they involve many species and habitats located in a number of different countries. These problems require research on a number of different aspects of bird population biology, behavior, and habitat relationships. Furthermore, the available information must be synthesized for the effective use of policymakers and the interested public. The smaller and more focused Smithsonian Migratory Bird Center provides research information, synthesis, and materials that outline the issues involved in the conservation of migratory songbirds.

The following are unique features of the Smithsonian's migratory bird program.

- SI is establishing an integrated research and training program on tropical migrants throughout the northern Neotropics, with centers in Mexico, Panama and (future) Ecuador;
- SI is preparing interdisciplinary overviews of problems facing the conservation of tropical migrants, through workshops and issue-specific task forces;
- SI is developing and distributing educational outreach materials on migratory birds for the general public in English and Spanish;
- SI coordinates the annual International Migratory Bird Day;
- SI is developing collaborative projects with USFWS on the effect of human disturbance on temperate zone forests.

Two other features distinguish the SI's approach to migratory birds. The SI has, overall, expertise in a wide range of endeavors, which include programs in tropical biology, molecular genetics and systematics, paleoecology, entomology, botany, and anthropology. The genetics labs and tropical research facilities provide unique logistical support as well. Further, SI has traditionally had close ties with the non-governmental community (including The Nature Conservancy, World Wildlife Fund, National Audubon, Audubon Naturalist Society, etc.), and is often consulted for advice on developing migratory bird programs by those groups.

Despite the differences in emphasis, SI and USFWS have considerable mutual interests and interface in a variety of ways. Most importantly, a number of ongoing collaborations address research questions both in the U.S. and Latin America. To further coordinate activities and prevent duplicate efforts, an SI representative serves on

the steering committee and several working groups of the Partners in Flight Program--a cooperative program among agencies, businesses, and conservation groups to protect migratory bird populations.

Experimental Gallery

Question 130: What is the status of the Experimental Gallery?

Answer: The Experimental Gallery is currently reviewing proposals for an art exhibition. We intend for the Gallery to host two exhibits between now and the end of the calendar year. The Experimental Gallery was created three years ago to advance investigation in exhibition development, design, style, and context and to encourage experimentation in audience development, access, and education. The Gallery has helped to educate museums to alternate approaches to developing exhibits and we expect experimentation to continue throughout the Institution.

Biological Diversity Center

Question 131: How much funding is requested in the FY 1994 budget proposal for biological diversity?

Answer: The National Museum of Natural History FY 1994 budget request for biodiversity is the same as the FY 1993 appropriation, \$1,220,300.

Question 132: How does the Smithsonian's National Center for Biodiversity correlate to what Secretary Babbitt is proposing for the Department of the Interior?

Answer: We envision the Smithsonian's Center for Biological Diversity taking the lead for cooperative activities with the National Biological Survey (NBS). The Center will provide a mechanism for the NBS to access scientific information on biodiversity within the United States and its territories, as well as available information for other countries. In addition, it will promote the general adoption of standardized methods for the collection and management of biodiversity information in order to maximize the utility of scientific data. The Center will promote the development of methods and systems that will enable the NBS to have access to reliable trend information on biodiversity within the United States and other countries. It also will assess the extent of knowledge of biodiversity, such as the presence or absence of natural history data and voucher specimens, in the United States and internationally. The Center will provide opportunities for experts to interact on technical aspects of biodiversity questions. Additionally, the Center will provide the NBS with the capability to exchange biodiversity information with similar centers, both established and proposed, as well as other interested international organizations.

Question 133: How are the Smithsonian Institution and the Department of the Interior coordinating their efforts?

Answer: The Smithsonian has had a long and healthy relationship with the Department of Interior with respect to joint scientific interests. This collaboration dates back over a century to the beginnings of the original Bureau of Biological Survey, the forerunner of the current Fish and Wildlife Service. The national collections of vertebrate animals were developed jointly by the Smithsonian and the Biological Survey, and are maintained jointly today. The National Museum of Natural History houses scientists from the remainder of the Biological Survey Unit and from the Geological Survey as affiliates. The Interior scientists retain curatorial responsibility for the

National collections of mammals, birds, reptiles, and amphibians. Memoranda of understanding and cooperative agreements have been developed over many decades to help guide these collaborative activities. The collaboration has been a productive one and the Smithsonian looks forward to even greater joint contributions with the development of the National Biological Survey.

QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

Cotton Culture Exhibit at the Museum of American History

Question 134: Last year we explored the possibility of including an additional \$250,000 in funding for the mounting of a new exhibit at the Museum of American History to pay tribute to the history of the cotton culture and other southern crops in our nation's history. I understand the proposed exhibit would fill the Agriculture Hall and would utilize much of the Museum's vast collection of artifacts related to southern agriculture.

In your capability statement from last year you said:

"The present hall, basically filled with machines, was installed when the Museum opened in 1965 and is not only out-of-date, but also an embarrassment to the country's rural heritage."

"Provision of \$250,000 would permit the museum to begin work on a renovated Agriculture Hall...The Museum would seek private sources of funding for the remainder of the \$2 million budget."

Is the mounting of the Cotton Culture Exhibit still of interest to the Museum?

Answer: Yes. A cotton culture exhibit would be part of the renovated Agriculture Hall.

Question 135: Has the Agriculture Hall been renovated or does it remain in need of updating?

Answer: The Agriculture Hall has not been renovated and needs to be updated and re-interpreted.

Question 136: Will you give me an idea what the exhibition would consist of, i.e., what kind of objects would you include, and historically how would you chronicle the impact agriculture has had on our country?

Answer: The exhibit will use objects and images from our rich agricultural collections--such as cotton gins, picking sacks, tobacco transplanters, weigh-up scales, cotton picking machines, home furnishings, photographs, and oral history interviews--to tell the story of rural people and their culture in the American South interacting with the land and climate and producing such crops as tobacco, rice, sugar, and cotton. Beginning with the invention of the cotton gin in the 1790s, the exhibit will follow the move westward of the labor-intensive cotton culture and explore its rich cultural interplay with other crops over the next two centuries. Near the end of the exhibit a mechanical cotton picker will symbolize the triumph of capital-intensive agriculture and the profound changes in a way of life that continues today.

Question 137: Does the \$2 million budget still sound reasonable?

Answer: In 1993 dollars a budget of \$2.5 million would be more reasonable for the renovation of the whole Hall. The Cotton Culture exhibit as part of that Hall could probably be installed for approximately \$500,000.

Question 138: Usually, special exhibitions like this are funded solely by private donations. It is my understanding the Museum did seek private funding for this exhibition, but was unsuccessful. Is that true?

Answer: Yes, a number of approaches to private companies, such as the Archer Daniels Midland Corp. and the J.I. Case Co., have been unsuccessful to date. With help from the National Cotton Council, the Delta Council, and the Cotton Foundation we have raised private funds for the printing of an exhibit fund raising brochure.

QUESTIONS SUBMITTED BY SENATOR PETE V. DOMENICI

Smithsonian-IMAX Films

Question 139: Background: For the past few years, the Smithsonian, IMAX, and Iwerks have been working to reach an acceptable agreement regarding the "downprinting" of the IMAX films shown in the Smithsonian Museum to a format compatible with the theaters in smaller museums, such as the New Mexico Museum of Natural History.

When negotiations began, Iwerks was acting as the "middle man"--Iwerks would downprint the films for IMAX. As things progress, IMAX and Iwerks began feuding over the conditions each would impose on the other for the cross-printing (such as distribution rights and artistic integrity). You have been active on this issue throughout the negotiations, and have constantly encouraged the Smithsonian to proceed as quickly as possible to resolve the issue.

Recently, Iwerks pulled out of the loop. The Smithsonian took this opportunity to appeal directly to IMAX to downprint the films themselves. IMAX told the Smithsonian that Iwerks' withdrawal indicated to them that there was no market for the downprinted films (IMAX's letter is attached) and that they were not going to downprint the films. Smithsonian is currently struggling to encourage IMAX to change its mind.

Secretary Adams, I know the Smithsonian is currently negotiating with IMAX to discuss the downprinting of their films "The Dream is Alive" and "Blue Planet" from the IMAX format to the 870 perf format. Based on our previous correspondence, I know you share my concern that these films should be made available to the largest audience available.

A museum in my state, the New Mexico Museum of Natural History, has been waiting for nearly three years for these films to be downprinted so they may begin to show them at the Dynamax theater in their facility. Again, based on our previous correspondence I know you also are concerned about the lack of progress that has been made in these efforts to downprint the films--and I appreciate what you have done so far to help negotiate a deal with IMAX, who seem to have decided there is no market for the downprinted films. I am certain the New Mexico Museum, which is waiting to sign a contract for the films, would argue otherwise.

Will you continue to negotiate with IMAX to provide for the downprinting of these films?

Answer: Attached is the most recent letter from the Smithsonian to IMAX, sent just prior to the hearing.

May 3, 1993

Mr. Robert Kerr
President
IMAX Corporation
38 Isabella Street Toronto
Ontario, Canada M4Y 1N1

Dear Mr. Kerr:

Your recent reply to my letter dated March 18, 1993, is disappointing to both myself and the many others who have worked so hard to resolve the question of downprinting. It was our impression that the IMAX Corporation had agreed to the principle of downprinting the film "The Dream is Alive" into the smaller 870 format. My letter of March 18 simply requested IMAX to make a public announcement that "The Dream is Alive" would be available in the 870 format to theaters using that format wherever they might be found. If in the announcement, IMAX wished to establish quality standards or reasonable territorial restrictions, that would be acceptable to the Institution. It is my understanding that these issues had already been agreed to during your company's negotiations with Iwerks.

However, the addition of a requirement of "minimum assurance by way of revenue guarantees" appears both discriminating and an unwarranted barrier to 870 theaters. No similar requirement is imposed on IMAX theaters.

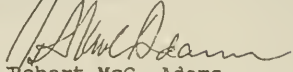
I am not unmindful of the IMAX Corporation's inherent conflict of interest as both a manufacturer/seller of large format theaters and a distributor of films. It could be construed that your desire to protect the hardware portion of IMAX's business may be unduly influencing your extremely reluctant approach to this downprinting question.

I am having sent, under separate cover, several requests originally submitted to Iwerks Company for licenses to exhibit our films in the 870 format. Subject only to reasonable quality assurance and reasonable territorial protection for existing IMAX theaters, I expect you to negotiate appropriate exhibition licenses with these organizations as quickly as possible. Moreover, the long-standing request from the Natural History Museum in Albuquerque, New Mexico, must be accommodated as soon as an exhibition license can be negotiated. I would expect that you will open discussions with Iwerks to secure their funding for the downprinting, thereby saving the owners this expense.

I hope that IMAX's response to these potential licenses will reassure us all of your commitment to downprinting and to opening this all-important revenue stream. Should you elect again to ignore this request to move forward with the downprinting, I invite you to meet with me at your earliest convenience so that we may seek resolution of this issue face to face.

I would ask that you respond to this request within ten business days and advise me of your decision.

Sincerely,



Robert McC. Adams
Secretary

Question 140: Does the Smithsonian have the ability to downprint these films itself? If not, would the Smithsonian be willing to contract with an outside source--such as Iwerks--for the downprinting of these films? Can you estimate what such a downprinting may cost the Smithsonian?

Answer: The Smithsonian does not have the ability to downprint these films itself. It might be possible, if IMAX were deemed to have breached its contract obligations to distribute these films by formally refusing to downprint them, that the Smithsonian, with the concurrence of Lockheed Corporation (the co-owner), would make independent arrangements for downprinting. The owners have not considered paying for downprinting themselves; Iwerks has offered to cover these costs.

QUESTIONS SUBMITTED BY SENATOR CONRAD BURNS

Question 141: Could you tell me a little bit about progress the Smithsonian is making in the construction of a facility and the future display for the American Indian?

Answer: The George Gustav Heye Center in the U.S. Custom House, an educational facility which will present changing exhibitions and a variety of public programming activities, is on schedule for occupancy by NMAI in time for three November 1994 opening exhibitions. Two of these exhibitions will be based on the NMAI collection. Current plans call for NMAI beneficial occupancy of the Custom House in April 1994, followed by a phase-in of exhibit installation and relocation of staff and equipment from Audubon Terrace.

The conceptual design phase for the Cultural Resources Center in Suitland, Maryland was just completed, incorporating ideas presented at an architectural charette recently held in Santa Fe and through consultations with Native Americans throughout the country. Represented at the charette were the architectural team of James Steward Polshak and Partners; Metcalf, Tobey & Partners; the Native American Design Collaborative; and Native American architects, designers, elders, artists and other consultants. The actual design is scheduled to be completed in 1994 and the facility--which will house all of the collections, provide research, training and even ceremonial access and opportunities to visiting Native Americans--is scheduled to open in 1997.

The architectural firm of Geddes Brecher Qualls Cunningham of Philadelphia in association with Douglas Cardinal Architect Ltd of Ottawa, Canada, has been selected to design the museum on the Mall. The NMAI is completing its program requirements which will be turned over to the architectural firm to begin design. The design is expected to take up to three years with construction scheduled to begin in 1997 and an opening in 2001. With 80,000 square feet of exhibition space as well as orientation areas, this facility will demonstrate the Museum's commitment to interpret the native peoples of the hemisphere, past and present, through the eyes and voices of the native peoples themselves.

Questions 142 and 143: As a followup, is the Smithsonian involved, or does it plan to get involved in plans to celebrate the bicentennial of the Lewis and Clark expedition of 1804-05? Could the Smithsonian give me a listing of activities it is aware of to celebrate the bicentennial of the Lewis and Clark expedition?

Answer: The National Museum of American History (NMAH) plans to open an exhibit in 1995 entitled "Land of Promise," which will contain a small section on Lewis and Clark. The main piece of that section would be a compass which Clark carried, and which is part of the collection. There would also be some explanatory maps and graphics explaining the Lewis and Clark journey. This exhibit will be a permanent installation. There are no other activities planned to celebrate the bicentennial of the Lewis and Clark expedition.

Question 144: You have two public programs that relate to the American Indian, one is Pathways of Tradition and the second is All Roads are Good. Could you explain the goals the Smithsonian is attempting to accomplish with both of those programs?

Answer: The exhibitions being organized for the November 1994 opening of the Custom House are the first major collaborative effort by NMAH to make the mission of the Museum a reality, to put into words the intention of the law that created NMAH, as well as the implied sense of trust that has been expressed through the consultations. The approach is to bring a new understanding to the collections of NMAH and to inform the public about the diversity of Indian ways of thinking. This is being accomplished through three interpretive approaches: (1) contemporary Indian perspectives to represent the concerns, beliefs, and values that Indians have manifested through material culture; (2) objects in the collection to represent a cultural heritage that transcends the artifacts themselves; and (3) the Indian "side of the story" to address the need of the public to better understand the cultural, spiritual and artistic forces that produce the objects.

"Pathways of Tradition" - The exhibition which ran from November 1992 through January 1993 in the Rotunda of the U.S. Custom House in New York presented two themes, Cultural Symbolism and Indian World Views. The objects chosen for presentation showcased Indian diversity as well as amplified the four subthemes of the Indian World View: art, land, animals, and family. The interpretive text and labels for the objects were done in the first person.

"All Roads Are Good" - This exhibition, like "Pathways" will be presented in the first person and is based on approximately 280 selections made by 27 Native American specialists from across the hemisphere. Through the words of the selectors and the use of interactive multimedia programs, the public will learn how important these objects are to the identity, beliefs, values, and world views of Indians in the Americas.

Both exhibitions demonstrate that thriving, vital cultures existed throughout this hemisphere before Columbus arrived and, more importantly, that these cultures remain dynamic and alive today.

SUBCOMMITTEE RECESS

Senator REID. I thank you very much. The subcommittee will stand in recess until 1 p.m., Thursday, May 6, when we will receive testimony from the National Park Service.

[Whereupon, at 3:22 p.m., Tuesday, May 4, the subcommittee was recessed, to reconvene at 1 p.m., Thursday, May 6.]

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