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Part 2 (Pages 1-1168)

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Part 4
Art's Endowment
for the Arts

DEPARTMENT OF THE INTERIOR AND RELATED
AGENCIES APPROPRIATIONS FOR FISCAL YEAR
1981

FRIDAY, MARCH 28, 1980

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

The subcommittee met at 9:05 a.m., in room 1223, Everett McKinley Dirksen Senate Office Building, Hon. Ted Stevens presiding.
Present: Senator Stevens.

SMITHSONIAN INSTITUTION

STATEMENT OF S. DILLON RIPLEY, SECRETARY, SMITHSONIAN
INSTITUTION

ACCOMPANIED BY:

PHILLIP S. HUGHES, UNDER SECRETARY
CHARLES BLITZER, ASSISTANT SECRETARY FOR HISTORY AND ART
DAVID CHALLINOR, ASSISTANT SECRETARY FOR SCIENCE
JULIAN T. EUELL, ASSISTANT SECRETARY FOR PUBLIC SERVICE
JOHN F. JAMESON, ASSISTANT SECRETARY FOR ADMINISTRATION
PAUL N. PERROT, ASSISTANT SECRETARY FOR MUSEUM PROGRAMS
CHRISTIAN C. HOHENLOHE, TREASURER
TOM L. PEYTON, DIRECTOR, FACILITIES
ROGER KENNEDY, DIRECTOR, NATIONAL MUSEUM OF HISTORY AND
TECHNOLOGY
THEODORE H. REED, DIRECTOR, NATIONAL ZOOLOGICAL PARK
JON E. YELLIN, DIRECTOR, OFFICE OF PROGRAMING AND BUDGET

BUDGET REQUEST

Senator STEVENS. Good morning. This is the time scheduled to examine the 1981 budget for the Smithsonian Institution, which totals \$137.3 million. Of this total, \$120.3 million is for salaries and expenses, an increase of \$16.5 million.

The request for construction is \$12.6 million, down \$20 million, primarily because of a one-time appropriation in fiscal 1980 for the Museum Support Center. The Smithsonian is also requesting a \$4.7 million pay supplemental for fiscal year 1980.

PREPARED STATEMENT

We welcome you again this morning, Secretary Ripley. Please introduce your associates who are with you today, and highlight the statement. We'll put your statement in full in the record.

[The statement follows:]

STATEMENT OF S. DILLON RIPLEY

Once again it gives me great pleasure to appear before you and to present the Smithsonian's FY 1981 budget request. The programs described in this budget build upon the progress that the Institution has been able to make thanks to the encouragement and support of this Subcommittee. Our request also proposes some new initiatives which we believe will be of great interest to the public, in Washington and throughout the country.

Among the notable accomplishments of the past year is the progress that has been made on our collections inventories. This work is of particular importance as we prepare to relocate parts of our collections to the Museum Support Center. By the end of FY 1979, the National Museum of Natural History had created and placed on computer more than 425,000 inventory records, 60 percent of which were of the Department of Anthropology and the rest distributed throughout seven other departments. The National Museum of History and Technology had inventoried and created inventory records for 114,000 objects and the Cooper-Hewitt Museum did the same for 55,000 objects. Continuing substantial progress is expected in the future on these and other inventories.

Another major step taken in FY 1979 was the Smithsonian's assumption of responsibility for the Museum of African Art. This is significant for the future well-being of the Museum and for the National recognition and prominence which have been accorded traditional forms of African art. We look forward enthusiastically to the future of this fine Museum as a part of the Smithsonian.

Many new exhibitions were opened throughout the Institution in the past year. An exhibit, "The Dynamics of Evolution" opened in May 1979 at the National Museum of Natural History. Remarkably popular new exhibitions were held at the Cooper-Hewitt Museum, increasing attendance there to over 180,000 visitors. "Vienna Moderne, 1898-1918" explored Austria's Art Nouveau movement and was described in the New York Times as "the largest and finest exhibition of style ever presented in this country." Another was "Ma", of the "Japan Today" celebration observed across the country. The Freer also participated in these festivities with its fine Japanese Lacquer collection. Other very exciting shows produced throughout the Institution included the National Portrait Gallery's "Return to Albion". Future exhibit planning includes the National Museum of History and Technology's major exhibition focusing on the life and times of George Washington with funds requested in this budget. The new director of the Museum, Roger Kennedy, who is here today, is eager to improve the quality of the Museum's exhibitions with your support. Also during 1979, the new Beaver Valley exhibit area was opened at the Zoo. This exhibit, which includes an underwater viewing area of the sea lions as well as beavers and otters shown in simulated natural habitats, has been received enthusiastically.

Research continues throughout the Smithsonian, and results are published in the Institution's series publications, books, articles and monographs. The popularity of the Handbook of North American Indians has exceeded expectations, with the first two volumes, Indians of California and of the Northeast, sold out within a few months of their release dates. Work on the comprehensive, four-volume "Bibliography of the Arts in America" continued at the Archives of American Art, with publication expected this year. The joint Smithsonian Institution/University of Arizona Multiple Mirror Telescope in Mt. Hopkins, Arizona was dedicated officially in the spring of 1979 providing the nation with a significant new instrument for ground-based astronomy. A further major accomplishment of a scientific nature in the past year was the observation at the Radiation Biology Laboratory that determined that variability in the near-ultraviolet content of sunlight cannot be explained by ozone fluctuations alone, but is closely associated with weather changes and air pollution. These rather technical studies have enormous implications for basic and applied research studies in the years ahead. The National Air and Space Museum's major research program has recognized that there is a significant correlation between terrestrial features and those found on the moon and on planets such as Mars--findings which, with the aid of computers, scientists can shed new light on geological history.

The Smithsonian's bureaus won several awards of various kinds during the year. The National Zoo won five awards given at the National Convention of the American Association of Zoological Parks and Aquariums in St. Louis. Three were for excellence in graphics and two were in recognition of the Zoo's successful animal breeding programs. A film produced by the Office of Telecommunications and the University of Arizona, Mirrors on the Universe: the MMT Story, has been awarded seven CINE Golden Eagles and two CINDY Gold Plaques by the Information Film Producers of America.

Mindful of our responsibilities to serve the general public across the country

including those persons who may not have opportunities to visit our museums, I would like to call attention to a sample of our activities supported with appropriated or nonappropriated funds. Our Traveling Exhibition Service had some 150 exhibits on tour consisting of 660 bookings in 48 states seen by an estimated 5 million persons. The number of Smithsonian magazine subscribers rose to 1.7 million. Under our National Associate Program, programs of lectures, music events, exhibits, and other activities were presented in six cities last year in collaboration with cultural organizations in those cities. We now have an extensive audiovisual series of slide-cassette and video tape presentations on conservation topics which are loaned to museums and related organizations. Our professional staff continued its long-standing tradition of helping to organize and participate in training programs for museum personnel across the country as well as many such sessions programmed on a regular basis here in Washington. Related to this national service to our sister organizations, I am pleased to report that the Institution's Native American Training Program helped to organize the North American Indian Museum Association which has clarified the needs of the constituent institutions and acts as a vehicle for solving their mutual problems. The Archives of American Art, which just celebrated its 25th anniversary, served 2,400 students and scholars in its regional centers.

The Institution's Trust funds help to support the continuing activities of the Institution in other ways. Our Resident Associate Program now has over 50,000 members. We and the public continue to be excited by the recordings produced by our Division of Performing Arts. Moreover, in addition to covering certain program and administrative costs, one of the major uses of nonappropriated resources is to fund a program of \$2 million annually, established by the Regents in FY 1978, for the purchase of acquisitions for the collections and for the support of scholarly studies and educational outreach programs. We will use collection acquisition funds toward the purchase of the Gilbert Stuart portraits which will be exhibited for alternating three-year periods at the Boston Museum of Fine Arts and the National Portrait Gallery. Other major additions to the Collections also have been made through these funds, such as the sculpture L'Action Enchaînée by Artiste Maillol and a major collection of Chinese calligraphy.

The Smithsonian responded to the 1979 volcanic eruption on St. Vincent, West Indies, by acting as a clearing house for fast-breaking information gathered by international scientific teams. Funding from the scholarly studies program enabled the Smithsonian to host a debriefing conference where geologists and atmospheric scientists involved could learn of diverse observations that were made of this important event. Using educational outreach funds we have started a new radio project this past year. We are preparing short features on activities at the Smithsonian for use, free of charge, on radio stations throughout the country. Ranging from descriptions of erupting volcanoes, to new exhibits at Smithsonian museums such as "Calder's Universe" at the Hirshhorn Museum and Sculpture Garden, to the revival of glass-blowing, these programs now have over 120 subscribing radio stations broadcasting in 38 states. The sources and uses of all funds are fully detailed in our budget document.

The Smithsonian has vigorously pursued energy conservation measures and has established specific goals through a new Energy Task Force, a 22-member group representing a broad range of the Institution's activities and organizations. Despite the fact that the consumption of energy has been relatively stable over the past few years, we are faced with skyrocketing utilities rates. The resultant costs have forced sizeable increases in our budget and also have eroded programmatic resources when appropriated resources have been insufficient to cover sudden rate hikes. By FY 1981, our utilities account is expected to amount to approximately ten percent of our Salaries and Expenses budget. To assure that we are doing everything possible to conserve energy, day-to-day operational measures are being adopted in each of our buildings and other actions will be taken such as promoting energy savings programs throughout the Institution and providing special training for building managers. Moreover, the FY 1981 and projected future budget requests for the Renovation and Restoration of Buildings Account include provisions for replacement of much of the existing heating, ventilating and air conditioning equipment which is obsolete, and consequently, a major source of energy inefficiency.

Budget Priorities

Our FY 1981 budget request for all appropriations totals \$137.4 million. This compares with estimated FY 1980 appropriations of \$144.9 million which of course includes funds of \$20.6 million to construct the Museum Support Center. Excluding the Support Center, we are seeking an increase of \$13.1 million for FY 1981 compared with the FY 1980 appropriation. Of the proposed increases, funds of \$5 million are devoted to expenses which are mainly beyond our control in the areas of pay, utilities, and inflation.

The priorities expressed in the Institution's budget request are the results of our five-year planning process and a thorough zero-base analysis. At this point, I would like to outline the major priorities expressed in the Institution's FY 1981 request and then proceed to explain them in detail by appropriation.

With the base resources included in our budget we will be able to continue the wide range of programs we conduct encompassing original research, collections management, exhibitions and performances, education, collections acquisitions, as well as administrative and facilities services. The new resources we are requesting will permit us to meet essential operating requirements, to build upon and strengthen many of the programs begun in prior years, and to undertake new initiatives.

A very high priority for FY 1981 is to continue our construction programs. These programs consist of continued development of the National Zoological Park, the restoration and renovation of buildings, and development of planning of the South Quadrangle.

The second area to which we would devote significant attention comprises several critical operational needs. Resources are sought to meet anticipated escalating utilities costs, Museum Support Center equipment and conservation training requirements, and the projected higher costs in FY 1981 of current staff. Also, funds are sought to help meet inflationary costs in the nonsalary categories of expense.

The Smithsonian Tropical Research Institute has had vastly increased responsibilities since the approval of the Panama Canal Treaty and enactment of the implementing legislation. It is important to match resources with responsibilities and, accordingly, we are proposing a sizeable resource increase for the Institute in FY 1981. The Director of the Tropical Research Institute, Ira Rubinoff, who has been involved directly with the changes resulting from the Treaty, is here with us today to answer your questions.

The new initiatives we are proposing for FY 1981 consist of a Major Exhibition Program for the history and art museums, especially for the National Museum of History and Technology and an interdisciplinary science program, the Smithsonian National Awareness Program. This latter program will focus on developing exhibitions and education materials to communicate information about the major problems confronting our ever more fragile natural environment.

Finally, we are requesting additional resources to strengthen individual programs of several organizations throughout the Institution.

Salaries and Expenses

For Salaries and Expenses, we are seeking an appropriation of \$120.3 million in FY 1981, an increase of \$11.8 million over the FY 1980 estimate.

This request would enable objectives to be met in four categories. These are essential operating needs; legislated requirements as a result of the Panama Canal Treaty and related agreements; the two new exhibition and science programs I have just noted; and particular needs of several of the bureaus and offices throughout the Institution.

Operating Needs

Under the general heading of operating needs, in addition to our pay, utilities and rental requests, we have been permitted for the first time by the Office of Management and Budget to seek additional resources to help compensate for inflationary increases in the nonsalary areas of expense. As with other museums and research organizations, inflationary increases are having the effect of seriously eroding exhibitions, research, collections management, acquisitions, and education programs as well as support services. Our request for \$1.2 million, calculated at a modest seven percent inflation rate between FY 1980 and FY 1981, would help these programs to maintain a current level of operations.

We are requesting in FY 1981 an amount of \$2,461,000 for the phased process of providing collections storage, conservation, protection, and other equipment for the Museum Support Center. Of this amount, \$1,701,000 is for collections storage, \$500,000 for conservation, and \$260,000 for security equipment. In arriving at these estimates, we have very much been in a learning process, especially over the past year as we have applied the planning funds provided by the Congress. This has been a year when important information and data have come together for the first time, particularly with regard to the storage component of this facility. First, the architect/engineers and their consultants impressively demonstrated to us that

by decreasing slightly the square footage of the storage component of the building, increasing slightly its height, and installing a three-tier rack system with self-contained compartments--rather than continued use of traditional storage cases --we would realize over 25 percent more storage capacity than originally contemplated. This system, while not inexpensive, is less costly per cubic foot than all other systems studied. It will give us maximum dollar value and meet the growth of collections well into the 21st century, based on current projections. This new compact plan can easily increase the storage potential of the Center by some twenty years, more than our earlier predictions. Second, the installation of this system can be phased over the years as demanded by the space needs of the collections and the future growth of the collections. Its modular fabrication will permit great flexibility over time to rearrange collections storage components.

Third, as a result of the intensive collections inventory effort we have been conducting over the past two years, with special funds provided by the Congress, we have gained comprehensive knowledge of the many thousands of objects now in the Natural History collections that are stored in improper or delapidated cases, are deteriorating because they are too tightly stored, or are not stored in museum cases at all. The storage system we have now planned for the Support Center will allow us to correct these serious conditions. This new system will provide safe and accessible housing for the collections there. As an important dividend, many of the cases now in use, when their contents are relocated to the Center, will be used in the Natural History Building. They are needed there to meet storage needs of collections that will not be moved to the Museum Support Center and which are in desperate need of safe containment. This allows some flexibility in phasing the move. It also eliminates the need to spend several million dollars in the future to purchase cases for that building. I and my staff have given this plan intensive study and we are convinced that it offers the efficiency, flexibility, and long-term cost-effectiveness needed by the Institution.

Panama Canal Treaty - Related Requirements

As a result of the Panama Canal Treaty, its related agreements, and its implementing legislation, the Smithsonian Tropical Research Institute (STRI) must assume additional programmatic responsibilities, as well as administrative costs, and we are seeking an additional \$472 thousand to meet these responsibilities. The most profound changes result from the fact that Barro Colorado Island has been designated as a Nature Monument and its area extended from 3,900 to over 12,000 acres. STRI has been designated as custodian of the Barro Colorado Island Nature Monument. With this responsibility comes significant security requirements and enhanced conservation and educational opportunities. In the administrative area, new laws and regulations, along with the phasing out of services previously available from the Panama Canal Commission and the Department of Defense, make the need for additional resources unavoidable.

New Programs

The proposed new Major Exhibition Program for which \$1 million is requested will be launched with two important shows. A definitive exhibition reexamining George Washington's place in our history on the 250th anniversary of his birth in 1982 will be held in the National Museum of History and Technology. "Celebration", our first comprehensive display of folk objects drawn from all the Smithsonian's museums, will be held in the Renwick Gallery. We have not requested new resources for substantial new exhibitions since the Bicentennial, because emphasis over the past several years has been on critical collections management needs. It is time, however, to breathe new life into our exhibit halls, drawing principally upon the National Collections and the resources of our staff in a variety of disciplines.

The Smithsonian National Awareness Program for which we are seeking \$600 thousand will gather together the most up-to-date information on significant current issues in science, using the varied resources of the Smithsonian science bureaus. The Program is designed to bring to the attention of the public the major problems facing the life support systems of the earth, particularly such factors as energy and the environment. Drawing upon research findings, it will begin with two exhibitions and related educational materials. One of these, "The Sun and Energy" at the National Air and Space Museum, will present innovative displays on energy conservation and development using new technologies. The second, to be installed in one of the largest halls of the National Museum of Natural History, is entitled "Man and Planet Ocean". This exhibition will address the subjects of pollution, conservation, and energy in a comprehensive and educational manner. Educational materials based on these exhibits will be distributed to educators and students throughout the country.

Selected Individual Requirements

Finally, under the Salaries and Expenses appropriation, we are seeking \$2.7 million to strengthen programs of research, collections management, exhibitions, including performances and festivals, and education and research organizations throughout the Institution. This amount also would be used to strengthen our protection services and continue to make improvements in our administrative support.

To further original research, we are proposing additional resources to provide base funding for the watershed monitoring system at the Chesapeake Bay Center for Environmental Studies; to establish a telescope detector development program at the Smithsonian Astrophysical Observatory; to strengthen the nationally respected nineteenth century American Art program at the National Collection of Fine Arts; and to enhance other areas of Smithsonian "increase", such as museum studies.

Collections management and inventories continue to be a high priority. We are requesting additional resources for urgently needed paper and textile conservators at two history and art museums and for expanded collections inventory work at the Museum of History and Technology. Also, funds proposed in this budget will allow us to increase public accessibility to the library collections of the Cooper-Hewitt Museum and to prints and photographs collections of the National Portrait Gallery. Additionally, we propose to develop a catalogue of about one million photographic negatives to improve greatly the Institution's ability to provide visual materials to the public.

For exhibitions and performances, in addition to the major new initiatives I have described, we are seeking funding to allow the Freer Gallery of Art and the National Portrait Gallery to open additional exhibitions and to increase public performances in the Museum of History and Technology using its important collection of musical instruments.

In the area of education, we plan to build upon our progress in providing information services to the public, and to strengthen the very successful program developed by our Office of Elementary and Secondary Education to make the museum experience more accessible to disabled visitors.

We are proposing a small, but significant, increase for collections acquisitions at the National Portrait Gallery. We also hope to establish a much-needed Federal acquisitions base at the Museum of African Art.

Finally, for administration and facilities services, we are requesting funds for the Office of Equal Opportunity to establish an Institution-wide cooperative education program in order to improve our ability to locate and place minorities and women in professional positions. Another continuing critical need is the augmentation of our guard force. Our FY 1981 budget request proposes improvement of our protection services capabilities. We expect to continue to seek additional staffing for this purpose in future budget years. Our Office of Facilities Planning and Engineering Services is represented in this budget in line with our priority to devote increasing attention to the restoration and renovation of our buildings. Following up on management improvement efforts begun over the past few years, we are seeking to strengthen our accounting, audit, and legal services capabilities.

Construction

The projects contained within our construction appropriations are of high priority to us. These include continued development of the National Zoological Park, the restoration and renovation of our buildings, and the planning for the South Quadrangle.

The National Zoological Park is becoming one of the world's finest with its new and renovated exhibits, its research facilities and its highly trained and able staff to deal with all aspects of animal care. Millions of people already have experienced the pleasure of viewing the animals in their new environments. With the opening of the Great Ape House scheduled during 1980, the renovation of the Reptile House and the Crocodile exhibit scheduled to begin shortly, and the proposed new Monkey Island exhibit, the cluster of projects in the so-called "central area" of the zoo will be completed. For FY 1981 we are requesting a sum of \$3.3 million for construction of the Monkey Island exhibit at the National Zoological Park, and for renovations, repairs, and improvements of facilities at the Zoo's Conservation and Research Center in Front Royal, Virginia and at Rock Creek.

It is gratifying to report that work outlined by the Rock Creek Master Plan is more than halfway completed. Twenty-one projects are completed or under construction.

For the FY 1981 Restoration and Renovation of Buildings appropriation, we are seeking \$8.8 million. As we explained at last year's hearings and detailed in our Five-Year Prospectus FY 1981-1985, the needs covered by the appropriation are considerable. It is important to bring Smithsonian facilities up to necessary standards to meet requirements of health and safety and for proper protection of the National Collections. Museums should be places where visitors derive pleasure from viewing the collections and learning about what they symbolize or what they can tell us about our own history. To promote this sense of excitement, however, the physical condition of the museum must be sound. Of course, the proper care and protection of the National Collections are ample reasons to maintain the Institution's facilities. The interior climatic environment must be stabilized so that objects in the collections do not become damaged. In undertaking any necessary renovations to achieve environmental stability, we are assuring also that newly installed systems will meet energy efficiency standards. Visitors and staff safety and security also demand that facilities are in proper repair. There is now also greater awareness and attention to the needs of disabled persons, as manifested in recent legislation. Finally, there is a need for projects in support of programmatic work at outlying bureaus. Our restoration and renovation request in FY 1981 as well as future plans in the Five-Year Prospectus have been developed according to categories that will meet the objectives I have just outlined.

The final portion of our budget request consists of planning funds for development of the South Quadrangle, an area of approximately 4.2 acres bounded by the Smithsonian Institution Building, the Freer Gallery of Art, the Arts and Industries Building, and Independence Avenue. Our proposal for development of the Quadrangle is based on the need to strengthen certain areas of our collections and exhibits program and to provide additional services to the public. This includes provision for new space resources for the display of oriental art and for meeting the space requirements of the Freer Gallery of Art for conservation, libraries, research, and education. The legislative history of P.L. 95-414, the bill authorizing the Smithsonian's acquisition of the Museum of African Art, suggests that the Museum be moved from its present location on Capitol Hill. The normal growth of this museum's excellent collections and the need to improve visitor accessibility ultimately will require this step. A Mall site suitable for this new national museum would be efficient and more accessible to the public.

Legislation authorizing the appropriation of \$500 thousand for planning purposes was enacted and signed into law by the President on July 20, 1979 (P.L. 96-36). In the current fiscal year, an amount of \$500 thousand of the Institution's Trust funds is being used to refine preliminary conceptual information developed previously. This includes the preparation of architectural concept drawings and the development of materials in connection with the National Environment Policy Act, the National Historic Preservation Act, and a variety of technical requirements.

For FY 1981, the requested amount of \$500 thousand in appropriated funds combined with approximately \$1 million of nonappropriated Trust funds would be used to sustain planning and design activities. During this period, tentative design drawings would be prepared for review and the development of working drawings and specifications would begin.

Presently, much groundwork for private support of this project has been laid in meetings with representatives of Asian and African organizations and governments, and the Institution remains hopeful about raising significant sums. A substantial amount of the Institution's Trust funds derived from auxiliary activities also will be applied to the overall cost of the project.

Special Foreign Currency Program

The final appropriation account in our budget request is for the Special Foreign Currency Program. An amount of \$3.7 million will be used to continue a program of grants to United States' institutions for field research in specialized areas. This is the same amount that was appropriated for the grants program in FY 1980. An additional \$750 thousand equivalent in rupees will be added to the forward-funded reserve already established by the Smithsonian for the American Institute of Indian Studies.

These programs are all more fully detailed in our budget document. I and my staff will be happy to respond to questions.

INTRODUCTION OF WITNESSES

Senator STEVENS. I want to take the occasion to welcome back to the table our long and good friend who has now joined the Smithsonian.

Secretary RIPLEY. I have here with me my long and good friend, Phillip Hughes, Under Secretary, replacing Mr. Collins who has left to take other opportunities.

I have Charles Blitzer, Assistant Secretary for History and Art; David Challinor, Assistant Secretary for Science; Julian Euell, Assistant Secretary for Public Service; John Jameson, Assistant Secretary for Administration; Paul Perrot, Assistant Secretary for Museum Programs; Christian Hohenlohe, our Treasurer, who replaced Mr. Wheeler; Tom Peyton, Director of Facilities Services; Roger Kennedy, the new Director of the National Museum of History and Technology; Theodore Reed, whom you know well, Senator, the Director of the National Zoological Park; and Jon Yellin, our very efficient Director, Office of Programing and Budget.

And I count on all of them plus myself to be able to be fully informed this morning for your service in this appeal for our 1981 budget.

OPENING STATEMENT

I have a statement which is being submitted for the record. I'd like, if I could, to highlight it briefly.

Senator STEVENS. Please do.

Secretary RIPLEY. We are most grateful, as always, to the subcommittee for giving us support and encouraging us to move forward in the service of the people. We feel that our progress and our plans for the future are in good shape. The Institution has had great success in helping people throughout the country understand and appreciate more thoroughly our history, culture, art, and scientific achievements.

SMITHSONIAN NATIONAL SERVICES

We anticipate continuing our success in outreach in future years, as we refine and strengthen existing programs and establish new ones. Often, it seems to me, Mr. Chairman, people tend to overlook the fact that the Smithsonian does serve the country at large. I know that you, sir, understand this well. But I brought a chart along today which I thought was interesting, because it shows—although the dots are difficult to interpret perhaps from this distance—the kinds of services that we perform in all of the States.

These range, of course, from the traveling exhibitions, which you know about as they have reached Alaska in the past 3 years, to the visits of the professional staff and programs in our regional associates' programs, represented in pale blue. And here, for example, are loans from collections. This is the kind of example in which people say to us, what do you do with these vast collections; why don't you get them out into the country? Indeed, we are constantly loaning material to other museums and institutions for research, as well as merely for exhibition.

Our traveling exhibitions, these dark purple dots, are all over in 48, I think, of the States this past year. The Smithsonian news service, which

we have developed in the past year, has been very effective, now reaching something in the neighborhood of 30 million people with newspaper feature stories written by Smithsonian staff.

Radio and television programs, utilizing brief public service spots as well as time on the educational networks, highlight Smithsonian activities and are very popular and going all over. They are represented by these yellow dots here. And then of course our cooperative grants and work with museums and universities through the National Museum Act. Lastly, the foreign fellowship programs are very extensively spread around the country, and the museum programs workshop opportunities, which come under our very small museum package, are very well received and very popular.

One aspect of our work which is little known, I think, to the general public, but very well known to the school systems, is the elementary and secondary educational materials which emanate from the museums and go to an enormous number of schools. We have the statistics on this, in case the committee is interested, and we'd be very happy to delineate it in any case.

This last year has been one of significant achievement for us, because we are particularly pleased to be able to go forward on documenting the number, variety, and accessibility of our collections. And as you know, Mr. Chairman, the real focus of this was brought out last year in the plans and the budgeting for the Museum Support Center.

COLLECTIONS INVENTORY

The task which has now been going on for a number of years of attempting to get an appropriate recording of what our objects really are, where they are, and how to find them, is I'm sure very familiar to every householder who's ever lived in an attic. In fact, it's tomorrow I think it is, or today, Mr. Kennedy is putting on a very illuminating exhibit in the Museum of History and Technology of everybody's attic, and everybody's attic, as personified by the Smithsonian's attic, is a great one indeed.

THE NATION'S ATTIC

He has everything there from the toothbrush that the two astronauts shared when Borman and Lovell went up, to half a moustache that was found on the floor when a bank robber was arrested and half of his false moustache fell off, to various kinds of wigs and other hair items, preserved hairs of all the Presidents, things of this sort. It is absolutely fascinating.

In fact, once we get into this, you see why everybody has an attic, why attic floor after attic floor across all parts of these States fall through because of the bails of National Geographic magazines that have never been thrown out. It's all there, including the National Geographic magazines and the most wonderful miscellaneous things: pencils. No one ever really throws away pencils, including the stub of the pencil, and so on.

This epitomizes in a rather whimsical way the problems that any major museum faces in how to find out where the stuff is and whether to keep it or not and what happens.

We have a wonderful ironwork framework chair which locks, which was used in a particular community—I won't name where it was for fear of alienating some constituents somewhere—to take tramps out of town. When tramps were found just hanging out in town and had no obvious place where they were living, they would be locked up in this contraption and led out gently, out of town and released.

We had a wonderful mannikin which fitted in the tramp machine, though unfortunately somebody decided it wasn't up to snuff for the Smithsonian collections, and they threw it out. And it's a shame, because here we have this wonderful tramp machine, and it would be so much better if we had a tramp in it.

MUSEUM OF AFRICAN ART ACQUISITION

Last year, as you know, Senator, we received the Museum of African Art by legislation. This is a great, ambitious program for us now, to try to give it a proper home and to make sure that it's seen by as many people as possible. The present setting on A Street on Capitol Hill is not very good. We are planning in 5 years or so to move it down into an appropriate place on the Mall, where it can act as a kind of window on the Mall for the history of African culture.

SENATOR STEVENS. Will that require another building?

SOUTH QUADRANGLE PLAN

Secretary RIPLEY. That will require for us a small building, which we plan for our quadrangle, which is part of the quadrangle plan which we showed you last year. We anticipate we'll be able to raise the funds for about half of the project and be able to come in under the wire in 1984 dollars for a total of about \$50 million, of which I'm hoping we can raise \$25 million matching, in other words, the efforts which we'll be asking Congress to support us with.

The quadrangle will consist of two small buildings, one for Asian art—the first \$1 million for that is coming in April from Japan—one for the African Museum, with underground exhibition areas which will be very clean and neat as far as the environmental impact of these buildings is concerned, to save energy; and underground parking for about 400 cars; a vast area of galleries underground, which will be illuminated by light wells in the garden; rooms for a variety of educational programs for the associates, who are very badly constricted in their temporary quarters; and facilities for the traveling exhibition service and for other outreach programs.

This is something that we hope to come back to later this morning. I think that the advantages of having the Museum of African Art there would be very, very great. I think there's no question but what we need something of this sort in our Smithsonian garden setting.

The "Handbook of North American Indians" has sold out the first two volumes, on the Northeastern Indians and on the Indians of California. This was a 20-volume project which was approved by the Congress as part of the Bicentennial.

GEORGE WASHINGTON EXHIBIT

Of course, the Bicentennial is still going on. In effect, it will be going on through the early 1980's, because of the commemoration of the historical events of the 1770's and 1980's. Mr. Kennedy is planning an exhibition on the 250th anniversary of George Washington. George Washington hasn't had a full-scale retrospective exhibition of everything from what he did and what he meant to this country, to his teeth, as you know; and we think that it would be enormously effective and very good to restore Washington in the aspects of a living human being.

He's thought of in monumental terms, even as a monument in the middle of the Mall, but not really as a person. And I think the recent biographies of Washington by people like James Flexner very well demonstrate the fact that he was a monumental character as well as a monumental public figure, as he so often appears to us, looking back.

So we think that that kind of thing is the sort of exhibit program which the Museum of History and Technology should be continuing.

SMITHSONIAN MAGAZINE

As far as outreach is concerned, the Smithsonian Magazine is now received by about 1.8 million resident and national associates in all the States. It's enormously popular. We are extremely proud of it as a way of disseminating our interests and concerns to people across the country.

BUDGET PRIORITIES

As far as our budget priorities are concerned, Mr. Chairman, you have summarized them. We feel that with the base resources included in our budget we'll be able to continue the wide range of programs that we conduct, encompassing original research—this is how we ourselves feel confident that we are doing an appropriate job, because we are capable of original research—collections management, exhibitions, and performances, education, and acquisitions.

We feel that the new resources we are requesting will permit us to meet essential operating requirements. In fact, aside from the program of construction at the Museum Support Center, our main concern about money for building-related activities is for restoration and renovation of our existing buildings.

We have very small requests this year for salaries and expenses. These are essentially increases through inflation, of course. We are essentially frozen on our personnel roster and we're not asking for any major appointments this year with the exception of essential security requirements both in Washington and Panama.

We are planning to continue the development of the National Zoological Park, contingent upon your approval, and we would like a small amount for planning for the south quadrangle as I mentioned.

The big item, essentially, in our budget this year is restoration and renovation of buildings. This is a continuing need which we feel duty-bound to pursue. The history of building neglect, as I'm sure you realize, Mr. Chairman, is that this problem gets worse each year. Unless you present a phased, carefully controlled program, you end up being very much behind the eightball.

We have Mr. Peyton here, who is our new Director of Facilities Services, to speak to aspects of this. We feel that our escalating utilities and space rental costs are really pretty well under management control, although essentially we are putting in for \$2.6 million for this at the present time, in anticipation of problems which are beyond our control.

MUSEUM SUPPORT CENTER REQUEST

And there will be some salary increases inevitably built into our system, which are \$1.2 million. I think that the really nitty-gritty problem with the Museum Support Center is that we are requesting \$2.4 million for the phased process of providing collection storage, conservation, protection, and other equipment for that Center.

We have experts here on our staff to answer the questions that may come up about this. Security is a major issue, as I'm sure you know, Mr. Chairman, these years; and conservation is something which committees of the Senate have emphasized that we should be concentrating on full force.

The problem with storage in the new Museum Support Center we've attacked directly by going out over the world and looking for the most efficient methods of storing the objects which we determine we wish to keep. And we have, we believe, found one which will maximize the present space and increase the possibility of storing the materials that we wish to store by another 20 to 25 years.

When we came before this committee about 3 years ago, we were not advanced, as it were, in that kind of planning. Now we feel that we are ahead of the game and we want to recommend to the Congress that we should be permitted to get the kind of storage efficiency out of this new efficient space which will maximize the utility of this structure.

COLLECTIONS INVENTORY

I think that the collections inventory that we have underway is very good. We can give you the figures on the number and types of objects which we have already developed, and we are finding extraordinarily interesting material as we go into it.

This kind of comprehensive physical inventory has never really been done, and we think we are doing it as well as it could be done, and in fact it will be a model for museums across the country. Some collections, as you can realize, are relatively easy—paintings and things of that sort we can lay hands on pretty well. But some of the more inconspicuous objects, some of the anthropology collections, need determinations made about their eventual fate or storage and involve a tremendous amount of complicated information retrieval.

DUPLICATION WITHIN THE COLLECTION

Senator STEVENS. I went through that, you know. I was impressed with that cataloging that's going on. But it did not seem there was any phase for determination as to when the decision was made, as to whether it was in the interest of the National Government to continue to store so many redundant items in the Indian section, so many identical items.

Secretary RIPLEY. Yes.

Senator STEVENS. I went into the Alaska section, for instance, and there's just a fantastic redundancy in the items in storage. Is there going to be a decision time set for determining how many of those items of the same type would be kept as a reserve supply for the Smithsonian and how many of them would be made available?

I assume they'd be made available to other governments first or museums, or not be sold in the market.

Secretary RIPLEY. Oh, no. Other organizations similar to ours, like the Sheldon Jackson and the University of Alaska collection, for example, which are very extensive. In many of these there may be duplicates. A question which really bugs a curator who is trained to be a curator is, how does he decide between apples and oranges.

To us, as people not trained in a curatorial sense, it may be difficult—

Senator STEVENS. I don't mind an apples and oranges decision. It's a how many apples decision. [Laughter.]

Secretary RIPLEY. The question that I'm trying to address is that some apples look like oranges and some oranges look like apples. [Laughter.]

You recall that in Iran and in Japan, too, there's a thing which is called a pear, which looks exactly like an apple. When you eat it, take the skin off and start biting into it, it begins to worry you, because it doesn't taste like an apple. Finally you realize it's a Japanese pear. But you can't really tell from outside.

This kind of thing happens with objects like beadwork, for example. How do you determine whether this is Haida beadwork or Makah beadwork, unless you are a professional, unless you have determined that the Makahs have given up using that kind of beadwork, or is it really a transitional thing, and these are really Haidas who are Makahs in disguise or Makahs who are Haidas in disguise.

STORAGE PROBLEMS

Senator STEVENS. When is the decision to be made on limiting that storage? It seems to me that storage is one of the great problems at the Smithsonian.

Secretary RIPLEY. That storage we think we are going to be well ahead of, because once we have made the catalog, then we can decide, this stuff is good, this stuff belongs in the University of North Dakota, this stuff belongs in Seattle, and so forth and so on. But we can't really do it until we've got a handle on it.

If I empty my pockets tonight, I can't decide what I'm going to put back into them tomorrow morning in a different suit, if I wear one, until I find out what I took out of my pocket.

Senator STEVENS. I was told there is even more in storage in Maryland.

Mr. HUGHES. I think there are two events that enable us to make the kind of choices that we're talking about. The Secretary has expressed the same kind of concerns that you have, with the advent of the Museum Support Center and the extra space that that provides us, that we not fill it up with things that shouldn't be there.

One of the few constraints on curators is space. If you give them more space, what next? But I think the combination of the inventory that is going on and the move of a substantial part of the Smithsonian collections to the Support Center will give us a chance for the kind of review that you're talking about. That's the opportunity that I see. And we're working with the Secretary on a plan and some criteria for making the decision.

But as the Secretary points out, the tendency of those who collect is and should be to collect. And they see differences that we don't. So that the delineation of duplication and so on is very difficult.

Secretary RIPLEY. This is really the chance we want. And there is a distant drumbeat going on in our part of the Mall, which is the result of memoranda that I am sending across the Mall, saying, "What are we going to throw out?"

Senator STEVENS. I want to give Mr. Kennedy a little free advice. One summer my wife and I decided we should teach our children all about George Washington. So, we took them all to Mt. Vernon and to lunch in Alexandria and into Pennsylvania and all over this part of the country. Everywhere we went, we saw the sign "George Washington slept here." That fall, my youngest son went back to school and was apparently asked what he'd done during the summer.

He was very impressed. He was asked to write a theme about the United States. One of his first sentences was: "When George Washington was President of the United States, he slept in many beds." [Laughter.]

TEN PERCENT BUDGET CUT

Well, we have to do something first so we can just get it out of the way. And that is, this subcommittee is asking every agency that appears before it to take into consideration the fact that we're probably going to be requested by the full committee to make a 10-percent cut in the budget that's under the review of this subcommittee.

If we're faced with that, rather than think about an across-the-board cut, we would like to have the agency give us a detailed response for the record if we are required to do that, as to where would the Smithsonian apply the 10-percent reduction?

We need that statement for the record, and we're getting it from everybody.

[The information follows:]

April 21, 1980

APPLICATION OF TEN PERCENT
BUDGET REDUCTION

The Smithsonian Institution's original FY 1981 budget submission to the Congress totalled \$137,391,000 inclusive of all five appropriation accounts. To achieve a ten percent reduction, a sum of \$13,739,000 would be cut, and the revised request would total \$123,652,000.

As noted in the hearing testimony, the Institution's request of \$152,668,000 in its FY 1981 budget submission to the Office of Management and Budget (OMB) was reduced by \$15.2 million, or ten percent. Recognizing that further significant reductions would be detrimental to Smithsonian programs, OMB imposed only a further \$1.5 million reduction in the recent Presidential action.

In distributing the amount of the ten percent reduction, it is necessary to involve nearly all appropriation accounts with severe effects to each. The reductions by appropriation account are displayed in the following table:

(Dollars in thousands)

<u>Appropriation</u>	<u>Original FY 1981 Request</u>	<u>Reduction</u>	<u>Revised Request</u>
Salaries and Expenses	120,312	4,329	115,983
Construction and Improvements	3,290	1,290	2,000
National Zoological Park			
Restoration and Renovation of Buildings	8,839	4,670	4,169
South Quadrangle Development Planning	500		500
Special Foreign Currency	4,450	3,450	1,000
	137,391	13,739	123,652

Salaries and Expenses Appropriation

The original request in the Salaries and Expenses (S&E) appropriation account totalled \$120,312,000. The request under the ten percent reduction would total \$115,983,000, a reduction of \$4,329,000.

Funds included in the congressional FY 1981 budget, would allow the Institution to provide for a portion of unavoidable cost increases, to sustain momentum on a number of programs begun in partnership with the Congress, and to propose some new initiatives. With approximately 70-75 percent of Salaries and Expenses funds designated for salaries and benefits each year, significant cutbacks in this appropriation are difficult to achieve without impairing existing programs.

To effect a reduction of \$4,329,000, it would be necessary to cut the request for uncontrollable cost increases by \$973,000 (from \$5,012,000 to \$4,039,000) and the request for program increases by \$3,356,000 (from \$6,745,000 to \$3,389,000).

The funds of \$973,000 to be cut from the uncontrollable cost increases consist of \$138,000 from "Necessary Pay" (a reduction of 12 percent); \$450,000 from utilities (a reduction of 19 percent); and \$385,000 from funds requested to offset inflation (reducing the request to five percent of "all other" objects of expense except utilities and rent compared with seven percent in the original submission). The overall effect of the reduction to these areas of expense would be to erode the programmatic capability of the approximately 60 Smithsonian organization units which would have to share in the absorption of these unavoidable expenses. Such an absorption ~~thus~~ would constitute a program cut.

The reduction of \$3,403,000 to programmatic increases proposed in the original FY 1981 budget request would be applied to all Activities.

In the Science Activity, a cut of \$192,000 would be necessary. As a result, approximately 25 percent of the Treaty-related request for the Smithsonian Tropical Research Institute (STRI) and all of STRI's facilities request would be eliminated. The reductions would fall in the important areas of administration and security. Additionally in this Activity, the proposal for greenhouse support for the Radiation Biology Laboratory would be abolished.

History and Art reductions would total \$427,000. None of the items under the proposed increases would be funded, except for the new position of Deputy Director of the Museum of African Art. As a result, plans to improve History and Art Programs in the areas of research, collections management, exhibitions and performances, and acquisitions could not be effected. Among the areas that would not receive funding would be the plans to strengthen the Nineteenth Century American Art Program of the National Collection of Fine Arts; the provision of additional conservators at the Cooper-Hewitt Museum and the Museum of History and Technology; and planned improvements in the care and accessibility to the public of the prints and photographs collections of the National Portrait Gallery.

Reductions in the Public Service Activity would total \$65,000. These would include the elimination of a research assistant position for the Public Inquiry Mail Service Program, funds to upgrade audio equipment in support of "Radio Smithsonian," and to correct a base shortage in the Office of the Assistant Secretary. Additionally, a new research position for the Division of Performing Arts' Black American Culture Program would be eliminated and the request to cover publications costs of Smithsonian Year would be pared.

In the Museum Programs Activity, a reduction of \$166,000 would be applied to the elimination of special museum-related studies in the Office of the Assistant Secretary, and the request for a fellowship for a disabled individual in the Smithsonian Institution Archives. In addition, planned improvements in the Native American Training Program, Smithsonian Institution Libraries, Office of Horticulture and South Group Buildings Management would be cutback by approximately 50 percent.

The largest dollar reduction (totalling \$2,181,000) would fall in the Special Programs Activity. Under this Activity the Museum Support Center equipment would be reduced from \$2.4 million to \$1.2 million. By deferring the purchase of essential equipment for the Support Center, the time frame for the full operation of the Center would be extended and, because of inflation, the total cost would be expected to rise substantially. Also, under the Special Programs section, the proposed new Smithsonian National Awareness Program would be eliminated completely, the Major Exhibition Program reduced from \$1,000,000 to \$700,000, and the handicapped education program request reduced from \$54,000 to \$34,090.

A total reduction of \$325,000 from the Administration and Facilities Service Activities would be applied to several administrative and facilities offices. These reductions, distributed among a dozen organizational units would have the serious effects of curtailing essential changes to the payroll/personnel information system and of limiting critical improvements to our Equal Opportunity Program. They would also limit the speed with which the Smithsonian can correct a serious nitrate film hazard and reduce guard protection in our public areas.

The detail of the Salaries and Expenses reductions by line-item is provided in the attached chart.

Other possibilities for achieving a budget reduction in the Salaries and Expenses appropriation would be to curtail the extended Mall museums' visitation hours during the summer months. Several options are available. These include measures such as closing the Mall museums to the public one evening each week (\$70,000); discontinuing the the extended summer hours two weeks earlier than the regular Labor Day termination (\$90,000); closing the Mall museums at 8:00 P.M. each evening instead of the regular 9:00 P.M. summer closing time (\$114,000); and closing the Mall museums on an alternate basis on day each week (\$244,000).

The Smithsonian is not recommending that these steps be taken because of its strong commitment to reaching as broad a segment of the public as possible.

Construction and Improvements: National Zoological Park

The original request in this account totalled \$3,290,000 to be used to complete renovation of the central area of Rock Creek Park with the construction of a Monkey Island exhibit, and to perform essential renovation, repair and improvement projects at the Rock Creek Park facility and the Conservation and Research Center in Front Royal, Virginia. Under the ten percent reduction, the Zoo Construction request would be \$2,000,000, a cut of \$1,290,000.

To achieve this reduction, the Front Royal program would come to a virtual standstill. With funds appropriated in FY 1980, the design of the planned Delicate Animal Facility is being completed. Construction funding for a portion of the complex to be used for small mammal breeding was included in the original budget request. This project would be deferred under the reduction, with the immediate effect of interrupting Front Royal's breeding program and the long-term effect of cost inefficiency due to inflation. Also deferred would be planning for Hardy Bird Yards at Front Royal. An additional sum of \$670,000 (some 80 percent of the request) designated for the miscellaneous renovations and repairs at Rock Creek and Front Royal would be eliminated. With over 60 facilities of varying ages at the Zoo's Rock Creek location and many of the old structures at Front Royal badly deteriorated and in need of major repairs, these funds are critical to the safety and security of visitors and the animals.

Special Foreign Currency Program

The Institution's original request for the Special Foreign Currency Program (SFCP) totalled \$4,450,000. Of this amount, \$3,700,000 was designated to continue a program of grants to United States institutions for field research in countries where excess local currencies are available and an amount of \$750,000 was provided to add to the forward-funded reserve in support of future programs of the American Institute of Indian Studies (AIIS). The budget for this Program under the ten percent reduction would be \$1,000,000, a reduction of \$3,450,000.

With a reduction of this magnitude, research programs in Egypt and in India would be curtailed critically. All excess Egyptian pounds have been allocated and must be obligated or they would be lost. The Smithsonian had planned to obligate its share, mainly through grants to the American Research Center (ARCE), in Egypt, during FY 1980 and FY 1981. These grants would have enabled most of ARCE's on-going projects to have been brought to conclusion. A budget reduction of any amount would interrupt abruptly and irretrievably existing field research efforts in Egypt.

The majority of excess funds in FY 1981 were planned to be provided in the form of excess rupees to the American Institute of Indian Studies for field research in India and for a second installment for its forward-funded reserve. Another large recipient of Smithsonian funds in India is the U.S. side of Indo-U.S. Subcommission on Education and Culture. These two major grantees, heavily dependent on Smithsonian funding, are expected to require \$1.8 million in FY 1981 for field research. Moreover, the build-up of the reserve fund for the AIIS is especially critical in order to avoid the repetition of circumstances that developed in Egypt. The limited funds that would be available in FY 1981 under the ten percent reduction would be inadequate for either the grants program or an effective increase to the reserve.

Restoration and Renovation of Buildings

The original budget request for this appropriation totalled \$8,839,000. Under the ten percent reduction, the request would be \$4,169,000, a cut of \$4,670,000. The work proposed in the budget request must be done. The deferral of the work would be extremely disruptive to the planned facilities programs and would result in significantly higher costs to the Government because of inflation.

The Institution's Five-Year Prospectus FY 1981-85 documents requirements of \$49 million in this appropriation over the five year period. The FY 1981 budget was developed to make significant progress on the work identified in the Prospectus, in the categories of "Facade, roof, and terrace repairs;" "fire detection and suppression systems;" "access for the disabled, safety and security and correction of hazardous conditions," and "other projects" in support of research efforts.

With an FY 1981 appropriation of \$4,169,000, it would be necessary to defer smoke detector installation and other fire protection work, and to phase over a longer period than currently planned the repairs to the Renwick facade and Arts and Industries Building roof and exterior, and the National Air and Space Museum facade and terrace. In addition, plans to improve heating, ventilating and air-conditioning systems in the Natural History Building, History and Technology

Building, Freer Gallery of Art, and Smithsonian Institution Building, and other utilities projects would be deferred. In view of the short payback time in terms of utilities savings that would result from replacement of antiquated heating, ventilating, and air-conditioning systems, these latter deferrals would be especially costly. Finally the majority of projects mainly in support of research efforts at the Institution's outlying science bureaus would be deferred. The following displays the detail of the reductions by sub-account:

(\$000s) <u>Subaccount</u>	<u>Original Request</u>	<u>Reduction</u>	<u>Revised Request Under Reduction</u>
General Repairs and Improvements	337	-117	220
Facade, Roof and Terrace Repairs	3,465	-1,700	1,765
Fire Detection and Suppression Systems	1,105	-250	855
Access for the Disabled, Safety and Security and Correction of Hazardous Conditions	770	-	770
Utility Systems Repairs and Improvements	1,777	-1,493	284
Other Projects	1,385	-1,110	275
Total	<u>8,839</u>	<u>-4,670</u>	<u>4,169</u>

SMITHSONIAN INSTITUTION
"Salaries and Expenses"
Summary of the 1979 Appropriation and the 1980 and 1981 Estimates

(Dollars in thousands)

Page No.	Unit	1979 Actual		1980 Estimate		Revised 1981 Estimate		Revised FY 1981	
		Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
	<u>Museum Programs</u>								
A-98	Ass't Secretary for Museum Programs			93	2,454	1	42	52	
A-105	Office of the Registrar			4	119	-	2	-	
A-107	Conservation Analytical Laboratory			26	856	4	21	55	
A-111	Smithsonian Institution Libraries			100	2,930	1	68	-	
A-115	Office of Exhibits Central			47	1,285	-	19	-	
A-117	Traveling Exhibition Service			6	163	-	4	-	
A-120	Smithsonian Archives			13	360	-	6	-	
A-122	National Museum Act			3	803	-	1	-	
	Subtotal, Museum Programs			292	8,970	6	163	167	
	<u>Special Programs</u>								
A-125	American Studies & Polklife Programs			4	501	-	13	-	
A-128	International Environmental Science			2	519	-	11	100	
A-131	Academic and Educational Programs			20	547	1	12	34	
--	Research Awards Program			-	-	-	-	-	
A-135	Collections Management/Inventory Prog.			-	558	-	12	-	
A-139	Major Exhibition Program			-	700	-	-	700	
A-143	Smithsonian National Awareness Program			-	1,600	-	-	-	
A-147	Museum Support Center Equipment			-	4,425	-	-	1,200	
	Subtotal, Special Programs			26	4,425	1	48	2,034	
A-151	<u>Administration</u>			257	8,400	1	114	205	
	<u>Facilities Services</u>								
A-157	Facilities Planning & Engineering Svcs.			35	1,183	-	20	59	
A-160	Protection Services			557	10,569	2	174	80	
A-163	Office of Plant Services			323	19,847	2	2,250	59	
	Subtotal, Facilities Services			915	31,599	4	2,444	198	
	TOTAL			3,502	115,983	27	4,039	3,389	

BUDGET PRESENTED TO OMB

Secretary RIPLEY. We have a statement that Mr. Yellin can enlarge upon, right beside me.

Senator STEVENS. Just put it in the record. We don't want to raise any questions.

Secretary RIPLEY. In general, I would say, Mr. Chairman, that our information from OMB is that they would like us to provide them with figures. In other words, they've left it to us, as an organization.

Senator STEVENS. Well, we feel we will face a 10-percent cut as a minimum, from the Senate. So, we would like to know, if it's to be applied across the board, where would you recommend that it be placed?

Second, although most of the agencies coming before the subcommittee this year have been cut by the Office of Management and Budget, you've had a unique situation—yourself and one or two others—of being able to get OMB approval of a 16-percent increase over the 1980 operating level. What led to that? How were you so successful?

Secretary RIPLEY. Mr. Yellin?

Mr. YELLIN. We presented our budget, Senator Stevens, to OMB according to their guidelines, following their limitation, for which we negotiated with them. We presented a budget of approximately \$153 million to the Office of Management and Budget.

Senator STEVENS. How much?

Mr. YELLIN. Approximately \$153 million was our OMB budget. OMB cut that back by approximately \$15 million. We have a process that we go through in the Institution to try to determine our highest priorities. We set those priorities for OMB review, and we're very fortunate to have been successful on a number of those priorities.

Secretary RIPLEY. We took a 10-percent cut, in other words, explicitly in what we asked for to begin with. So that what we are coming to you with is some \$15 million less than what we had felt would be appropriate for this year. We felt the impact of this because we already were paying attention to fiscal restraints as part of the 5-year plan which we had been working within.

IMPACT OF PAY SUPPLEMENTAL CUT

Senator STEVENS. While we're on that, what's going to be the impact on the Smithsonian if the pay-cost supplemental—the \$4.7 million—is not appropriated for 1980? What's the effect on the Smithsonian if you do not get that for 1980?

Secretary RIPLEY. You can speak to that.

Senator STEVENS. Are you going to have any carryover funds which could absorb it?

Mr. YELLIN. Because of the hiring limitation which is now in effect, Senator Stevens, we believe we can absorb approximately \$1 million if the limitation stayed into effect through the end of the fiscal year. Anything beyond that would cause us severe operating problems, I would project, at this point. The \$1 million probably could be absorbed.

Senator STEVENS. You're not going to carry over more than \$1 million in that account?

Mr. YELLIN. That's our current estimate.

Senator STEVENS. All right.

SEATTLE EXHIBITION

First, we will react to the question of the chairman of the full committee, my southern neighbors, Senators Magnuson and Jackson. Senator Jackson is still on your Board of Regents; isn't he?

Secretary RIPLEY. Yes, he is.

Senator STEVENS. They tell me that the city of Seattle is working on an exhibition to include items from your Smithsonian collection to be held on the west coast pertaining to American political history to coincide with the 1980 election year. The scheduled date for the exhibition is approaching but there has been no commitment from the Smithsonian. What is the status of that?

Secretary RIPLEY. Mr. Blitzer can answer that, Mr. Chairman. I am glad we are caught up in the throes of the election, and it's good to know that the Smithsonian is out there.

Senator STEVENS. You ought to have a very significant portion of history that relates to Alaska if it's going to be in Seattle. [Laughter.]

SMITHSONIAN COOPERATION WITH SEATTLE EXHIBITION

Mr. BLITZER. I might just say, Mr. Chairman, I was in Seattle 1 month ago and met with Jack Fearey, who is the director of the Seattle center, to make sure that everything was on the track. My impression then was that it was. In fact, so much so that we spent quite a lot of time talking about something that we might do together in the summer of 1981.

Mr. Fearey was here just 1 week ago, spent most of the day in the Museum of History and Technology with Mr. Collins, the curator of political history, and Mrs. Klapthor, his supervisor. Apart from the fact that he had a terrible cold, he was in very good spirits, I thought, and felt that we were cooperating very well with him.

Senator STEVENS. Senators Jackson and Magnuson indicate that there is some deadline of April 22, as far as the commitment of the Smithsonian to participate, and that the city of Seattle has committed \$250,000 to the exhibit. If the Smithsonian has committed to loan the items of significance to make this exhibit a success——

Mr. BLITZER. I might add just one thing——

Senator STEVENS. Is there a commitment from the Smithsonian?

Mr. BLITZER. I spoke to Mr. Fearey yesterday evening, and again, I think he thought that things were in good shape. Mr. Kennedy can tell you the things being lent. We volunteered to go on being helpful, filling gaps even after the end of April, if necessary.

Senator STEVENS. Mr. Kennedy.

Mr. KENNEDY. Yes, sir. In the second week of February we had a series of visits from Mr. Willis Wood, who is Mr. Fearey's subordinate in this matter. Then Mr. Fearey visited with us as lately as last week. In

telephone conversations with both of those gentlemen, they said to the professionals working with them on the professional level—what is this object, how safe is it, can it be moved.

They were thoroughly satisfied with the progress that had been made. The first we in the museum knew of this matter, and request for a list, was in the second week of February 1980, so that there hasn't been any delay in handling at all. The matter has been compounded by the fact that the first visit from Seattle with Mr. Wood was a little difficult because he had serious heart trouble here and went to the hospital. On the way he took with him some lists of the inventory of political history items we possess, which he at that time, I think, mistook for a commitment of items to be lent. It's as if you looked at an inventory of the whole store and thought that to be the list of items that you had bought.

Later, Mr. Fearey returned, after some telephone calls and established his own, somewhat altered, requests. We have been doing our best to accommodate these requests during the month we have known about them. And as Mr. Blitzer says, he's had telephone calls yesterday; I had telephone calls yesterday. And we're doing the best we can to deliver those goods we can deliver.

MOVING OBJECTS FROM THE COLLECTIONS

There is a serious point here, and I want to highlight it: Mr. Wood is a museum professional, who knows about taking care of things that are part of our national treasures—objects are not trivial items, but important parts of the symbol store of our national memory. He understood you just don't pick up and move such things. You can destroy them if you do. Though they're paper in some cases, they are ancient paper.

There are heavy responsibilities intervening between the time somebody says, "Gee, could I have those 12 things," and delivering them. You have to know you can deliver them and still return them to the Nation's store of such things safely. Everybody in the museum profession knows that you can have a pretty bad experience with that if you're not awfully careful.

Senator STEVENS. I understand that. But, really, the request that has been made of me is to find out is there going to be a commitment before April 22 of items of sufficient significance that will, in effect, trigger the \$250,000 that the city of Seattle has agreed to put up. If that commitment is made, is that going to be made before April 22?

Mr. KENNEDY. Senator, there will be items of significance made available to Seattle. Of course, we can't, at this table, decide—

Senator STEVENS. What does it take to make a commitment?

Mr. KENNEDY. It takes saying, "Here—you can have this or that."

Mr. BLITZER. I was told by Mr. Fearey yesterday that he has been promised the list of items, and I believe that's correct, from my conversations with people in the museum. He has also been assured that, on top of that, if it turns out even after April that there are gaps in a chronological period or in a thematic section, we will do our level best, within the constraints Mr. Kennedy has talked about, to fill those gaps. I think we have been very forthcoming.

Mr. KENNEDY. He has already had that assurance. He may want some more that he hasn't told us he wants, and he has the right to change his mind, as he has in the past. So, we're doing the best we can with this.

Senator STEVENS. I do have a parochial interest in it, because if a sufficient number of people come to the Pacific Northwest to see this exhibit, maybe they'll come up to see God's country afterward. [Laughter.]

Secretary RIPLEY. Senator Jackson was at the January regents' meeting, but this evidently came up after that.

Mr. HUGHES. I think the record ought to show, Mr. Chairman, that we are very attentive to this matter, for reasons that are probably very clear. We will do our best. I will do my best. We are doing our best.

Senator STEVENS. I always feel that the chairman of any committee—I am always acting this or acting that. But the chairman is sort of like a 900-pound canary, you know. Senator Bible always used to have show and tell before we got down to the nasty questions.

What's that over there?

CHART OF ACTIVITIES OF THE CHESAPEAKE BAY CENTER

Secretary RIPLEY. That's a chart of the Chesapeake Bay.

Senator STEVENS. That's what I thought it was.

Secretary RIPLEY. And it shows—would you like to speak to this, Mr. Challinor?

Senator STEVENS. We apparently had a call from the leadership to come to the leader's office at 10. When that happens, we will stand in recess.

But go ahead now.

WATERSHED MONITORING SYSTEM

Mr. CHALLINOR. This is a pictorial representation of the work we are doing on the watershed of the Smithsonian's Chesapeake Bay Center for Environmental Studies. Here we have a 10,000-acre watershed with 15 concrete V-notch weirs which monitor the flow of the water off this watershed and into the Rhode River estuary. The white line on the map gives the area of the entire watershed; the Smithsonian holds title to or controls about one-third of it.

What we are now doing and have been for the last 7 or 8 years is to determine the effect of farming, housing developments, and forests on the watershed, and how this runoff affects the vegetation and other living material in the estuary. This is the most completely monitored watershed we are aware of in the entire world, and we will be asking, in our request for appropriations this year, for an addition of \$200,000 in our base to help maintain this monitoring system. It has been of inestimable value not only to the State of Maryland, but is being used as a model for determination of environmental conditions throughout the country.

Senator STEVENS. How much of that land do you own now?

Mr. CHALLINOR. We own 2,600 to 2,700 acres.

Senator STEVENS. How would that be an example of other water-

sheds? Other watersheds would not have that high a percentage of Government ownership. Are those lands leased out?

Mr. CHALLINOR. As I said, the entire watershed is about 10,000 acres. We own about a third of the area at the bottom of the watershed.

Secretary RIPLEY. Where the measurements are taken.

Mr. CHALLINOR. Where the land borders the estuary.

So, what we are doing is, for example, to monitor the increase in acid rain that has been falling there in the last 4 or 5 years. This is becoming an increasing problem, mainly generated by big factories in the Ohio River Valley. Acid particles that are emitted from these large smokestacks are picked up in atmospheric water. When rain falls here on the east coast, it is becoming very, very acid; and we are now able to measure this and learn the degree of change over years.

This acidity affects not only the kinds of fish that live in the estuary but the little organisms that live in the soil of that watershed as well. This kind of information is valuable all along the east coast.

RESEARCH COORDINATION WITH OTHER FEDERAL AGENCIES

Senator STEVENS. Are you coordinating with any other Federal agency in terms of acid rain research?

Mr. CHALLINOR. Yes. Predominantly with the Environmental Protection Agency.

Senator STEVENS. How about the Forest Service? They're involved in that?

Mr. CHALLINOR. The Forest Service, to some degree. But most of our work has been with the EPA. Our results are published regularly in the literature, and are available to all.

We have had, up until 2 years ago, a 2-year grant from the Environmental Protection Agency to test their computer model against our dams to see how accurate their computer model was for runoff results. That work has now been done, and the results have been delivered to the EPA.

We are now anxious to continue this monitoring to determine for the whole country what are some of the dangers or some of the costs of heavy industrialization emissions as they float across the country.

Senator STEVENS. They have got similar projects in New England. Are you involved in those?

Mr. CHALLINOR. Only to the extent to exchange the information and the results that we are getting down here in Maryland. But we are in very close touch with the work that is being done in following the acid rain content of the forests and marshlands from New England down the coast to Florida.

Senator STEVENS. The Canadians told us they are doing a great deal, too. That's interesting. I think it demonstrates a further use for that area. Some of us were a little bit critical when that was acquired, as to how it was to fit in with your operation.

STUDY ON THE USE OF HERBICIDES

Mr. CHALLINOR. One of the main things we've been studying is the use of selective herbicides which are now being promoted by the State of Maryland. Their use saves costs of cultivating.

What we have found is that the herbicides that are being applied before planting effectively do cut back weed growth. However, should it rain within 24 hours after the herbicides have been applied toxic particles go into the underground water system which empty into the estuary. Our evidence shows that these particles are lethal to the rooted aquatic vegetation in the estuary. The half-life of these herbicides is long enough so that if it rains too soon after application it can result in death of aquatic vegetation as far as a mile away in the estuary.

You're talking about very, very few parts per million of these herbicides, but they seem to have a lethal effect on rooted aquatic vegetation which is important, of course, for wintering waterfowl, fish, other organisms that live in this estuary of the Chesapeake.

Secretary RIPLEY. We think it's changing the life of the bay, which is of course the largest freshwater bay on the east coast, and it's going to have an unparalleled effect in 20 to 25 years. The only way you can determine it is by these very sophisticated measuring devices that are working, as Dave says, in parts per million, and this hasn't been done before. And it can only really be done by a succession of studies that go on for a number of years, unfortunately.

But it's a matter of great concern as a kind of model for environmental studies up and down the coast.

Senator STEVENS. Well, I'm really interested in that. How much control—let's put it this way, how much cooperation do you have from the other owners in that watershed in terms of finding out what herbicides they're using? Are you having to test out the herbicides and row crops on your land?

Mr. CHALLINOR. Yes; some of our land is farmed; we have leases with two farmers. In return, they advise us specifically how many pounds of ammonium nitrate, or whatever fertilizer they use, they are putting on each acre they farm. They also tell us when they apply their herbicides, and in what quantities.

We have now a very good picture of the farming pattern of this area, going back now for over 200 years. We have enjoyed very good cooperation from the farmers on the watershed.

Senator STEVENS. Mr. Dyer and I will pay a visit there one of these days this spring.

OTHER SHOW-AND-TELL ITEMS

Secretary RIPLEY. We have some other show-and-tell items on the table in front of you.

Senator STEVENS. Yes, I've looked at those. They're very interesting. Are they this year's vintage?

Secretary RIPLEY. This is some of this year's crop, just a selection. We also have a couple of George Washington items, though not his bedposts. [Laughter.]

Rather, that is a unique item—that piece of paper. It is a ballot for the election of George Washington. They seem to be rather rare.

Senator STEVENS. That's very nice.

Secretary RIPLEY. The other one is—this is a little drinking cup. As you see, he's a very properly abstemious man.

STATUS OF CAIRO CENTER

Senator STEVENS. Tell me the status of the center in Cairo that we spoke of last year, as far as the balance of the Tut exhibit? Are we working with them internationally?

Secretary RIPLEY. We are on the museum restoration. This is now in hand, and Mr. Perrot has the specifics on it, but we feel comfortable about the amount of money available and that it will be used properly under the supervision of engineers and experts from UNESCO and so on under whose surveillance they're going to come. We think that their use of technicians is going to be all right.

Senator STEVENS. If I can be of any assistance to help you approach some of the people in the private sector on this project, let me know.

We stand in recess now, and I'll be back as soon as I can. My apologies.

[A brief recess was taken.]

OBLIGATION OF CONSTRUCTION FUNDS; MUSEUM SUPPORT CENTER

Senator STEVENS. Thank you very much. We'll come back to order, if we may.

Could you tell me the status of the moneys made available last year for the Museum Support Center? Has that been obligated now?

Secretary RIPLEY. Yes, I think Mr. Peyton can speak to that.

Senator STEVENS. Mr. Peyton?

Mr. PEYTON. Senator Stevens, the Museum Support Center is still in the design stage with the architect preparing the documents which will be used for bidding purposes late this summer. Therefore, the bulk of the funds—namely, the construction portion—have not been obligated as yet. We would expect to award a construction contract the first of October 1980.

Senator STEVENS. Could you give us, for the record, the changes in obligations and outlays that would be necessary if the committee determined that the construction were not to be initiated until next October rather than this October?

Mr. PEYTON. Yes, sir. We'd be pleased to.

MUSEUM SUPPORT CENTER CONSTRUCTION

Senator STEVENS. Would you give us an estimate of the increase in costs, if that were to take place?

Mr. PEYTON. Based on current information, there could be an increase of about 15 percent.

Senator STEVENS. Include that in the statement, if you will, please.

Mr. PEYTON. Yes, sir.

Senator STEVENS. What would be the impact on Smithsonian operations if that were deferred until fiscal year 1982?

Secretary RIPLEY. I think that it wouldn't interfere with our collec-

tions inventory, which is continuing, but I do think it would throw off our schedule of moving, and it would certainly impact a good deal on our plans for the next 5 to 10 years.

[The information follows:]

DEFERRAL OF MUSEUM SUPPORT CENTER CONSTRUCTION

An amount of \$20.6 million was appropriated in fiscal year 1980 for the construction of the Museum Support Center, as authorized under Public Law 95-569. Current plans call for the award of a construction contract and the obligation of all available funds by October 1, 1980; final outlays are scheduled to occur in fiscal year 1982.

Delaying the initiation of construction until October 1, 1981 would result in delaying projected obligations and outlays by at least one year. The resulting cost increase is estimated to be 15 percent per year, or a minimum of approximately \$3.1 million. Because this increase could not be absorbed within the existing construction budget, new authorizing legislation and an additional appropriation for the Museum Support Center would be required.

COMPLETION OF MUSEUM SUPPORT CENTER

Senator STEVENS. What is that schedule for moving? What's the completion date?

Mr. PEYTON. We would expect to start the moving process early in calendar year 1983.

Senator STEVENS. Would a 1-year delay in construction obligation necessarily delay that move-in?

Mr. PEYTON. Absolutely, sir. We would have to seek new authorization for the project. The project is designed to be consistent with the current authorization, and a 15-percent cost increase would require either a new public law or a provision in the current public law. The whole process would be delayed about 1 year.

Senator STEVENS. Can you justify that in the statement for the record?

Mr. PEYTON. Yes, sir.

SUPPORT CENTER EQUIPMENT

Senator STEVENS. What about the equipment purchases for the Support Center? Can they be deferred? That's \$2.5 million.

Secretary RIPLEY. What do you think about that, or would Mr. Perrot be able to answer that?

Mr. PEYTON. The equipment purchases could be deferred if the completion of the building were also deferred; however, the two are linked in time because the equipment has yet to be completely designed and manufactured. The lead times have been planned so that the equipment would be available for installing in the building early in calendar year 1983.

Senator STEVENS. Is that a substantial increase in that equipment cost? Is that the \$16.7 million?

Mr. PEYTON. Yes, sir. There has been—

Senator STEVENS. What caused that increase?

Mr. PEYTON. It's essentially due to a realization on the part of the Smithsonian that the key to using the building is by maximizing use of the available cubage area for the storage of the articles. A slight reduction was made in the square footage of the building's storage bay in

favor of raising the roof by a few feet to accommodate the three-level configuration of the storage equipment that we're seeking.

We feel that this decision is in the best interests of the Smithsonian, and in turn the government, as it provides for the most effective use of the facility that is now under design.

Senator STEVENS. Is there an additional \$2 million in the base of the Museum of Natural History for that support equipment? Is that \$2 million included in the \$16.7?

Mr. YELLIN. It is, sir, over a 5-year period. The \$400,000 a year would help defray the cost of that equipment.

Senator STEVENS. It's earmarked for that same equipment?

Mr. YELLIN. Yes, sir.

MUSEUM SUPPORT CENTER FINANCING

Senator STEVENS. How did you determine that only \$750,000 in trust funds should be used for the Support Center equipment?

Mr. PERROT. By offering to finance approximately 50 percent of conservation equipment at the Support Center with nonappropriated trust funds, the Institution wanted to underscore the extraordinary importance that it attaches to the conservation function and demonstrate to the Congress its willingness to share, to the extent that it was possible, resources that had been developed from the initiative of its staff. Conservation is not only an essential function, it is to a great extent the *raison d'être* of a museum. The more rapidly the Museum Support Center can be equipped with the necessary conservation equipment, the sooner essential work can be carried out on collections that have been unattended due to lack of staff and lack of space in which to carry out the work. It should be noted that the trust fund resources of the Institution are now spread close to the limit. Net income from such auxiliary activities as the magazine, the shops, concessions and parking gradually has been shrinking due to the impact of inflation and the inability to increase prices at a commensurate rate. Hence, according to present projection, it would be impossible to increase further the trust fund outlays for the Support Center. The Institution, however, intends to live up to its pledge in view of the extraordinary need and high priority of conservation.

CONSERVATION ANALYTICAL LABORATORY REQUEST

Senator STEVENS. You request seven new positions and \$89,000 for the Conservation Analytical Laboratory in support of the Support Center. Why do you need those people now, so far ahead of the Center's operational date?

Secretary RIPLEY. Mr. Perrot?

Mr. PERROT. Mr. Chairman, we would expect to start hiring in the middle of fiscal year 1981 a number of persons to start developing a training program at the Support Center, a program that has been under planning for a number of years, and which will enable the Institution to provide adequately for the care of its collections.

We would like to start as the move of materials to the Support

Center proceeds. We would like to start practicing conservation, and at the same time, be developing training for our own staff as well as for the country at large.

Senator STEVENS. The staff tells me you have 50 conservation positions, 37 at the new Center and 13 at the existing Conservation Laboratory. Your total staff now is 22.

Why do you need to double the conservation staff, and why is it necessary to maintain two laboratories, once the new Support Center is in operation?

Mr. PERROT. Mr. Chairman, each museum has its own conservation laboratory to take care of the day to day needs of its collections. We, in addition, need a more elaborate conservation facility for special problems, using specialized equipment.

Senator STEVENS. You can't consolidate the conservation laboratories?

Mr. PERROT. We could consolidate the conservation laboratories, which would mean moving the objects to the conservation facilities—objects which are now distributed among all of our museums. This would be inefficient, more costly, and endanger the safety of the objects since many objects, of course, should not be moved or we should keep the movement to a minimum.

Senator STEVENS. I don't recall that we were told the conservation positions would double by the time we were through with the Center. You've only 22 now, and you're going to have 50 by the time this is completed.

PROPOSED CONSERVATION TRAINING PROGRAM

Mr. PERROT. Mr. Chairman, in addition to the actual practice of conservation, we are going to develop a training program. This training program will be developed in cooperation with the University of Maryland. The figure that we've advanced is still, as I say, in the negotiating stage, but it is our best opinion at the moment of what it will require to develop a training program, and at the same time maintain the collections of the Institution and engage in archeometric research, an area which is becoming increasingly important.

By archeometric research, I mean fundamental study on the nature of materials, how they're made, how they disintegrate. We also will make this kind of study available to our other research staff, since by the combination of the stylistic, historical, chemical, and scientific aspects, we can greatly expand our knowledge and understanding of these objects and of the civilizations which produced them.

Senator STEVENS. Mr. Perrot, in a city that is going to lose 20,000 employees in the next year because of the President's order, it does seem that you ought to be able to review your project to determine if it's absolutely necessary to go into this new program at a time when it will mean that there will be an additional 28 people who lose jobs because of the personnel ceiling.

I really think you must reexamine the need for increased staff at this time.

Mr. PERROT. Mr. Chairman, we shall do so.

[The information follows:]

POSITIONS AT CONSERVATION ANALYTICAL LABORATORY

The growth of personnel that is referred to in the budget submission is not to happen all at once. In 1981 we are only requesting seven positions and these are only to be hired in the second part of the year. The figure of 50 is the ultimate number to be reached, in gradual increments through 1987. It is our belief and hope that the economic situation will improve in the interim period and that this ceiling can be reached without taxing other needed governmental programs. The delay from 1981 to 1982 in initiating the recruitment process for conservation activities at the Support Center would have a negative impact both on the practice of conservation at that new facility and in the development of a training program that will fill a critical national need.

SOUTH QUADRANGLE DEVELOPMENT

Senator STEVENS. Now on the south quadrangle, if I may Mr. Ripley, you request \$500,000 for planning for the proposed south quadrangle. We didn't put up money for that last year, did we?

Secretary RIPLEY. No.

Senator STEVENS. You committed \$660,000 from trust funds for this. Is that right?

Secretary RIPLEY. That's right. The Senate agreed to \$250,000 last year, but it was turned down in conference. But we've come back this year for the \$500,000 which we wanted—to match our trust funds, in order to be able to follow up with our planning.

Senator STEVENS. Under the circumstances, why can't you continue to use trust funds for your continued planning?

FUNDRAISING FOR SOUTH QUADRANGLE

Secretary RIPLEY. Well, it's a difficult question—which comes first, the chicken or the egg? We want to plan for this project appropriately. It seems to me that if I am to go out and raise the money, I cannot very well convince the people who are about to give us the money and have already started to give us the money if we don't have any support from the Government, particularly as this is going to be a national facility. It's going to greatly facilitate the African Museum, for example.

It seems to me that I ought to be able to say to the donors that the Government is in favor of this project. It is authorized. And it seems to me quite obvious that we should be able to get some indication of support from the Congress.

Senator STEVENS. I think we'd be more than willing to indicate our support for it. I agree and I think the committee would agree that the African Museum ought to be moved, and it ought to be more integrated with your Institution. But for now, if we're looking for things that can be postponed, can't that move be postponed?

Secretary RIPLEY. Well, a great deal of the project and its forward movement depends on myself, and to the extent that I can do it with my own efforts, I'm in favor of it. And if you don't think, because of the present austerity, that we can afford to think about it, I suppose I'll have to make another decision.

Senator STEVENS. If the decision is to apply a 10-percent cut in instituting new programs, it means old programs are going to suffer 20 percent.

All we're really saying is, we believe the existing programs should continue through this period, and new initiatives postponed.

Mr. Hughes, do you want to say something?

Mr. HUGHES. I just wanted to say, Mr. Chairman, I recognize the fiscal problem from the Federal standpoint, but I would echo the Secretary's comments. A little bit of cash on the Federal side, whatever might appear appropriate, would be extremely helpful in raising private funds. Action is timely in the sense that the Secretary is in a position to utilize associations and in some sense to pick up the chits accumulated over a couple of decades, perhaps, to get private contributions toward the total cost of the facility. That sharing, in any event, would be very substantial, and whatever indication of support in terms of appropriations that the committee could produce, it would seem to me would help a lot in the operation.

Senator STEVENS. Gentlemen, I think we understand that, but I think you ought to tell us the minimum amount necessary to indicate that commitment. Also, your justification states that there would be a report on the availability of nonappropriated trust funds. Do you have that?

Secretary RIPLEY. We have that, yes.

Senator STEVENS. Is your estimate now \$60 million for the south quadrangle?

Secretary RIPLEY. \$50 million; \$49.1 million, which we can round out to \$50 million.

Senator STEVENS. What's the non-Federal ratio in that \$50 million?

Secretary RIPLEY. I have said before the committee that I am going to make my best efforts to raise 50 percent, and I don't know another Government agency that comes before you that says that.

Senator STEVENS. Some of the others are required to raise two for one, you know. [Laughter.]

Secretary RIPLEY. I'm always happy to see that.

Senator STEVENS. All right. But what is that report? Can we get a copy for the committee?

Secretary RIPLEY. We have it written out. We can supply it to the committee.

[The information follows:]

FINANCING PLAN FOR SOUTH QUADRANGLE

We plan to secure from one-third to one-half of the South Quadrangle funding from non-Federal sources.

The total cost of the project will be no more than \$49,100,000, including planning funds. Our early financial plan indicates we will have to look to five sources for support, namely; Smithsonian trust funds; future parking garage revenues; proceeds from the sale of Museum of African Art real estate; contributions from foreign and domestic governments, corporations, and individuals; and Federal appropriations. Our current targets for each category are:

One, Smithsonian trust funds, \$9,250,000. The Institution's 5-year prospectus projects our ability to set aside \$1 to \$2 million per year from net revenues of auxiliary activities, for a total of \$9,250,000 by fiscal year 1985. This estimate, however, is based on continued success of these activities, including primarily our associates program.

Two, future parking revenues, \$6,215,000. We anticipate that the full cost of the parking garage in the Quadrangle can be financed from future parking revenues of that facility. Construction funds would, of course, have to be advanced as an investment from some source, which might include the Institution's unrestricted endowment funds. We will continue to explore possibilities in this area.

Three, proceeds from the sale of Museum of African Art real estate, \$1.5 million. The property of the Museum of African Art, consisting of nine townhouses on Capitol

Hill, will be sold when the new facilities for the museum are completed, with the exception of the Frederick Douglass House which will be preserved as an historic building. Our best estimate is that the net proceeds of such a sale might total \$1.5 million, which will be applied toward the costs of the new museum building.

Four, contributions, \$7.5 million. Fund-raising efforts have begun in earnest, with an immediate response from the Government of Japan which pledged \$1 million toward the Museum of Oriental Art. We have an ambitious goal of securing an additional \$6.5 million from foreign and domestic governments, corporations, and individuals for various segments of the total project. In the event that contributions exceed this target, the need for Federal appropriations would be reduced accordingly.

Five, Federal appropriations, \$24,635,000. The remaining \$24,635,000, or slightly over one-half of the total project cost, will be sought from Congress. This estimate will increase or decrease depending on the continued success of private fund-raising efforts.

We believe that in the fund-raising efforts which we expect to conduct actively in the next year, it would be essential to have as strong an indication as possible of Federal support of this project.

ENGINEERING AND DESIGN COST OF SOUTH QUADRANGLE

Senator STEVENS. The justification estimates \$1 million in trust funds will also be available for planning and design in fiscal year 1981. What is the total engineering and design cost?

Mr. PEYTON. We estimate the total cost of planning, engineering, and design to be approximately \$3 million.

TRUST FUNDS RESERVED FOR SOUTH QUADRANGLE

Senator STEVENS. Page VII of the justification states that a total of \$3.2 million in trust funds is being reserved in the fiscal 1979-81 period for the south quadrangle project. Does this reserve include funds already applied to that project? What is the total reserve you anticipate providing for the south quadrangle project?

Mr. RIPLEY. As referred to in our justification, Smithsonian trust funds are being reserved for the south quadrangle in the following amounts: \$1,250,000 in fiscal year 1979, \$1,000,000 in fiscal year 1980, and \$1,000,000 in fiscal year 1981; these reserves are in addition to the \$165,000 of trust funds used in initial planning. In fiscal year 1980, \$500,000 of this reserve is being used to refine preliminary design, engineering and construction data and to engage an architectural/engineering firm to develop materials appropriate for necessary approval by the National Capital Planning Commission, the Congress, and others. In total, we hope to provide approximately one-half the estimated cost of the south quadrangle project, or \$24-\$25 million, from a combination of Smithsonian trust funds, contributions and grants, future parking revenues, and proceeds from the sale of Museum of African Art real estate with the exception of the Frederick Douglass House.

MAJOR EXHIBITION PROGRAM

Senator STEVENS. You propose a new exhibition program of \$1 million. Is this Mr. Kennedy again?

Secretary RIPLEY. Mr. Kennedy and Mr. Challinor can explain that and Mr. Blitzer.

Senator STEVENS. What's new about it? There are indications that it's a new major exhibition program.

Secretary RIPLEY. I'd be very glad to have them tell you about it, Mr. Chairman.

Mr. BLITZER. Senator, it's new in the sense of really being a revitalization of something that used to exist in our budget. Back before the Bicentennial, we had a line item that was called major exhibitions that allowed us to do large exhibitions in several of our museums. It was a great success, I think.

Senator STEVENS. How long ago was that?

Mr. BLITZER. It was pre-Bicentennial, so it was probably in the early 1970's I guess. When the Bicentennial came along, we then had a line in our budget called Bicentennial. If I may say, that was due largely to the foresight of the Congress that alerted us years before that we had better start getting ready to do something spectacular for the Bicentennial.

Senator STEVENS. What was the level back at the time when it was a line item, before the Bicentennial?

Mr. BLITZER. Before the Bicentennial? I'd have to supply that, Mr. Chairman.

Senator STEVENS. Supply that for the record, would you?

Secretary RIPLEY. It's about \$800,000, as I recall.

[The information follows:]

FUNDING FOR MAJOR EXHIBITIONS BEFORE BICENTENNIAL

The amount of funding appropriated for "major exhibitions" is as follows:

Fiscal year:	
1972.....	\$525,000
1973.....	749,000
1974.....	108,000
1975.....	80,000
1976.....	260,000
Total.....	1,722,000

Beginning in 1974, funds became available for preparing major exhibitions, as part of the bicentennial program, and requests for funding under the above program were therefore gradually phased out.

DEFERRAL OF EXHIBITION PROGRAM

Mr. BLITZER. I know we did major exhibitions in the Air and Space Museum, History and Technology Museum, Natural History Museum, and so forth.

Senator STEVENS. What harm is there going to be if we postpone this for another year. We still do have Bicentennial things going on, as we heard here this morning.

Secretary RIPLEY. The Washington exhibition is, in effect, a followup to the Bicentennial, but unfortunately it's part of this.

Senator STEVENS. Is the Washington money in this request?

Mr. KENNEDY. Yes, sir. The bulk of it actually goes in that direction.

Senator STEVENS. I think that should be noted because we're very interested in continuing through about 1989 really.

Mr. KENNEDY. The Senate has its bicentennial in that sense.

Senator STEVENS. In 1989, right?

Mr. KENNEDY. This folds in, and of course it also recognizes that the spaces have been pretty well kept as they were for nearly 10 years now, and the scholars have been working in these fields pretty hard in 10 years, and we've learned some things that the American public ought to know about—about their own experience.

Senator STEVENS. Well, break it down for us—what's associated with continuing the Bicentennial and what's really new—new exhibitions. All right?

FOLKLIFE EXHIBITION PLANNED

Mr. BLITZER. Might I add just one word, Senator. The other part of the \$1 million that we're asking for in fiscal year 1981 is for a folklife exhibition we call celebration. Again, in the real sense, that's in response to the interests of the Congress and particularly the interests of this committee that we do more about folklife. We appointed a Folklife Advisory Council which came up a year or so ago with, I think, a splendid idea of assembling folklife objects from all the museums of the Smithsonian as far as I know, there is none that doesn't have some folklife objects—and devoting the entire Renwick Gallery for an entire year to this exhibition which we call celebration.

Senator STEVENS. I don't know any of your activities which doesn't have its own constituency. The question is, where does the cut come? Why should we do something new if we can't keep up what we have been doing? I'd just like to see it broken down.

[The information follows:]

MAJOR EXHIBITION PROGRAM

Of the \$1 million requested in this line item for fiscal year 1981, \$638,000 is for an exhibition celebrating the 250th anniversary of George Washington's birth, and \$362,000 is for an exhibition of Smithsonian folklife objects. The Washington exhibition will continue the commemoration of the founding of the Republic which began with our bicentennial observances in 1976; the folklife exhibition, although not as directly related to this theme, will present many of the rich diversities of American culture which have grown and flourished since that time.

MAJOR EXHIBITION PROGRAM

What do you project will be necessary in future years to finance this major exhibition program?

Mr. BLITZER. As we envision it, the program will require approximately \$1 million in appropriated funds annually for about 10 years. This will redo the major exhibition spaces in the Museum of History and Technology, and produce a variety of cooperative shows relying on the collections and staff expertise of several of our museums. We feel these funds should not simply be added to the base of MHT and the other museums; therefore, we plan to report to the Congress each year how we spent the prior year's funds and what our exhibit proposals are for the following year.

Senator STEVENS. You note that private funding has been explored as a means to secure financing for certain exhibitions. Why can't trust funds provide the primary support for major exhibition purposes?

Mr. BLITZER. As our budget submission points out, the Museum of History and Technology did raise more than \$1.2 million for its

maritime and clockwork exhibitions. And we intend to keep trying, but the results of such efforts are unpredictable at best and cannot be relied on for primary support. A tremendous amount of staff time is required for a large exhibition—research, writing, collecting, conservation, design work and the like. When the public's ability to see the results of this work depends on the tastes and priorities of private donors, no one is well served. What we propose instead is a stable core of Federal funding around which our major exhibition planning can reliably proceed, helped along whenever possible by continued fund raising to make the basic exhibits more comprehensive and stretch the buying power of the Federal dollars.

THE NATIONAL AWARENESS PROGRAM

Senator STEVENS. \$600,000 is included for the national awareness program to provide public information about energy and environmental issues. Why do you need that money? We've got all kinds of money in DOE, almost \$9 billion, and most of it's related to some demonstration or research or information programs. Why do you have to be getting into this now?

Mr. CHALLINOR. We feel that with 15 million people coming to the two science museums on the Mall, that the Smithsonian has a very unique opportunity to present to these visitors the major problems of energy. We feel that because of the work and research we have done over the past decades that we can educate the people on just what these energy costs really are, that we don't get something for nothing, including energy from the Sun.

We are proposing to use this as a program on behalf of all the science bureaus of the Smithsonian to assemble their accumulated knowledge. It will be an awareness program to educate these vast numbers of citizens who come to Washington. The other portion of that \$600,000 we're asking for is to be used for educational programs is beyond the Smithsonian facilities here in Washington.

Senator STEVENS. The \$600,000 is for contracting and equipment. What are you going to contract for?

Mr. CHALLINOR. Most of the work will actually be done within the Institution itself in assembling these exhibits. Other work will be contracted.

But in putting on almost any exhibit, we contract out occasional construction of cases and this sort of thing that we are not equipped to manufacture ourselves within the Institution.

COLLABORATION WITH DEPARTMENT OF ENERGY

Senator STEVENS. I'm sure the committee would not disagree. The Mall is a national magnet. But why shouldn't you use DOE money? We've given them, literally, \$1 billion to do this.

Mr. CHALLINOR. We will go to the DOE and ask for their support, obviously. But by having this exhibit within our own program, there is a degree of control that we can use to maintain our own Smithsonian standard. This is the primary reason we're looking for a direct appropriation.

Senator STEVENS. But nearly half of it is contract. Now who are you going to contract with for half of \$600,000?

Mr. CHALLINOR. This would be for people to help assemble what they're going to use for the first exhibit. These would be companies mostly here in the Washington area.

Senator STEVENS. All right. We'll talk to the DOE about it. You have the national window and people do come from all over the country. The work that the DOE's doing ought to be mirrored there, in my opinion.

Secretary RIPLEY. I agree.

NATIONAL AWARENESS PROGRAM

Senator STEVENS. You propose to find two major exhibitions under this program. Why are sufficient funds not available within existing museum programs for these exhibitions?

Mr. CHALLINOR. The two major exhibits under Smithsonian national awareness program will be physically located in the two science museums, although the actual planning and research necessary to assemble them will be done by virtually all the science bureaus and thus it would be inappropriate to allocate the cost of such an exhibit to a specific bureau rather than to the Institution as a whole. Funds for exhibits within museums are usually budgeted at least 2 years in advance of their openings. Changing exhibit schedules is an expensive and cumbersome operation and the fiscal year 1980 funds for scheduled exhibits have been already committed.

Senator STEVENS. What will be the total amount of Federal funds necessary for these exhibitions? Will there be additional appropriations requested for fiscal year 1982?

Mr. CHALLINOR. The total Federal funds requested for both of these exhibitions are \$600,000 in fiscal year 1981 of which \$50,000 will be used for the educational component of the program. For this program in fiscal year 1982, an amount of \$600,000 is currently planned to be sought of which \$175,000 will be used to complete the proposed exhibit in the Museum of Natural History.

TRUST FUND INCOME

Senator STEVENS. Now your trust fund submission, the staff tells me, shows a continuing decline. What's caused that?

Secretary RIPLEY. The trust fund income fluctuates each year, just as any other private fund does.

Senator STEVENS. In this period of rapid inflation, shouldn't you be getting—

Secretary RIPLEY. A period of rapid inflation is exactly what the problem is for us; that is, paper costs, mailing costs all the things that are built in create the kind of inflation that affects, as it were, commercial enterprises. It affects our associates' enterprises, also.

We predicted 2 years ago that we would have a fall-off in revenues from our associates program because of these increasing costs. And we are holding to that.

But we show a slight decline this year.

Senator STEVENS. It's down from \$7.1 million in 1978 to \$753,000 this year. That's the end of the year balance.

Secretary RIPLEY. Chris Hohenlohe, can you explain that, the striking decline?

Mr. HOHENLOHE. Senator, you're looking at the figure on page B-3. That figure of \$753,000 is not the total expenditures of our trust fund, but rather, the increase to the trust fund balances projected for fiscal year 1980.

Senator STEVENS. But it does compare with the figure in column 1 for 1978, does it not?

Mr. HOHENLOHE. Of \$2,176,000?

Senator STEVENS. No; \$7,142,000. The same figure in 1978 was \$7,142,000.

Mr. HOHENLOHE. I think a better comparison—

Senator STEVENS. Well, it's the same line, isn't it, same figure for 1978.

Mr. HOHENLOHE. What it means is that in fiscal year 1978, we were able to set aside for various needs some \$7 million carryover of those funds.

Senator STEVENS. An increase in your trust funds was—

Mr. HOHENLOHE. An increase in the balance that was carried over to the following year. This year, because of increased expenditures and reduced net income, there will be less to carry forward.

Senator STEVENS. We're having a discussion. Tell me again, what is the 753?

Mr. HOHENLOHE. That is the net of income over expenditures that was added to the trust fund balances at the end of the year. It was projected to be added to those balances.

If you look, Senator, toward the top of the page, the line that reads, "total nonappropriated trust funds," there's gross and there's net.

Those two lines, particularly the net line, indicates the available trust fund income for that particular year. And you see a decline.

NO SUBSTITUTION OF APPROPRIATED FUNDS

Senator STEVENS. We are concerned about the decline. It would mean that next year, we're going to have to put in appropriated funds to balance it out.

Now what's causing that decline?

Secretary RIPLEY. Nothing would imply that we would be asking for appropriated funds to balance that out. These are maintained separately.

Senator STEVENS. You have these appropriated funds to do what you did previously with these funds that come above that line.

Secretary RIPLEY. Absolutely not.

Senator STEVENS. No?

Secretary RIPLEY. Absolutely not. That's why our balances are separate.

Senator STEVENS. So I'm never going to see a minus figure there?

Secretary RIPLEY. You may not ever see a minus figure, but you're never going to have me come there asking for money.

Mr. HOHENLOHE. If you see a minus figure there, Senator, it means that we will have had to use some of the fund balances in that particular year.

Senator STEVENS. You applied these funds to history and art, museum programs, special programs.

We provide Federal moneys to support some of those, too. If your trust funds ran out, either you're going to reduce your program or we're going to put in money.

Secretary RIPLEY. No, we'll reduce the programs. In other words, our ability, which is relatively new, to have any money of this sort at all is a help to what we're doing. If we start losing money, that's our tough luck.

It's not in the sense a combined budgetary tough luck in which we'll come crying to you and say, please make up for this. We simply will have to admit our defaults and say, that's it, that's tough.

Senator STEVENS. Well, we have a series of questions about that which we'll submit to you. I think that we can argue about what might happen. I hope it doesn't happen.

TRUST FUND ACQUISITIONS PROGRAM

Secretary RIPLEY. For example, Senator, we developed an acquisition program which we never had before on any scale at all, as you know. Objects have gone up incredibly in price. We are allotting out of our trust fund revenues \$1 million a year for purchases.

We are just stuck with a slight controversy with Massachusetts about Gilbert Stuart's portraits of George and Martha, as you may recall. We didn't come asking for Federal funds; we took that money out of trust funds.

So it's perfectly simple: While we have the income, we will use it for these beneficial purposes. If we don't have the income, for any reason, then that's our tough luck.

Mr. HUGHES. There go George and Martha.

Senator STEVENS. Mr. Hughes, I think we will have that made part of the testimony. We're going to reproduce it so that we can see it here. If you don't have a positive balance, that's your tough luck. It will be engraved. [Laughter.]

NET FISCAL YEAR 1981 TRUST FUND REVENUES

We note that operating expenses are climbing at a greater rate than revenues. How then do you estimate an increase of more than \$2 million in net revenues for fiscal year 1981?

Mr. HOHENLOHE. The total net trust fund revenues for fiscal year 1981 are projected to be \$18,060,000 as compared to an estimated \$16,960,000, in fiscal year 1980, an increase of \$1.1 million. This figure represents trust fund income after expenses of auxiliary and bureau activities but before administrative and program allotments. In fiscal year 1979 and fiscal year 1980 the net revenues to the Institution declined due to sharply rising costs in the auxiliary activities. Notwithstanding the continued rise in expenses, we anticipate the higher net

revenues in fiscal year 1981 as a result of an increase in the membership rate in the associates program, stronger sales in the museum shops and mail order catalog, and an increased parking fee in the public and employee parking facilities. This estimate could be altered sharply by prevailing economic conditions.

Senator STEVENS. The projected trust fund balance in fiscal year 1981 is up sharply to more than \$2 million. How do you project this kind of an increase?

Mr. HOHENLOHE. Half of the \$2 million increase is designated for a potential tax liability for our auxiliary activities and the remainder is to meet working capital needs and to find various ongoing program efforts, such as unexpended fellowship awards and collection acquisition reserves. The recent purchase of the Stuart portraits and the Vincent Melzac collection, however, will reduce the trust fund balances below the levels estimated in the justification.

FEDERAL GRANTS AND CONTRACTS

Senator STEVENS. You have a \$2 million increase in grants and contracts for other Federal agencies. That's more than ever before.

Why are we doing this cross-funding? Why are you giving other Federal agencies \$2.8 million?

Secretary RIPLEY. We'd like to get some more from the Department of Energy to put on that energy exhibition.

Senator STEVENS. I understand. But we're talking about having them cross-fertilizing your public information program.

But this is research support, as I understand it. You're getting money from the National Endowment for the Arts and Humanities.

Mr. CHALLINOR. Mr. Chairman, the \$2 million we have anticipated is coming from contracts with the National Air and Space Administration. They call on the Smithsonian Astrophysical Observatory to prepare and design instruments to go in the Space Shuttle.

Senator STEVENS. What are the grants?

Mr. CHALLINOR. These are contracts from NASA to the Smithsonian Astrophysical Observatory.

Senator STEVENS. I see, all right.

FEDERAL AGENCY GRANTS AND CONTRACTS

Senator STEVENS. You will recall the committee's concern over cross-funding, and we questioned why the Smithsonian should not budget directly for research support. Why then do Federal grants and contracts continue to increase?

Mr. CHALLINOR. The salaries and expenses budget of the Smithsonian science bureaus is spent primarily for salaries—80 percent. Individual scientists are therefore encouraged and even obliged to seek support for research equipment and travel from outside sources in the same way that university faculty are required to do. With the cancellation of the research awards program, the pressure to find research support from outside the Institution becomes greater than ever. This year the grant increase was particularly large because of NASA's anticipated require-

ments for the services of the scientists and technicians at SAO. These increases have been irregular over the years and fluctuate according to how successful the scientific staff is in being awarded grants and contracts. The work we do for NASA, for example, is not duplicating the research of the granting agency. The SAO gets these grants and contracts because they are the best equipped facility to carry out the necessary research.

Senator STEVENS. Do you expect to see this kind of increase in grants and contracts in the coming years?

Mr. CHALLINOR. Not necessarily, as some years we expect our total of grants and contracts to be less than they are this year and other years, more. Because of the inflation factor our total grant and contract income should increase about 15 percent per year just to stay even.

Senator STEVENS. Please supply details on contracts and grants in fiscal year 1979-80, and estimated for 1981.

Mr. CHALLINOR. We will, Mr. Chairman.

[The information follows:]

Smithsonian Institution
Analysis of Federal Grants & Contracts
By Agency/By Organization
FY 1979

(\$1,000s)

ORGANIZATION	Commerce	DOD	Energy	HEW	Interior	NEA/NEH	EPA	NASA	NSF	GSA	State and Local	Other	TOTAL
<u>SCIENCE</u>													
Assistant Secy	-	161	-	-	-	-	-	-	-	-	-	5	166
MNH	-	392	-	182	57	-	3	-	325	26	1	(5)	981
SAO	1	526	136	-	-	-	-	8,253	3	-	-	614	9,533
STRJ	-	-	-	1	-	-	-	-	-	-	-	-	1
RBL	-	-	102	-	-	-	-	2	-	-	-	-	104
CBCEs	-	-	-	-	7	-	28	-	5	-	107	5	152
NASM	-	-	-	-	-	-	-	82	-	-	-	-	82
NZP	-	-	-	75	-	-	-	-	28	-	-	-	103
CSM	-	-	-	26	-	-	-	-	-	-	-	-	26
<u>HISTORY & ART</u>													
JHP	-	-	-	-	-	1	-	-	-	16	-	-	17
MHT	(5)	-	-	-	-	-	-	-	-	-	-	-	(5)
NPG	-	-	-	-	-	5	-	-	-	-	-	-	5
C-H	-	-	-	-	-	12	-	-	-	-	33	51	96
Folklife Prog.	-	-	66	-	-	-	-	-	-	-	-	-	66
<u>PUBLIC SERVICE</u>													
DPA	-	-	-	-	1	80	-	-	-	-	2	(9)	74
<u>MUSEUM PROGRAMS</u>													
SITES	-	-	-	-	-	2	-	-	-	-	-	30	32
<u>OTHER ACTIVITIES</u>													
RAP	-	-	-	-	-	5	-	-	24	-	-	26	55
<u>ADMINISTRATION</u>													
	-	-	-	4	-	-	-	-	-	-	-	(2)	2
TOTAL	(4)	1,079	304	288	65	105	31	8,337	385	42	143	715	11,490

Smithsonian Institution
Analysis of Federal Grants & Contracts
By Agency/By Organization
FY 1980 (Estimate)

(\$1,000s)

ORGANIZATION	Commerce	DOD	Energy	HEW	Interior	NEA/NEH	EPA	NASA	NSF	GSA	State and Local	Other	TOTAL
<u>SCIENCE</u>													
Assistant Secy	-	182	-	-	-	-	-	-	38	-	-	-	220
MNH	-	356	-	205	-	-	-	-	242	-	-	367	1,200
SAO	-	578	248	-	-	-	-	9,397	25	-	-	52	10,300
STRI	-	-	-	-	-	-	-	-	-	-	-	-	-
RBL	4	-	93	-	-	-	-	3	-	-	-	-	100
CBCES	-	-	-	-	19	-	-	-	-	-	54	252	325
NASM	-	-	-	-	-	-	-	181	-	-	-	-	181
NZP	-	-	-	56	-	-	-	-	59	-	-	-	115
CSM	-	-	-	11	-	-	-	-	-	-	-	-	11
<u>HISTORY & ART</u>													
JHP	-	-	-	-	-	-	-	-	-	-	-	19	19
MHT	-	-	-	-	-	-	-	-	-	-	-	-	-
MPG	-	-	-	-	-	-	-	-	-	-	-	-	-
C-H	-	-	-	-	-	20	-	-	-	-	20	-	40
Folklife Prog.	-	-	80	-	-	-	-	-	-	-	-	-	80
MAA	-	-	-	-	-	24	-	-	-	-	-	-	24
<u>PUBLIC SERVICE</u>													
DPA	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>MUSEUM PROGRAMS</u>													
SITES	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>OTHER ACTIVITIES</u>													
RAP	-	-	-	-	-	-	-	-	-	-	-	25	25
<u>ADMINISTRATION</u>													
TOTAL	4	1,116	421	272	19	44	-	9,581	364	30	74	715	12,640

*continuation from prior year.

Smithsonian Institution
Analysis of Federal Grants & Contracts
By Agency/By Organization
FY 1981 (Estimate)

(\$1,000s)

ORGANIZATION	Commerce	DOD	Energy	HEW	Interior *	NEA/NEH	EPA	NASA	NSF	GSA	State and Local	Other	TOTAL
<u>SCIENCE</u>													
Assistant Secy	-	209	-	-	-	-	-	-	41	-	-	-	250
MNH	-	392	-	221	-	-	-	-	318	33	-	226	1,190
SAO	-	678	248	-	-	-	-	11,968	29	-	-	177	13,100
STRI	-	-	-	-	-	-	-	-	-	-	-	-	-
RBL	-	-	97	-	-	-	-	-	-	-	-	-	100
CBCES	-	-	-	-	19	-	-	-	-	-	-	281	300
NASM	-	-	-	-	-	-	-	176	-	-	-	-	176
NZP	-	-	-	-	-	-	-	-	100	-	-	-	100
CSM	-	-	-	10	-	-	-	-	-	-	-	-	10
<u>HISTORY & ART</u>													
JHP	-	-	-	-	-	-	-	-	-	-	-	19	19
MHT	-	-	-	-	-	-	-	-	-	-	-	-	-
NPG	-	-	-	-	-	-	-	-	-	-	-	-	-
C-H	-	-	-	-	-	-	-	-	-	-	20	-	20
Folklife Prog.	-	-	80	-	-	-	-	-	-	-	-	40	120
MAA	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>PUBLIC SERVICE</u>													
DPA	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>MUSEUM PROGRAMS</u>													
SITES	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>OTHER ACTIVITIES</u>													
RAP	-	-	-	-	-	-	-	-	-	-	-	25	25
<u>ADMINISTRATION</u>													
TOTAL	-	1,279	425	231	19	-	-	12,147	488	33	20	768	15,410

*continuation from prior Fiscal Year.

UNCONTROLLABLE COSTS

Senator STEVENS. Of the \$16.5 million operation increase requested for 1981, \$5 million is considered uncontrollable—mostly for pay and utility costs. What would be the effect on Smithsonian operations if this increase were not approved?

Mr. YELLIN. The effect of being required to absorb \$5 million in uncontrollable inflation, pay, rent, and utilities costs would severely impact the entire Institution. The Smithsonian's budget request of \$120.3 million in the salaries and expenses appropriation funds public exhibitions including performances and festivals, which are visited by more than 26 million people annually, a wide variety of education programs, basic research in the arts and sciences, collections acquisitions as well as a rigorous collections management efforts that have sustained great momentum in recent years.

To require \$5 million reduction or 4 percent of the salaries and expenses request would result in a direct cut to our programs since these uncontrollable expenditures are not within the discretion of the Institution and are of a continuing nature. The base resources of the

approximately 60 organizational units would be seriously eroded causing a decline from fiscal year 1980 levels of performance and adversely affecting congressional and public expectations. The purchase of key supplies, equipment, and necessary services used for exhibition and research would have to be curtailed or eliminated. In addition, restrictions on grade-to-grade promotions and employee performance awards would probably be initiated. Such actions are severely detrimental to staff productivity and morale, lead to short and long term inefficiencies and as such are simply not cost effective.

The Smithsonian's relatively small appropriation does not provide for the flexibility characteristic of large agencies and therefore absorption of these costs would result in the curtailment of programs. We would also point out that the Institution has absorbed additional costs for workers compensation, \$40,000 and additional health insurance cost, \$45,000 in fiscal year 1981.

Senator STEVENS. You used a 7-percent figure for inflation.

Mr. YELLIN. Seven percent is used for our inflation request that's correct. That's a nonpay area.

Senator STEVENS. Where did you get the 7 percent?

Mr. YELLIN. The inflation request represents the first time that OMB has allowed us to ask for inflation funds. Essentially, the 7 percent followed the OMB guidelines when they first came out.

Senator STEVENS. Isn't inflation already reflected in pay and utilities and your rent and other things?

Why do you have to put 7 percent on top of that?

Mr. YELLIN. It's for other areas than pay and utilities and rents.

Senator STEVENS. Like what?

Mr. YELLIN. For example, for equipment, supplies, very basic supplies that we use in servicing.

Senator STEVENS. We just went into supply and equipment. That cost is up. Why isn't inflation reflected in each item that you deal with rather than having an additional inflation factor.

Mr. HUGHES. It takes the way you do it. The OMB guidelines said it this way: Heretofore, once upon a time there was no inflation. We never anticipated inflation for a variety of reasons. More recently, they have done it. The rule has been to do it this way because it then becomes an identifiable item.

Senator STEVENS. Some people think it's because of the way we anticipated it. It's been even worse than we anticipated.

It's one of those strange things. I can't identify, though, what you're going to put that \$1.2 million on that hasn't already inflated due to your request.

Mr. YELLIN. It's in everything that's not salary-related and not utilities-related.

Senator STEVENS. The equipment really is equipment plus 7 percent in here?

Mr. YELLIN. Yes, sir. The equipment would be 7 percent on top of our basic equipment requirements or supply requirements, printing requirements.

Senator STEVENS. There are some other questions that we'll submit in that area, too.

You note that this is the first time a request for inflation has been made. What has the Smithsonian done in the past to compensate for the inflation?

Mr. YELLIN. Inflationary increases over the past several years have affected the Institution by seriously eroding continuing exhibitions, research, collections management, acquisitions and education programs as well as administrative, facilities and protection support services.

In the past, the Smithsonian has made a limited number of specific funding requests for items that have been affected severely by inflation, such as books and journals and laboratory supplies. Where possible, expensive items have been limited, purchase methods have been improved or funds have been reallocated from other areas to help offset the effects of inflation in the nonsalary areas. Such methods are of short-term benefit and do not deal with the effects of inflation in a comprehensive manner.

As a result, the Office of Management and Budget allowed the Institution to request funds in the 1981 budget specifically to help offset the effects of inflation in all nonsalary areas of expense. With these inflation related funds the Institution would be able to maintain fiscal year 1980 program levels in fiscal year 1981.

OMB REQUIREMENT TO CUT THE BUDGET

Senator STEVENS. Let me ask you this: Are we spinning our wheels? Have you been asked by OMB to give them some indication of where you would cut according to the President's budget?

Secretary RIPLEY. They are in the process of asking us, but they haven't come out specifically yet as of this date. We are anticipating that they will and we are anticipating about a 2-percent reduction from them.

Senator STEVENS. You think yours is 2 percent?

Secretary RIPLEY. We think that ours is 2 percent.

Senator STEVENS. The President indicated at first he was going to give us a, what, \$14 billion cut, is that right?

Then we got the news the night before last that there will be an additional reduction.

Secretary RIPLEY. \$2½ billion.

Senator STEVENS. We have not seen the first one yet. We're supposed to see it today.

Secretary RIPLEY. We're still in a revolving door on this. We haven't gotten all our signals and as of today, we don't know.

We get different signals from time to time, as you read the newspapers.

Senator STEVENS. Well, it's sort of a difficult situation.

Secretary RIPLEY. We will tell the committee everything they tell us. We promise you that, when they tell us, because after all, what they've told us so far is what we have right here.

Mr. HUGHES. They obviously have been after the same general areas that we've talked about Mr. Chairman, some delay in construction, as you've discussed, and as the Secretary said, something of the magnitude of 2 percent. This word antedated the extra \$2½ billion.

We don't know what the results of that are.

Senator STEVENS. We have a series of questions that I think we just might as well submit for the record because you're going to have to come back and give us another response as circumstances change.

Secretary RIPLEY. That was the day before last.

Senator STEVENS. Budget 1. We're now on Budget 3. Then when we get through here, it'll be five, because the House will be there first.

PROGRAM INCREASES

Just how essential are all these program increases that are scattered among the Smithsonian budget activities? Why can't they be deferred?

Mr. YELLIN. The fiscal year 1981 budget has been developed to meet the most pressing needs of the Institution. These needs are in the areas of basic operations, legislated requirements, major new programs and programmatic needs.

First, significant funding is sought for a portion of the resources needed to equip the Museum Support Center. The deferral of this increase would lead to higher costs over the long run for this equipment and would cause serious delays in bringing the Support Center into effective operation.

Second, resources are sought to enable the Smithsonian Tropical Research Institute to meet its vastly increased responsibilities and requirements resulting from the Panama Canal Treaty and related agreements. The increased workload and mandated employee benefits cannot be deferred.

Third, funds are requested to initiate two important programs. One is a major exhibition program that would devote significant resources toward producing large new exhibitions in history and art museums, especially at the National Museum of History and Technology. The other, called the Smithsonian national awareness program, would call attention in various exciting and innovative ways to the Nation's energy and environmental issues. To the extent that these programs are deferred, millions of museum visitors would be deprived of viewing these exciting and timely exhibitions.

Finally, new positions and funding are proposed to fill needs in research, collections management, exhibitions, acquisitions, and administration in several museums, galleries and research units throughout the Institution, and to continue in a phased manner planned improvements in the areas of management and facilities services. These proposed program increases are necessary to allow the Smithsonian to fulfill its national responsibilities and to strengthen its administrative programs.

Senator STEVENS. Why do you continue to need so many new positions each year for what is essentially a stable program base?

Mr. YELLIN. From fiscal year 1979 through fiscal year 1981 the Institution has requested a total of only 72 new positions, an increase of approximately 2 percent. No new positions were sought in fiscal year 1979; 17 were sought in fiscal year 1980 and 55 are being sought in fiscal year 1981. Additionally, 30 new positions were approved in a program supplemental in fiscal year 1979 to enable the Museum of African Art to become part of the Smithsonian.

Of the 55 new positions sought in fiscal year 1981, 19 positions, or

approximately 35 percent of the request are the result of new responsibilities related to executive or congressional initiatives. These include the Panama Canal Treaty for which 12 related positions are sought and conservation training for which 7 positions are requested.

An additional 8 positions or approximately 15 percent of the request are designated for uniformed museum guards to help alleviate an Institution-wide shortage of 63 full-time permanent guards.

The remainder of the new position request for fiscal year 1981, 28 positions or approximately 58 percent of the request is proposed to meet selected, important needs throughout the Institution in the areas of research, collections management, education, administration and facilities services.

INCREASE IN UTILITIES COSTS

Senator STEVENS. There is a 30-percent jump in communications, utilities, and rent, though. We had an increase in 1979 and 1980 and now 30 percent more.

Mind you, you're looking at 7-percent inflation rate on all other items. How come it's 30 percent here? That's on top of a whopping increase in 1979.

Mr. PEYTON. One of the components of that is in the area of utilities. We have been advised by the Potomac Electric Power Co., here in the Washington area, where most of our facilities are located, that a new type of billing procedure known as time of day is anticipated.

This procedure gives the advantage to consumers who can use electric power during the nonpeak periods; namely, primarily during the evening on into the early hours of the morning.

Unfortunately, as you know, the Smithsonian's base of operations is oriented during the daytime hours into the early evening.

So, in effect, the billings received from Pepco will fall more heavily on the Smithsonian than those who can take advantage of the new billing system.

ENERGY CONSERVATION

Senator STEVENS. The justification notes a number of energy conservation efforts that the Smithsonian has undertaken in the past 6 years. How much has been spent to date on this effort? Has it been cost effective?

Mr. PEYTON. The Institution's energy conservation efforts have already paid for themselves. An amount of approximately \$141,000 was spent on installing the computerized power management—or load-shedding—system. An amount of approximately \$50,000 has been spent to date to implement energy-efficient lighting and other modifications. Additionally, a basic requirement for any energy conservation program is good preventive maintenance, which assures that all building systems operate efficiently. Toward this end, the Institution has installed an equipment monitoring system, \$500,000 and a computerized preventive maintenance system \$76,000. These measures, which have already resulted in avoiding well over \$1 million in energy costs from fiscal year 1975 to the present, will serve to keep down energy needs in future years as well. The Institution continues to plan and implement new methods of controlling energy consumption.

CURTAILING ENERGY COSTS

Senator STEVENS. Can't you shift some of your activities? I'm not sure that all of us are out of bed at 8 o'clock in the morning, but I'm sure there are a lot roaming around the streets later at night than you're open.

Mr. PEYTON. In our new facilities, we're recognizing this development. For example, our Museum Support Center is to be constructed at Suitland. The building requires a large underground reserve water tank for fire prevention purposes, and we're creating a dual purpose tank by insulating it so that we can produce the chilled water for air conditioning during the early morning hours, store it in this tank and then use it during the day.

This is one way in which we're seeking to reduce our energy consumption and minimize the effect of Pepco's proposed new building system.

Also, we are projecting a significant increase in the cost of steam, which we buy from the General Services Administration. The rate increase reflected in our fiscal year 1981 budget already has been put into effect. So events are happening fast and energy is costing an unanticipated amount.

Senator STEVENS. Have you gone to DOE and asked them to make a study of your buildings to see if there's any way to cut down your energy costs?

Mr. PEYTON. We feel that we have a significant capability of our own and, in addition we are relying on professional architects and engineers in the private sector to evaluate the various elements of our plant.

ASSISTANCE FROM DEPARTMENT OF ENERGY

Senator STEVENS. Has the Smithsonian sought any assistance from the Department of Energy's Federal buildings conservation program? If not, why have you not taken advantage of this program?

Mr. PEYTON. In conducting its energy conservation program, the Smithsonian has requested and received available assistance from the Department of Energy as well as from the National Bureau of Standards and other organizations. We use films, brochures and technical publications from the Departments of Energy, Housing and Urban Development and Commerce, and our energy conservation engineer maintains close communication with their engineers.

ENERGY CONSUMPTION AT THE SMITHSONIAN

Senator STEVENS. I don't see any indication of a decline in energy consumption as far as the Smithsonian is concerned.

Mr. PEYTON. Our energy consumption has been held at a no-growth level for the past several years. We're continuing to project stable consumption in the current year, as well as the year for which funds are requested.

We have achieved energy savings through the installation of energy management systems and by cutting back on lighting, replacing obsolete energy-inefficient equipment and the like.

Senator STEVENS. Your own figures show that a constant in terms of use.

Mr. PEYTON. That's what I meant by the no-growth situation that we've been observing. But what has been happening all the time—

Senator STEVENS. I'm not hearing myself, I guess, because you're not hearing me. We're supposed to be conserving energy, and the Presidential orders about air-conditioning and heating in the winter should have led to a reduction in 1978 and 1979.

Now in 1980, you have constant, in terms of energy.

Mr. PEYTON. While we have been achieving these savings through the means I've described to you, we've been increasing the base for which we have to supply energy. We have enclosed a courtyard at the Museum of Natural History which was previously outside space. We've opened new facilities at the Zoo. We've converted a good deal of warehouse space for use as staff and collections storage space.

It has been determined that in order to protect the majority of the collection items at the Smithsonian, we must maintain constant temperature and humidity conditions of 70 degrees and 50 percent relative humidity on a year-round basis. This is an energy intensive requirement.

In other areas of the Government and in the private sector, where people go home at 6 o'clock at night—temperatures can be cut back, fans can be turned off, and no one need worry about the humidity. But in the case of the Smithsonian collection, it's an entirely different matter.

Senator STEVENS. I came here in 1950 and we didn't have air-conditioning. What did the Smithsonian do then with all the artifacts, most of which you're still preserving?

Secretary RIPLEY. I worked at the Smithsonian in 1942 and I saw the musical instruments in the wintertime. You could hear them beginning to crack as the heat came on. In the summer, they began to expand as the humidity got to them, and they were unusable and they were deteriorating very rapidly.

When we built the new building, the Museum of History and Technology, which opened in 1964, those things began to smile because for the first time in about 30 years since we've had them, they began to be able to be conserved and used.

It's the same problem when you go down through a whole spectrum of kinds of objects you want to save.

ZONE CONTROL

Senator STEVENS. I was just in a commercial building, an industrial building here this last year and I remember, you know, walking around with my coat off, until I came to the computer room, you know, and the computer was air conditioned. And no one's going to argue about that.

Why hasn't the Smithsonian gone into zone control in a similar fashion? You know, we don't want to ruin the old violins, but is it necessary to air condition all of these buildings and have your heat in all these buildings the same?

Secretary RIPLEY. It's difficult to zone them. I know that they are trying in certain of the buildings. But the problem is the building may have been built in the 1960's and that was the idea. It has been difficult. I am sure, throughout the city and throughout some of our buildings to try and zone them effectively now.

I couldn't agree with you more, Senator, about the question of opening windows. But how many architects up until 5 years ago had even the concept—look at this building right here—of trying to open windows.

When I built the new wing on the museum at Yale when I was working there until I had the honor of coming to Washington, I insisted that the new wing have all windows that could be opened because I said, some day or other, this miserable air-conditioning system is going to break down.

Senator STEVENS. Being from Harvard, I'm glad you increased the intelligence quotient of the Yale people. [Laughter.]

Secretary RIPLEY. I worked hard.

Senator STEVENS. The committee anticipates a 1985 price of oil of \$48. It means you're dealing with \$30 oil here. You're energy intensive, and your whole institution is going to suffer unless we get some controls put in there now.

ENVIRONMENTAL CONTROLS REQUIRED

Secretary RIPLEY. We will then go back to looking like museums in other parts of the world, where the material is deteriorating very rapidly.

We went to OMB. We went to the appropriate organizations, GSA, et cetera, and said, "How do you interpret the new energy conservation regulations in terms of the requirements of trying to maintain these collections?" They came back to us and said what Mr. Peyton just said, that we should, as an exception I'm sorry to say, have a constant temperature and humidity maintenance for these objects.

Now, unfortunately there are people associated with the objects. I assume they get a certain amount of the benefit of it, but we're not doing it needlessly.

Senator STEVENS. They were terminal at birth. The violins weren't. I think we're trying to find some way in which we can encourage you to determine and say what portion of the Smithsonian requires special conditions for the preservation of objects. Unfortunately, it seems to me that the whole government is proceeding on the basis that energy is unlimited. We've got ties and coats on. If you recall, we didn't wear coats and ties back then, did we?

Mr. HUGHES. A tie and not coats.

Senator STEVENS. You're right. Some people did. The problem is that there are adjustments that have not been made. I urge you to tell us what it would cost to conduct a study for the Smithsonian to grade your items to determine what must be subject to zone control?

Secretary RIPLEY. We'd be very glad to.

Mr. PEYTON. We will, sir.

[The information follows:]

ZONE CONTROL

The Institution has initiated a study to determine the feasibility and costs of establishing more limited environmental zones for Smithsonian facilities. The purpose of this evaluation is to develop plans for reducing energy needs by separating the physical locations of collections activities that require special environmental control from those activities that will tolerate conventional environmental conditions. This is a lengthy and complicated process, which involves long-range space utilization decisions. We expect that this inhouse study will be completed during October 1980. The results will be forwarded to the committee when available.

CUTTING ENERGY COSTS

Senator STEVENS. Maybe you could pick out one building and start getting ready for the inevitable.

Mr. PEYTON. Well, our new building at Suitland will be built that way.

Senator STEVENS. That's not on the Mall. I don't know many tourists who will go out to Suitland. It's a nice place to drive to, but the tourists are still coming down here. And I really want to see that. I plan to be here, God willing, but I don't want to be here when we start constructing because we didn't get ready for that energy cost. And your records show, even with your efforts, you're really not reducing energy consumption.

PANAMA CANAL TREATY-RELATED COSTS

What about this \$2.7 million for the Tropical Research Institute? Twelve new positions. I knew we had a treaty and all that. I, as a matter of fact, went down and visited once. But did we make a commitment to increase the positions and spending down in Panama?

Mr. CHALLINOR. We are obliged to increase the spending, Mr. Chairman, in large measure because we now must pay for many of the services that were heretofore supplied by the Panama Canal Company. Furthermore, under the treaty, the area for which we are responsible has been increased from about 3,000 acres to about 12,000 acres.

Senator STEVENS. Not being a devotee of that treaty, I'll submit the questions to you about it. Will you please give us a projection of what the cost is going to be?

Mr. CHALLINOR. Yes, sir.

Senator STEVENS. Can we anticipate this continuing?

Mr. CHALLINOR. I think these costs that we have submitted in our budget should be fairly accurate now, as accurate as we could possibly make them given the information we have with respect to the treaty.

THE PANDA BEARS

Senator STEVENS. Let me go to construction. For construction and improvements \$12 million is budgeted at the national zoo for renovation and restorations of buildings.

There's my friend, Mr. Reed. How come that Ling-Ling and Hsing-Hsing haven't gotten together yet?

Mr. REED. They have been together in the physical sense of their both having the same bedroom, but they sure haven't done anything.

Senator STEVENS. I've been out there several times and have been told

that the access is there, but they just don't like one another. Did those people send us two pandas who don't like one another?

Mr. REED. They like each other, sir. During the oestrus period, when she is in heat—

Senator STEVENS. Oh, dear, I went through the marsupials the other day, and you should have heard that one.

Mr. REED. When she is receptive, they like each other very much. The rest of the year they could care less. But he does not know what to do or how to do it, and it's very, very frustrating.

Senator STEVENS. Couldn't you go back to the Chinese and tell them we don't want a gay panda? [Laughter.]

Mr. REED. He tries his darndest.

Secretary RIPLEY. Senator, he's not sure at which end the access is.

DEFERRAL OF ZOO CONSTRUCTION

Senator STEVENS. I really do go out there quite often, and I enjoy the zoo very much. But tell me about this new construction. Can any of it be deferred?

Mr. REED. For 1981, the budget we're speaking about now, deferral would result in a serious delay in what we are planning, what we have planned for years to do—that is, completion of the monkey island, our exhibit plan—our habitation for these animals would be seriously delayed. And reduction in the R. & R. funds at Front Royal and at the zoo I believe would be not in the public interest, because these funds are taking care of the equipment and the physical plant that we now have, maintaining and making usable and keeping usable the plant that we have.

Senator STEVENS. In a budget hearing the other day, we were told that Kansas City Zoo had to sell 100 out of 740 animals because of increased costs. We are facing the problem of trying to see whether we can find a way to increase support for places like that.

By the way, are you facing any similar problems? You haven't had to get rid of any animals because of increased cost of feeding them, have you?

Mr. REED. No, we have not. But now, over the years, we have readjusted our collection so that it is not as expensive as it was, say, 20 to 25 years ago. We are not replicating animals. For example, we now have one species of giraffe, where as we used to have three. We used to have three species of zebra; we've got one now. We have more families of animals and less duplication within species. I think our collection is a good representative collection. We anticipated the problems we are now facing.

Senator STEVENS. But this budget doesn't force you to sell anything you wanted to keep, does it?

Mr. REED. No.

Senator STEVENS. What about the scheduling of this construction, assuming that it's necessary. We authorized the money before.

Mr. REED. Yes, sir.

Senator STEVENS. But is the schedule such that it could be revised anymore? As a matter of fact, I understand you revised your own schedule. It would delay part of this construction till 1985.

ZOO CONSTRUCTION DELAYS AND SAVINGS

Mr. REED. Yes, sir. We have already taken delays. We've been revising it.

Actually, when we received Front Royal, the total cost of the Rock Creek facility, the zoo here, was greatly reduced because of the research and our breeding programs that we transferred to Front Royal at a substantial financial savings to the zoo and also to the benefit of the animals.

ZOO PARKING

Senator STEVENS. What savings did you achieve on the parking facility?

Mr. REED. On the parking facility that we have built, it is service to the public. It is bringing people in and finding a place for them to park so that they may visit the zoo.

Senator STEVENS. You delayed part of it till 1985?

Mr. REED. Oh, we have delayed the parking structure, yes.

Senator STEVENS. How much did that save you?

Mr. REED. In making the delay?

Senator STEVENS. Yes.

Mr. REED. Well we are accumulating the parking fee from the public that will be used to help defray the cost of when we eventually build the structure.

Senator STEVENS. Did you ever determine whether parking in other places could be used and you could bring people into the zoo?

Mr. REED. We have gone through that exhaustively. One summer we tried parking at the Carter Barron theatre. We had a shuttle bus arranged for the public at a minimal price. We just cannot habituate our tourist visitors when they come and drive their car to the zoo. They want to come to the zoo. The attempt at satellite parking was a failure.

Furthermore, getting the local visitors to use satellite parking for the zoo—they always keep thinking, "Well, I might find a spot there. I won't park in a satellite, I'll come to the zoo." And then they get mad when they find no place to park in the zoo.

Senator STEVENS. That's why I asked you about the parking facility. That's been delayed now until 1985?

Mr. REED. Yes, sir.

Senator STEVENS. What savings did you achieve by that? And what's going to be the impact on the public. Is it really a savings is what I'm asking.

Mr. REED. I would say that it was not really a savings because of the cost of inflation, but it does fit in with the program that we have animals, we have exhibits that we need to build. This is our business of taking care of animals. And perhaps this was my decision more than the Smithsonian Institution, that we're going to take care of our animals first.

We're also waiting to find out what the impact of Metro will be on our visitation patterns. We have a station 2,000 feet away from the entrance, and hopefully that will have an impact on the use of the automobile for the zoo.

I would not like to build a parking facility and then find that it was not totally used. I think that it will be.

VISITATION RATES AT THE ZOO

Senator STEVENS. All right. As I say, I do go out there quite often, and I find the difference in your traffic pattern amazing. One Saturday afternoon will be good, one will be bad. One Sunday afternoon will be good or bad. There is no constancy.

Mr. REED. There is no constancy at all. We know the weather will affect us. I think we're affected more by the weather than the museums on the Mall, because we are outside. We're affected by excessively cold weather, and excessively hot weather.

We have at times seen a drop in our visitation when the beaches opened up. We have seen the effect of a major football game. I expect if the Olympics are televised, that during the Olympics we will see a drop in our visitation. There are so many things that affect the people coming to the zoo.

Of course, we are trying to get people to come to the zoo in the wintertime, trying to get them to come early in the morning. You know, even I don't like to visit my own zoo on a Sunday afternoon at 1 o'clock. 9 o'clock in the morning it's great. On Sunday afternoon it's pretty rough.

AMERICAN MUSK OX

Senator STEVENS. Have you ever heard anything about our musk ox that we shipped to China?

When my wife and I were over there, we went to visit them, and there was only one left.

Mr. REED. Little Milton died of traumatic pericarditis. He swallowed a nail or a wire, a piece of baling wiring, something like that. Mathilda is in great form, butting down all the wire and acting like musk ox usually do.

Senator STEVENS. Let me know if they would like to have another mate for Mathilda. I think I might be able to arrange that.

Mr. REED. They are interested. And I had arranged for a mate with them, with the Denver Zoo. The problem they are faced with is transportation. Their zoos are faced with the cost of spending hard currency. Within China they can do many things, but to spend money outside of China is very difficult for them to do. In arranging for future trades, it was suggested that we should receive more from China in the value of animals than we send. And we would pay transportation both ways. It's a difficult thing for the Chinese to do.

Senator STEVENS. I want you to know though that the facilities we have for those two pandas far surpass those for the musk ox. As a matter of fact, the sign on it says, "From an area of the North Pacific." [Laughter.]

Secretary RIPLEY. There's no recognition of the fact that those were given—

Senator STEVENS. By the United States or where they're from.

Secretary RIPLEY. The Canadian beavers—I don't know whether you

saw them. There's no sign about it except that they are from North America. When I saw them, they were in a dog cage about this size, with a little pan of water and some slivers of willow.

Mr. REED. In the Chinese zoos, there's no recognition of any of the gifts in any of their zoos. I don't know why this is. But I know that the gift animals that they have received—the manatees they received from Mexico, there's no mention that Mexico gave them the manatees.

RESTORATION AND RENOVATION REPROGRAMING REQUEST

Senator STEVENS. We'll submit the rest of the questions. Except for restoration and renovation, you submitted sums to cover shop cost increases and maintenance at the Chesapeake Bay Center and at the library of the Tropical Research Institute. Those increases exceed 50 percent in 1 year. Why is there such a tremendous increase in one item, maintenance, for places like that?

Secretary RIPLEY. Mr. Peyton, do you have those figures?

CHESAPEAKE BAY CENTER MAINTENANCE BUILDING

Mr. PEYTON. Yes, sir. I have a copy of the letter. The reprogramming action is actually for the construction of facilities, not for the performance of maintenance. And the facility at the Chesapeake Bay Center is a maintenance building. From the earlier presentation, I believe you would know that it's in a relatively isolated area in terms of the kind of contractor competition that promotes low prices.

WATER SYSTEM IMPROVEMENTS AT THE CHESAPEAKE BAY CENTER

Senator STEVENS. How essential are the water system improvements at CBCES? Can they be deferred?

Dr. CHALLINOR. The complex at the center has grown and water supply has not kept pace with that growth. Currently all water is provided by two residential-type wells which, at best, are marginal in the amount of water they can supply. Water pressure is now frequently so low that it is inadequate for current operating needs. For example, current water pressure is inadequate to operate an overhead sprinkler system for fire protection. The new water system proposed would enable the center to install such a system.

TROPICAL RESEARCH INSTITUTE LIBRARY

Senator STEVENS. What about the Tropical Research Institute? That's library maintenance. Why would that increase so much?

Mr. PEYTON. Once again, it is not a maintenance matter, but related to construction down there. This is partially a reflection of the changing conditions that are associated with the treaty.

ADDITIONAL COMMITTEE QUESTIONS

Senator STEVENS. All right.

Well, I thank you very much. I'm sorry about the interruption. We'll submit the balance of the questions and statements from other members of the committee.

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

ADDITIONAL COMMITTEE QUESTIONS

Use of Smithsonian's Trust funds

Question: Despite declining Trust Funds, the Smithsonian continues to place large amounts in the Institution's endowments. Nearly \$10 million has been transferred to endowments since 1978, and \$2.5 million is estimated for 1981, a total of more than \$12 million. Why do you require so much endowment funding?

Answer: The Trust Funds of the Institution are generated mostly from auxiliary activities and contributions. Because these may fluctuate significantly from year to year, and because the current success of the auxiliary activities may not be assured in future years, the Board of Regents has made a commitment to increasing the Institution's unrestricted endowment by transferring roughly \$2.0 million of each year's income to endowment. Such action will help to assure the Institution's continued ability to finance collections acquisition, research, educational outreach, and related administrative expenses even if income from auxiliary activities and contributions in future years should decline sharply.

Question: Why can't funds being channeled into endowments be used instead for Smithsonian functions that are traditionally supported by non-federal monies?

Answer: Prior to determining the amount available for transfer to endowment, a thorough review is conducted of the requirements for trust fund support existing in bureaus and offices throughout the Smithsonian; as part of the consolidated Smithsonian budget, the Secretary then recommends and the Board of Regents approves budgetary allotments. Nonappropriated funds available to the Institution, after meeting the expenses of the auxiliary activities, make a substantial contribution to meeting operating expenses and thus avoid the need for equivalent amounts of appropriated funds. Examples of such support include donor-specified endowments for research, such as the Walcott and Sprague Funds, and for the curatorial, research, and acquisition programs of the Freer Gallery of Art; application of unrestricted funds to meet a portion of the Institution's administrative expenses; and gifts, grants, and contracts designated to special projects, including exhibitions and publications. An overall view of the Institution's fiscal year 1981 budget shows that over \$12 million of nonappropriated funds will be used for operating purposes. The Regents have set a high priority on also transferring funds to Endowment in order to ensure continued Endowment income to the Institution in future years.

Question: More than \$5.2 million in trust funds has been transferred for plant use since 1978. Is this essentially for the South Quadrangle? Please identify how these funds are applied.

Answer: Of the almost \$5.3 million transferred to plant funds in FY 1978 through FY 1981, \$3,415,000 is associated with planning, design and construction of the South Quadrangle; \$784,000 for land acquisition at the Chesapeake Bay Center; \$110,000 for land acquisition at the National Zoological Park's Front Royal Conservation and Research Center; \$535,000 for installation of the Renwick Gates and the development of a Garden For The Handicapped; \$309,000 for the construction and equipment of a laboratory wing at the Chesapeake

Bay Center; and \$111,000 for smaller renovation projects at the Barney House, the Museum of African Art, and the Tropical Research Institute.

Use of Federal and Trust Personnel

Question: The Smithsonian continues to mix trust fund employees with federal personnel in its operations without any apparent pattern. In some instances federal employment is proposed for an increase while trust fund personnel are reduced. What kind of a policy do you have to control employment levels under the federal and non-federal funding budgets? What is to prevent you from filling positions with trust funds when federal funds for that same employment are denied?

Answer: There is a pattern to Smithsonian employment. Employees are charged to federal appropriations, nonappropriated restricted and unrestricted trust funds, and federal contracts and grants in a manner consistent with approved programs and projects and in accordance with the purposes for which these funds are provided to the Institution and their uses approved by the Board of Regents.

Persons paid from appropriated funds provide the core staff for basic research; the care, documentation, and exhibition of the national collections; education programs; maintenance of facilities; protection services; and for administrative and technical support services. Restricted trust funds provide for relatively few persons in organizational areas that receive income from gifts or bequests. Unrestricted trust funds provide employees for three general purposes: the auxiliary activities; the management and administrative services units to augment federal staffing since these units serve the entire Institution; and, occasionally, where necessary, in connection with program allotments. Federal grants and contracts fund staff in connection with specific projects, normally of a research nature.

Reductions in trust fund personnel occur primarily in the restricted fund and grant and contract areas where funds are no longer available for a particular project. It should be noted that in the Institution's budget both the current and budget years are estimates and the availability of such funds is difficult to predict.

The Board of Regents has approved the policy that the use of trust fund income for the unanticipated requirements of an activity usually supported with federal appropriations will be presented to OMB and the Congress prior to any such commitment. The denial or reduction of an appropriation request would be a situation falling within this policy.

Question: Wouldn't it be more plausible to consolidate trust fund employment in those areas that are involved in activities traditionally associated with nonappropriated funds?

Answer: Activities traditionally associated with nonappropriated funds, such as the Smithsonian magazine, Museum Shops, and other auxiliary activities, are staffed with trust fund employees. As noted previously, programs or projects receiving restricted

trust, grant, or contract funds have assigned trust fund personnel. The only other areas with significant trust employment are the administrative and support units which have civil service and trust employees to meet the Institution's total workload.

Funding for "Garden for the Handicapped"

Question: The non-appropriated funds summary on page vii of the justification alludes to a projected "Garden for the Handicapped." Could you tell us something about this proposal? Where does it stand? What is involved?

Answer: The "Garden for the Handicapped" will be located along the south side of Jefferson Drive, immediately east of the Arts & Industries Building, and west of the wall enclosing the Hirshhorn Museum plaza. The garden will occupy an area of about 10,500 square feet, which is approximately one-third of the space bounded by the two museum buildings, Jefferson Drive and Independence Avenue. The southern portion of the space presently serves parking and service requirements of the Arts & Industries Building. The garden is designed to serve sightless people as well as other visitors. Its curvilinear design includes a continuous low wall, benches, a water fountain and an antique urn. Planting beds at the same height as the top of the wall will permit visitors to have ready and convenient access to the plants which will be chosen for their fragrance and texture to make it easier for sightless people to identify them. Descriptive and narrative labels done in braille will be positioned at appropriate intervals along the top of the wall. Eight existing trees along the Hirshhorn plaza wall will be retained and four additional trees added to follow the alignment of the double row of trees on the Mall - 8th Street cross-access. A paved brick walkway starting at the south end of the Garden will run along the Hirshhorn plaza wall to provide a completely paved pedestrian walkway between Independence Avenue and Jefferson Drive.

The final site development plan for the Garden for the Handicapped was approved by the National Capital Planning Commission on August 2, 1979. Much of the initiative for the development for the Garden comes from the efforts of the Smithsonian Women's Committee, which has raised and set aside funds (approximately \$40,000) to be applied to the planting and landscaping of the Garden.

"The Garden for the Handicapped" is to be developed in conjunction with the redevelopment of the East Garden, the area along Jefferson Drive at the east entrance to the Smithsonian Institution Building, the "Castle". This area, which services as a rest area for museum visitors and for pedestrian circulation, links the "Castle", the Victorian Garden and the Arts and Industries Building. The redevelopment of the East Garden will renew this area and rearrange its parts while maintaining its present functions; seating will be rearranged to better serve people waiting at the tourmobile stop, and a new iron fence will be provided around trees and planted areas. The sidewalk and lawn along the south side of Jefferson Drive will also be improved to link the two gardens and provide a suitable transition between them. Bids received on November 1, 1979 for these combined projects were in excess of the original estimates. Consequently, the project is currently being reexamined and modified to bring it within the budgeted \$425,000 of unrestricted trust funds over a two-year period. As soon as this process is completed, new bids will be solicited.

Uncontrollable Increases

Question: You have budgeted \$1.2 million as an uncontrollable increase for within-grade pay increases. Why do you need annual increases for this expense? Isn't your base sufficient to cover it when allowing for normal attrition?

Answer: The Institution has a historical attrition rate of approximately 5 percent, the majority of which falls in the lower graded clerical, protection and laborer positions. This attrition, which would not nearly cover the \$1.2 million requested for within-grade step increases, is taken into account in the within-grade calculations. Costs are calculated on a position-by-position basis taking into consideration approved new hires in the current year, savings from turnover, and the filling of vacancies at lower grades when possible. These requirements have a permanent recurring effect and any reduction, therefore, results in permanent base shortages. Within-grade increases are distributed among 60 organizational units, many of which have very limited financial flexibility. Several of these smaller labor intensive units have base deficiencies resulting from previous reductions to necessary pay requests. These chronic shortages must be covered in order to allow the Institution to carry out approved 1980 programs in FY 1981.

Question: Please explain for the record how the requested increase for within-grade increases was calculated and demonstrate why annual increases are needed for this ongoing requirement.

Answer: The amount necessary to fund the annualized cost of mandated within-grade increases granted to full-time permanent employees in the previous year and the cost of new actions in the current year is determined by a computer assisted program. It is designed to identify eligible employees and calculate on an individual basis, the additional costs to be incurred as a result of these "step" increases during FY 1981. These cost estimates are thoroughly checked against manual calculations to insure accuracy. New hires in the current year, savings from turnover, and filling of vacancies at lower grades are factors which are taken into consideration in the calculation. Within-grade step increases are permanent additions to employee salaries which continue from year-to-year. The Institution has no latitude in paying these mandated increases if employees are performing at an acceptable level.

Funding for Black American Culture

Question: How urgent is the additional position and \$44,000 increase requested under public service to expand Black American cultural research?

Answer: There is a critical need to begin research in Black American culture because little has been done in this field, the majority of the information has never been written down, and researchers must rely upon living people, knowledgeable in the contributions of Black Americans to the general culture, to explain the use of gospel and other art forms as a means of sustaining that culture, overcoming adversity, and describing the meaning of those art forms. Since individuals knowledgeable in this area are of older generations and their death will result in information and materials being lost, the work needs to begin now. Each passing year will see less and less material available with the resultant increase in research costs.

Detail of Smithsonian Employment

Question: How has your employment grown in the past decade? How much of that employment growth is attributable to new facilities and how much simply to program expansion?

Answer: Over the past decade the Smithsonian's authorized full-time permanent positions have increased from 1,946 positions in FY 1969 to 3,458 positions in FY 1979, a total increase of 1,512 positions. Of the total increase 1,130 or 75 percent can be attributed directly to new or absorbed facilities which include the Archives of American Art, new facilities at the National Zoological Park at Rock Creek and at the Conservation and Research Center at Front Royal, Virginia, the Cooper-Hewitt Museum of Decorative Arts and Design in New York City, the National Air and Space Museum, the Hirshhorn Museum and Sculpture Garden, and the Museum of African Art. The remaining 382 positions or 25 percent of the total increase for the 10 year period is attributable to program expansion and to an effort to augment our administrative, support, and technical services staff which were not able to meet the financial, personnel, data processing, and other requirements of the Institution.

Question: Please supply for the record the grade, salaries and job descriptions of these 55 new positions requested in your federal budget. How many are converted part-time employees and how many are entirely new positions?

Answer: The 55 new federal positions with their grades and salaries are listed below. All of these are entirely new positions and will be filled on a competitive basis in accordance with the Office of Personnel Management regulations. Actual position descriptions will not be developed until positions are approved and about to be filled.

<u>Pos.</u>	<u>Position Title</u>	<u>Grade/Step</u>	<u>Salary</u>
<u>Smithsonian Astrophysical Observatory</u>			
1	Infrared Astronomer Extragalactic	GS-13/01	*
1	Astronomer	GS-13/01	*
1	Extragalactic Astronomer	GS-13/01	*
1	Personnel Clerk	GS-07/01	*
4			
<u>Smithsonian Tropical Research Institute</u>			
1	Resident Naturalist	GS-11/01	20,611
1	Personnel Management Specialist	GS-09/01	17,035
1	Procurement Clerk	GS-04/01	10,049
1	Clerk/Typist	GS-04/01	10,049
7	Game Warden	GS-03/01	8,952
1	Maintenance Worker	WZ-02/01	6,157
12			
<u>Chesapeake Bay Center for Environmental Studies</u>			
1	Program Coordinator	GS-12/01	24,703

* Funds available within SAO Base to support positions

<u>Pos.</u>	<u>Position Title</u>	<u>Grade/Step</u>	<u>Salary</u>
<u>Joseph Henry Papers</u>			
1	Research Assistant	GS-09/01	17,035
<u>Museum of History and Technology</u>			
1	Assistant Conservator	GS-09/01	17,035
<u>National Collection of Fine Arts</u>			
1	Museum Curator	GS-13/01	29,375
<u>Freer Gallery of Art</u>			
1	Supervisory Librarian	GS-11/01	20,611
<u>Cooper-Hewitt Museum</u>			
1	Conservator (paper)	GS-11/01	20,611
<u>1</u>	Graphic Designer	GS-11/01	20,611
2			
<u>Museum of African Art</u>			
1	Deputy Director	GS-15/01	\$40,832
<u>Office of the Assistant Secretary for Public Service</u>			
1	Research Assistant	GS-06/01	12,531
<u>Division of Performing Arts</u>			
1	Research Assistant	GS-07/01	13,925
<u>Smithsonian Institution Press</u>			
1	Publications Clerk	GS-05/01	11,243
<u>Office of the Assistant Secretary for Museum Programs</u>			
1	Janitor	WG-01/01	9,734
<u>Conservation Analytical Laboratory</u>			
1	Assistant Director	GS-14/01	34,713
2	Conservator	GS-11/01	20,611
2	Conservator	GS-09/01	17,035
1	Environmental Technician	GS-05/01	11,243
<u>1</u>	Receptionist	GS-04/01	10,049
7			
<u>Smithsonian Institution Libraries</u>			
1	Library Technician	GS-05/01	11,243
<u>Academic and Educational Programs</u>			
1	Education Program Coordinator	GS-11/01	11,243

<u>Pos.</u>	<u>Position Title</u>	<u>Grade/Step</u>	<u>Salary</u>
<u>Office of the Director Facilities Services</u>			
1	Program Analyst	GS-12/01	24,703
<u>Office of the General Counsel</u>			
1	Secretary	GS-08/01	15,423
<u>Office of Audits</u>			
1	Auditor	GS-09/01	17,035
<u>Office of Printing and Photographic Services</u>			
1	Library Technician	GS-05/01	17,035
<u>Office of Planning and Engineering Services</u>			
1	Planner/Estimator	GS-13/01	29,375
<u>Office of Protection Services</u>			
8	Guard	GS-04/01	\$10,049
<u>Office of Plant Services</u>			
1	Rigger	WG-10/01	17,659
1	Rigger	WG-09/01	16,765
1	Painter	WG-09/01	16,765
1	Sheetmetal Mechanic	WG-09/01	16,765
1	Electrician	WG-08/01	15,912
5			
55	Total		

Question: Why do you need to establish two new positions for your upward mobility program? Why can't this career opportunity program be absorbed by your regular employment?

Answer: The Smithsonian Astrophysical Observatory and the Smithsonian Institution Press request a total of two positions and \$12,000 (Smithsonian Astrophysical Observatory will provide \$17,000 of base funds for one position) to place two upward mobility employees. These positions had been provided by the Office of Equal Opportunity for a two-year period, and were assigned to individual units for a fixed time period after which they would revert to the Office of Equal Opportunity to be assigned elsewhere in the Institution. If positions are not available in which to place these employees they would have to encumber Office of Equal Opportunity upward mobility positions which would have the effect of slowing Institution progress in this important area of equal employment opportunity.

"Other Services" Expenses"

Question: Your object classification reveals a sharp, \$1.2 million increase in "other services". Why do you need this 20 percent increase in contracting?

Answer: The major portion of the increase in contracting costs is due to the proposed initiation of two new programs, the Major Exhibition Program and Smithsonian National Awareness Program. The amount requested in other services for both of these programs comprises 54 percent of the total increase of \$1.2 million. The Major Exhibition Program is so structured that it will avoid permanent base increases to any museum's budget and will retain flexibility for varying allocations based on merit and need. Another major portion of this increase, 15 percent, is attributable to inflation. As a result of the evident rise of inflation, service contracts for maintaining specialized equipment have increased between eight and 32 percent, and contractual costs of the computerized preventive maintenance system maintained by the Office of Plant services has increased 29 percent in one year. Further, specialized computer services costs supporting the Institution's research efforts have increased 6 percent over the past year. The final portion of the increase, 31 percent, is related to the smaller program increases reflected in each individual unit's justification in the budget.

Rental Space

Question: A portion of the uncontrollable increase, \$170,000, is for the federal rental space costs of offices located at L'Enfant Plaza. Why is it necessary to rent space in this location?

Answer: The Smithsonian, between about 1973 and 1976, leased approximately 50,000 square feet of office space at the L'Enfant Plaza north building. This action appeared unavoidable to remedy serious overcrowding in Mall museums, to accommodate renovation of public areas of the Arts and Industries Building for the Bicentennial, to replace inadequate quarters at the Liberty Loan Building, and to house properly and consolidate administrative activities for economy and efficiency at a location convenient and accessible to the Mall area. Also at this time, three other leased locations around Washington, D.C. were vacated and these activities, as well as other Mall support functions, were consolidated at 1111 North Capitol St., N.E. This overall space consolidation program was expected to be more efficient at less cost to the Institution.

Question: How much is being spent in total to rent commercial space? Please provide a breakdown for the record.

Answer: Smithsonian estimated FY 1980 rental costs:

Oceanographic Sorting Center	\$ 239,700
Navy Yard, Wash., D.C.	
Archives of American Art	25,000
41 E 65th St., N.Y.C.	
Radiation Biology Laboratory	240,000
Rockville, Maryland	
Mixed Program & Administration	565,000
L'Enfant Plaza, Wash., D.C.	

Service Center, Wash., D.C.	\$490,000
-Storage & Distribution	
Smithsonian Astrophysical Observatory	702,000
60 Garden St., Cambridge, Mass.	
& Mt. Hopkins, Arizona	
Smithsonian Magazine	63,000
Graybar Building, N.Y.C.	
Mail Order Division	59,000
Newington, Va.	
Office of Horticulture (Greenhouses)	18,000
Soldiers Home, Wash., D.C.	
Anacostia Neighborhood Museum	18,000
Anacostia, Wash., D.C.	
All Other Space (e.g., Ft. Pierce, Panama)	<u>6,800</u>
Totals	\$2,426,500 ^{1/}

^{1/} It is projected that this sum would be funded with \$1,439,000 of appropriated funding and \$987,500 of nonappropriated funds.

Question: Is any attempt being made to consolidate all administrative offices within the present Smithsonian facilities?

Answer: Presently, space on the Mall is inadequate to meet museum and other public activity space requirements. The Museum Support Center, to be constructed at Suitland, Maryland, is designed specifically for collection management and research requirements. The proposed Quadrangle project will free up space in other Mall buildings, and will reduce the need for some space at L'Enfant Plaza.

Tropical Research Institute

Question: Your tropical research increase includes 3 more positions for administrative tasks. How many are currently employed in the administrative side?

Answer: A total of 14 employees are currently employed on the administrative side. This activity includes, 1 procurement clerk, 1 property clerk. 3 messengers, 1 purchasing agent, 1 budget assistant, 1 facility manager, 4 secretaries, 1 staff assistant, 1 administrative officer.

Question: Why is it not possible to meet additional requirements with existing administrative staff?

Answer: The implementation of the new Panama Canal Treaty ratified by the Senate has added new administrative responsibilities in the area of personnel, procurement and maintenance that extend beyond the capabilities and capacities of our existing staff. The 3 additional administrative positions requested will allow STRI to hire a personnel management specialist which will insure the smooth operation under two sets of labor codes (U.S. and Panamanian), as well as a new excepted personnel system, authorized by the Office of Personnel Management and implemented on 30 December 1979; a procurement clerk to offset the workload increases resulting from the need to acquire more of our supplies and materials from the local economies; and a maintenance worker to provide services no longer available under new lease arrangements with the Panama Canal Commission.

Question: Eight positions are requested to meet security requirements resulting from the treaties. How many security personnel are currently employed and how many will be necessary in the future?

Answer: At the present, we have a total of 9 game wardens; the additional 8 positions requested will allow the hiring of a resident naturalist to supervise all security/safety functions of the Barro Colorado Nature Monument and 7 game wardens to provide the necessary surveillance of the area at a minimum level. These are required for protection of the additional 9,000 acres placed under the Institution's custodianship under terms of the new Panama Canal Treaty. These 9,000 acres included a number of mainland peninsulas in addition to Barro Colorado Island and their protection from poaching and incursion by slash and burn agriculturists require more security than that which was previously necessary for the protection of Barro Colorado Island itself. At this time, we believe that no additional security personnel besides the 8 positions being requested in FY 1981 will be needed in the future.

Question: Which of these new positions and program increases are most critical for fiscal 1981?

Answer: The following is a priority list of the requirements of the Smithsonian Tropical Research Institute for FY 1981. Items 1-5 represent specific obligations incurred by STRI as a result of the ratification by the U.S. Senate of the Panama Canal Treaty which among its many ramifications designates STRI as custodian of a 13,000 acre natural reserve in Gatun Lake.

	<u>(\$000)</u>	<u>Positions</u>
1) Security package (7 game wardens and Resident Naturalist)	117	8
2) Benefits	119	-
3) Security hardware (boats, radios, alarms, radio tower, etc.)	122	-
4) Conservation (Education Coordinator, clerk, publications)	42	1
5) Administrative package (Personnel Officer, clerk, travel, postage, etc)	72	3
6) Inflation	44	-
7) Maintenance	59	-
8) Necessary pay	31	-
TOTAL	606	12

Question: How much is requested in all activities for STRI? Provide details by activity for the record?

Answer: A total funding of \$2,772,000 is being requested for all STRI activities. This reflects an increase of \$606,000 over the 1980 base. FY 1981 estimated expenses by activities are as follows:

Research.....	\$1,054,000
Conservation and education research.....	234,000
Facilities management.....	615,000
Security.....	403,000
Administration.....	466,000

Radiation Biology Laboratory

Question: You are requesting \$50,000 planning to relocate the Radiation Biology Laboratory in permanent quarters. What alternatives are you looking into for a new site?

Answer: We are examining Smithsonian-owned property, such as Front Royal and the Chesapeake Bay Center for Environmental Studies, as well as the possibility of associating with some nearby university.

Question: How do you plan to spend for these new quarters? Are you considering new construction? When do you plan to move the laboratory?

Answer: Consideration is being given to construction of new quarters and also to leasing quarters already constructed. Yes, we are considering new construction. The current lease on the present laboratory building expires in February, 1990. It is unlikely that we will consider moving before that time. We would like to initiate a feasibility study at this time, since we estimate that it will take approximately 10 years to achieve the objective.

Chesapeake Bay Center

Question: The request for the Chesapeake Bay Center for Environmental Studies is \$956,000, with an increase of \$200,000 primarily for operation and maintenance of a watershed monitoring system. Since the Center was established with trust funds, why can't you use these funds for the watershed system?

Answer: In FY 1979 the watershed program was reviewed and evaluated at CBCES and it was determined that it should be kept in operation indefinitely because of its high scientific value. Other studies in progress at CBCES are dependent to a great extent on data produced from the watershed program and therefore as somewhat of a pillar within the research program, long-range funding is deemed necessary and is being requested. Generally speaking, trust funds are not used for long-range programs since they require a stable funding base.

Question: How has the system been supported to date? Provide a detailed breakdown of funds expended for this project since its inception.

Answer: Of the Center's 15 weirs and gauging stations, 10 were built with NSF/Research Applied to National Needs program funds (\$814,000) between 1972 and 1976 and 5 were built in 1976 and 1977 with support from EPA (\$426,000). Operating funds in 1976 through 1978 were provided by the EPA. The SI Scholarly Studies Program funded a portion of the project in FY 1979 (\$140,000) although some gauging stations were closed down. Full operation resumed in 1980 through a grant from the Knapp Foundation (\$200,000), which was recently received.

Question: Will this \$200,000 be an annual requirement?

Answer: Yes.

Question: If this increase is not approved, how will the watershed system be maintained?

Answer: It will be closed down.

Question: What is the total funding from all budget activities and sources for the Chesapeake Center? How does it compare to 1980?

Answer: Following are the estimated amounts available for the operations of the CBCES. These figures are more current estimates than those shown in the FY 1981 budget justifications to Congress.

	<u>1980</u>	<u>1981</u>
Federal Allotment.....	736.....	956
International Environmental Science Program.....	110.....	160
SI Unrestricted		
General.....	76.....	80
Special Purpose.....	21.....	20
Knapp Foundation.....	150.....	50
State of Maryland (marsh management).....	54.....	-
Chesapeake Research Consortium.....	200.....	200
USDA.....	8.....	8
YCC (Dept. of Interior).....	19.....	19

Museum of African Art

Question: The Smithsonian is requesting \$699,000 for the newly acquired Museum of African Art, an increase of \$98,000. Prior to joining the Smithsonian, the Museum reportedly was in financial difficulties. How have these difficulties been resolved?

Answer: The difficulties were primarily resolved when Congress enacted P. L. 95-414, which pledges the faith of the United States to provide funds necessary to the operation of the Museum. This has led to appropriations for fiscal years 1979 and 1980, supplemented by continued fund-raising efforts on the part of the Museum in support of its programs.

Question: The Museum has a staff of 36 with 11 supported by trust funds. You are requesting another federal position in fiscal 1981. Why do you need still another federal position?

Answer: When the Smithsonian assumed responsibility for the Museum of African Art some 8 months ago, we made our best estimate of the staff resources that would be required to operate the Museum in a fully professional way. Our experience over these last months has shown that the addition of a deputy director would ensure the most efficient deployment of the Museum's staff -- which, I should point out, is the smallest of all Smithsonian museums. This new position would be of tremendous assistance in assuring the orderly management and development of the Museum's activities, and provide increased oversight and guidance for the important research and exhibition activities which form the mainstay of its public programs.

Question: How many served on the African Art staff before the Museum joined the Smithsonian? And what was its annual operating budget for three years prior to that?

Answer: The Museum had a full-time staff of 37 prior to the takeover, which is one more than the current level. In effect, the addition of the proposed deputy director position will simply bring the Museum back up to its former personnel strength. The annual operating budgets of the Museum of African Art for the three years prior to its joining the Smithsonian are as follows:

FY 1977.....	\$517,250
FY 1978.....	\$621,500
FY 1979.....	\$730,250

Question: What is the total funding from all budget activities and sources for the African Art Museum? How does it compare with 1980?

Answer: In FY 1980, federal operating funds total \$722,000, as follows:

- \$601,000 in the Museum of African Art line item
- \$20,000 in the Office of Plant Services line item (for utilities)
- \$80,000 in the Office of Protection Services line item (for guards)
- \$21,000 in the Smithsonian Institution Libraries line item (for library services)

In addition, \$350,000 was provided in the Restoration and Renovation of Buildings account for one-time building repairs and alterations required to meet code requirements and ensure the safety and protection of staff, visitors, and collections. An additional \$460,000 is expected to be spent from trust funds, primarily in support of the Museum's shop and higher education activities. This makes a grand total of \$1,532,000 from all sources for FY 1980.

For FY 1981, the comparable figures are \$820,000 in federal operating funds; \$50,000 for general building repairs in the "R&R" account; and \$468,000 in trust funds, for a grand total of \$1,338,000.

To summarize the differences between the two years, our federal request has gone down by \$202,000 and our trust funding is going up by \$8,000.

Mt. Hopkins

Question: Why do you need to establish a base camp now for the Mt. Hopkins Observatory in Arizona? The \$400,000 request for the base complex is only the beginning. What is the total cost?

Answer: It is not a matter of establishing a base camp at this time but rather one of finding a more permanent location for the base camp. The present base camp is located on property that was a county school at one time. SAO has been at the present location for almost 11 years, and leases the property from the Santa Cruz County School Board.

About 2 years prior to renewal of the current lease, the School Board informed SAO that it intended to sell the property, and would therefore not renew SAO's lease beyond July 1977. However, because questions arose regarding the correct boundaries of the school and adjoining properties, the sale was indefinitely delayed. As a result of this SAO's current lease was renewed in July 1977 and continues to July 1982. SAO was informed, however, that it was still the School Board's intention to sell the school property once the matter of property boundaries was settled.

With this fact in mind, SAO included in its FY 1981 budget a request for funds for the purpose of relocating and begin the first phase of constructing the new base camp. The request is for \$400,000 to construct a maintenance and storage facility.

In late 1978 and early 1979 it was estimated that it would cost about \$1,200,000 to construct a new base camp. In addition, approximately \$800,000 would be needed to pave the road from the Tucson/Nogales highway to the proposed new site, about 9 miles in distance, which was to be on Forest Service land. These estimates were in-house estimates and would require further analysis by an A/E based on firmer plans, drawings, and specifications.

In the recent FY 1981 budget amendment, the Smithsonian has deleted this project from the FY 1981 budget request. As a result of the recent election of a new School Board for the Santa Cruz School District, it now appears possible that the present base camp lease may be extended. Nevertheless, substantial uncertainty still surrounds this situation and the Institution may need to request these funds in future years.

Question: How many more road improvements will be required at Mt. Hopkins? What is the total invested to date in the Mt. Hopkins road?

Answer: There are 3.4 miles of road insloping remaining. We expect to complete .6 miles in FY 1980 at a cost of \$100,000. We estimate the cost of improving the 2.8 miles to be \$450,000. In addition the installation of necessary guard

rails along the entire road will cost \$250,000; paving the access road from Amado to the new base camp facility (exclusive of bridges) will cost \$1,000,000; and dust prevention measures around the ridge and summit facilities will cost about \$400,000. FY 1980 we will have spent a total of \$820,000 for road improvements. The \$820,000 includes the cost of the initial cutting of a 1-lane 4-wheel drive road, which sloped out, widening the road, insloping it for safety and providing for drainage.

Renovation

Question: How much additional funding are you planning to spend on renovation of the Museum of African Art under general repairs and improvements? Are you aware the conference committee indicated last year that renovation funding for this facility provided in fiscal 1980 would be adequate until a future site determination is made?

Answer: The Institution is aware that the conference committee indicated last year that renovation funding for the Museum of African Art would be adequate until a future site determination is made. Funds in the amount of \$350,000 appropriated in FY 1980 will be used to bring the Museum of African Art buildings up to minimum standards for fire protection, safety and handicapped accessibility. No further upgrading is planned. However, until the Museum can be relocated, an amount of \$50,000 per year will be requested in order to accomplish necessary repairs which are to be expected for buildings of this quality of construction and age. These funds will be required for roof repairs; plumbing, heating and cooling system repairs; and electrical servicing, etc. An amount of \$50,000 is being requested for repairs for FY 1981.

Collections Acquisition

Question: How much in total are you budgeting for acquisition of collections in fiscal 1981, and what portion of this total is federal funding?

Answer: The Smithsonian has budgeted a total of \$2,059,000 for collections acquisition in fiscal 1981. Of that amount, \$920,000 is federal funding for six museums (Museum of History and Technology, Museum of Natural History, National Collection of Fine Arts, National Portrait Gallery, Hirshhorn Museum and Sculpture Garden, and Museum of African Art); \$939,000 is from Smithsonian trust funds voted by the Board of Regents for a major acquisitions program in which six museums participate (Freer Gallery, Hirshhorn Museum and Sculpture Garden, National Collection of Fine Arts, Museum of History and Technology, Museum of Natural History, National Portrait Gallery); and \$200,000 is from the Freer Trust for the Freer Gallery of Art.

Question: Collections acquisition is an acknowledged function of trust funds. Why do you need to continue budgeting nearly \$1 million in federal funds for such acquisitions? The justification indicates we are in a period of extremely high inflation for arts acquisitions. Isn't this the time to defer such acquisitions?

Answer: The Smithsonian hopes that collections acquisition can continue to be an acknowledged function of both federal and trust funds, as has been the case for many years.

The federal funds we have received have been enormously important in that they have enabled Smithsonian museums to acquire objects every year on a regular, planned basis. No museum can achieve the depth necessary for research nor remain vital in its exhibits program without continuing to add selectively to its collections objects both from the more recent past and from periods or areas where representation is weak. In these regards, and with a legislated mission to preserve the records of our cultural and scientific heritage, the National Museums have a special responsibility for careful and consistent collecting. Stable, federal funding, even though not in large amounts, permits just such judicious purchasing year after year.

However, with the relatively small amounts of federal funding available to us (the largest allotment in FY 1980 is \$300,000 to the National Portrait Gallery), our museums cannot buy the major objects of importance which would add significantly to the quality and comprehensiveness of the collections. Recognizing this problem, the Board of Regents in 1978 voted a five-year allotment of trust funds for major acquisitions as a complementary program to the annual federal allotments. In FY 1981, \$939,000 of trust funds have been budgeted, subject to the availability of funds.

The \$200,000 for the Freer is income from the Freer Endowment. This Endowment's yield has remained essentially stable, and with increasing operating costs in all other programs of the museum, the Freer's allotment for acquisitions has had to be reduced by one-third in the past four years.

All together, these funds, totalling \$2,059,000 in fiscal 1981 for seven Smithsonian museums, are extremely modest in comparison with the amounts spent on acquisitions by other museums of similar size. To cite some examples: in 1977, the Government of Canada appropriated \$2,600,000 for acquisitions by its four national museums; in 1978, the Cleveland Museum spent \$3,500,000 on acquisitions and the Museum of Modern Art, \$891,000; in 1979, the Detroit Institute of Arts spent over \$2,000,000, while the British Museum was given an appropriation of \$2,500,000 for acquisitions.

If we had any reason to believe that deferment of acquisitions would be beneficial, we would defer such purchases. However, the record indicates that the cost of works of art has risen consistently over the years. It is our best judgement, therefore, that deferment would not result in savings but rather in still higher costs. In addition, works of art are each unique, and when one of great importance to our museums becomes available, it does not remain so. The inability to make the purchase simply means a lost opportunity.

National Museum Act

Question: The Smithsonian is requesting \$803,000 to provide technical assistance under the National Museum Act to museums around the country. Is there any reason why this program couldn't be transferred to the Institute of Museum Services?

Answer: Theoretically, there is absolutely no reason why this could not be done. However, we strongly believe that in administering the National Museum Act, the Smithsonian is in a unique position. First, the programs funded by the National Museum Act are all programs in which the Smithsonian itself has had experience extending over many decades. Secondly, through our Advisory Council and our contacts with museums across the United States and around the world, we are specially qualified to understand the intricacies of museums' needs and perhaps better able than some to recognize those methods or those individuals who may be most qualified to meet them. We have been led to believe by our colleagues, by those who have received assistance under the National Museum Act, that the relationship of the Act to the Smithsonian has been beneficial to the museum profession. While we do not want to suggest that others might not be equally capable of carrying out these programs, we can say, because it is a fact, that we have a tradition of service to the museum profession which extends longer and with a greater depth and intensity than that provided by any other organization at present. We recognize that in the years ahead, as the Institute of Museum Services grows and as the government reexamines its mechanisms for the support of the museum profession, that a realignment of resources and functions might well emerge. We do believe, however, that at this moment in history, we are still uniquely qualified and submit that we are able to provide a service which is marked by professional integrity and which has so been recognized by the museum constituency.

Question: What is the average grant under the National Museum Act?

Answer: In 1980 it was \$9,000.

Question: What are the annual costs of administering this museum assistance?

Answer: In 1979 they were \$79,000.

International Environmental Science Program

Question: \$500,000 is requested for the International Environmental Science Program which is utilized for the Smithsonian

Tropical Research Institute and the Chesapeake Bay Center for Environmental Studies. These research centers are specifically provided for in the Science appropriation. Why is this separate funding necessary? How does money provided in this activity differ from the Science funding?

Answer: The IESP is an institutional program in which various disciplines from all of the science bureaus must participate to achieve the long-term objectives of monitoring and measuring physical and biological factors associated with a tropical and a temperate (eco system) site.

The program is funded at the institutional level rather than bureau level because it requires the resources of all of the science bureaus, not only CBCES and STRI. The research is conducted at CBCES and STRI because they are Smithsonian owned and provide ideal temperate and tropical sites for a long-term program.

Question: Why is an increase in funding necessary for data processing work? Aren't sufficient resources available in existing systems?

Answer: Neither the Chesapeake Bay Center nor the Smithsonian Tropical Research Institute have existing systems that are capable of handling the data resulting from the research programs at each location. The increase in funding would be used to provide systems capable of providing data reduction service as well as to reduce the amount of manual data processing.

Foreign Currency

Question: What priority do you assign your \$4.4 million request for foreign currency research?

Answer: The Institution assigns a high priority to foreign currency research. This program is a major source of excess foreign currency support for research carried out by United States institutions in the excess currency countries. The Smithsonian program is distinguished from other Special Foreign Currency Programs in that the full responsibility for the design, execution and publication of research results rests with a scholar working within the program of a United States institution.

The Smithsonian program strengthens the research and training activities of collaborating institutions abroad, for most projects directly involve host country institutions and scholars. Enduring professional ties which result from such joint efforts and scholarly exchange contribute to the strongest form of United States cultural relations with other nations. Moreover, these ties contribute to the integration of the worldwide advancement of science which serves to narrow the gap between the industrial and the developing nations.

Question: You seek \$750,000 to continue building a research reserve for the American Institute of Indian Studies. What is the long-term goal for this reserve?

Answer: The long-term goal for the AIIS forward-funded reserve is to provide total funding for the Indian programs for a period of 5 years after the rupee is declared no longer "excess." With the continued growth of the U.S. interest in Indian studies and an added

inflation factor the fund is projected at \$16 million equivalent in Indian rupees.

As stated by Secretary Ripley in his letter to Senator Stevens of December 28, 1979, the Smithsonian hopes to add significantly larger amounts to the reserve fund in the several years immediately following FY 1981. (The \$16 million has been calculated assuming another 5 years' excess status, projected a \$2.2 million operation level at that point and factoring in approximately 18 percent for growth and inflation:

Year 1.....	\$2.2 million
Year 2.....	2.6 million
Year 3.....	3.1 million
Year 4.....	3.7 million
Year 5.....	4.4 million

Question: How are current Indian studies being supported? At what level of excess rupees?

Answer: The AIIS currently receives funds from the Smithsonian Institution Foreign Currency Program through annual grants for approximately 80 percent of its activities. (It also receives funds from other agencies including the National Science Foundation, the Office of Education, and the International Communications Agency.) In fiscal year 1979, the Smithsonian granted the AIIS funds totaling some \$1.2 million in Indian rupees. Smithsonian funding for AIIS in FY 1980 is projected at \$1.4 million.

Question: Won't inflation erode the reserve value to an unacceptably low level?

Answer: An inflation factor and provision for limited program growth of approximately 18 percent per year has been built into the 5 year reserve projection. It is expected that this will hold the fund at a viable level. Since it is proposed that the fund be built up over a period of several years, there will be opportunity to continually assess the amount necessary for a 5-year operation, before a determination is made to end the excess status of the rupee.

QUESTIONS SUBMITTED BY SENATOR STEVENS

Alaska Exhibition

Question: Museum officials in Alaska are currently working with the Smithsonian to exhibit Alaska Native Artifacts collected by Edward William Nelson from 1877-1881. What is the status of the plans for this exhibition in Alaska?

Answer: Preliminary planning for a centennial exhibition of Native Alaskan artifact collections has been completed. With the assistance of the Alaska State Council on the Arts, the Smithsonian has identified three institutions--the Anchorage Historical and Fine Arts Museum, the Alaska State Museum in Juneau, and the University of Alaska Museum in Fairbanks--that are interested in exhibiting the show in 1982. Discussions are also underway to make a small selection of objects available to towns (Nome, Kotzebue, and Point Barrow) in the Bering Strait region where Nelson's pioneering research and

collecting took place. The exhibition would also be shown at the Smithsonian's National Museum of Natural History. An exhibition catalogue is planned, as is a school curriculum packet and a re-publication of Nelson's now-classic monograph "Eskimos About Bering Strait", originally published in 1899, and long out of print. The exhibition will feature Nelson's life and collecting activities, but will emphasize display of specimens selected for their artistic merit and their anthropological or historical significance.

Planning has advanced to the point where funds must be secured for further development of the exhibition. In September 1980, the Smithsonian's arctic curator, Dr. William Fitzhugh, will visit the museums and exhibit sites in Alaska for discussions regarding financing with the officials of the hosting institutions. As soon as this is completed, research, specimen selection, design and production can proceed.

Question: Does the budget request contain sufficient funds for this project for fiscal '81?

Answer: The Nelson exhibition will cost about \$200,000 including research, design, cases, travel, insurance and conservation, and publication. These funds are not available in the present Smithsonian base and cannot come out of existing exhibition programs. As a special project, new sources of funds would have to be secured.

CLOSING REMARKS

Senator STEVENS. I want to congratulate you, Phillip, for coming again—back once again from retirement. Why you persist in coming out of retirement, I don't know. But we're delighted.

Sam probably knows more of us up here for a longer period of time than any former member of the administration. And, in fact, Sam knows so many administrations that I don't think you can count them.

Can you, Sam?

Mr. HUGHES. I can count them. I hesitate to say what my registration is. [Laughter.]

Senator STEVENS. I understand what your registration is, always did. [Laughter.]

We're happy to have you and all the rest of you here.

Thank you very much.

SUBCOMMITTEE RECESS

We'll conclude it now and take a look at some of these items that you've distributed. We will recess until 10 a.m. on Tuesday, April 1.

[Whereupon, at 11:55 a.m., Friday, March 28, the subcommittee was recessed, to reconvene at 10 a.m, Tuesday, April 1.]





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