Public Law 96-496
96th Congress

An Act

Dec. 4, 1980
[S. 1386]

To amend the National Foundation on the Arts and the Humanities Act of 1965 and the Museum Services Act to extend the authorizations of appropriations contained in such Acts, to amend the Arts and Artifacts Indemnity Act to make certain changes in the coverage provisions of such Act, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Arts and Humanities Act of 1980.

SHORT TITLE

SECTION 1. This Act may be cited as the "Arts and Humanities Act of 1980". 20 USC 951 note.

TITLE I—AMENDMENTS TO NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES ACT OF 1965

DEFINITIONS

SEC. 101. (a) Section 3(a) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 952(a)) is amended by striking out "theory, and practice" and inserting in lieu thereof "and theory".

(b) Section 3(d)(1)(B) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 952(d)(1)(B)) is amended by inserting "or the National Council on the Humanities, as the case may be" after "Arts".

(c) Section 3(g) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 952(g)) is amended by inserting "the Northern Mariana Islands," after "American Samoa,".

NATIONAL ENDOWMENT FOR THE ARTS

SEC. 102. (a) Section 5(c) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 954(c)) is amended—

(1) by inserting "or loans" after "grants-in-aid";

(2) in paragraph (1) thereof, by inserting "and cultural diversity" after "American creativity";

(3) by redesignating paragraph (5) thereof as paragraph (6) thereof, and by inserting after paragraph (4) thereof the following new paragraph:

"(5) programs for the arts at the local level; and"; and

(4) by adding at the end thereof the following new sentence: "Any loans made by the Chairman under this subsection shall be made in accordance with terms and conditions approved by the Secretary of the Treasury.".

(b)(1) Section 5(g)(2)(A) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 954(g)(2)(A)) is amended by striking out ", except that" and all that follows through the end thereof and inserting in lieu thereof a semicolon.

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(2) Section 5(g)(4) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 954(g)(4)) is amended by adding at the end thereof the following new subparagraph:

"State."

"(E) For purposes of paragraph (3)(B), the term 'State' includes, in addition to the several States of the Union, only those special jurisdictions specified in section 3(g) which have a population of 200,000 or more, according to the latest decennial census.".

Ante, p. 2583.

Interagency agreements.

(c) Section 5(k) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 954(k)) is amended by adding at the end thereof the following new sentence: "The Chairman may enter into interagency agreements to promote or assist with the arts-related activities of other Federal agencies, on a reimbursable or nonreimbursable basis, and may use funds authorized to be appropriated for the purposes of subsection (c) for the costs of such activities.".

(d) Section 5(l)(1) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 954(l)(1)) is amended—

(1) by inserting ", on a national, State, or local level," after "private nonprofit organizations";

(2) by inserting "strengthening quality by" after "for the purpose of"; and

(3) by redesignating subparagraph (D) and subparagraph (E) as subparagraph (E) and subparagraph (F), respectively, and by inserting after subparagraph (C) the following new subparagraph:

"(D) providing additional support for cooperative efforts undertaken by State arts agencies with local arts groups to promote effective arts activity at the State and local level, including support of professional artists in community-based residencies;".

(e) Section 5 of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 954) is amended by striking out subsection (m).

NATIONAL COUNCIL ON THE ARTS

SEC. 103. Section 6(c) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 955(c)) is amended by inserting after the first sentence thereof the following new sentence: "The terms of office of all Council members shall expire on the third day of September in the year of expiration.".

NATIONAL ENDOWMENT FOR THE HUMANITIES

SEC. 104. (a)(1) Section 7(f)(2) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(f)(2)) is amended to read as follows:

"(2)(A) Whenever a State desires to designate or to provide for the establishment of a State agency as the sole agency for the administration of the State plan, such State shall designate the humanities council in existence on the date of the enactment of the Arts and Humanities Act of 1980, as the State agency, and shall match from State funds a sum equal to 50 per centum of that portion of Federal financial assistance received by such State under this subsection which is described in the first sentence of paragraph (4) relating to the minimum State grant, or 25 per centum of the total amount of Federal financial assistance received by such State under this subsection, whichever is greater, for the fiscal year involved. In any State in which the State selects the option described in this subparagraph, the State shall submit, before the beginning of each fiscal year, an

Ante, p. 2583.

Grants, application and plan.

application for grants and accompany such application with a plan which the Chairman finds—

"(i) designates or provides for the establishment of a State agency (hereinafter in this section referred to as the 'State agency') as the sole agency for the administration of the State plan;

"(ii) provides that the chief executive of the State will appoint new members to the State humanities council designated under the provisions of this subparagraph, as vacancies occur as a result of the expiration of the terms of members of such council, until the chief executive has appointed all of the members of such council;

"(iii) provides, from State funds, an amount equal to 50 per centum of that portion of Federal financial assistance received by such State under this subsection which is described in the first sentence of paragraph (4) relating to the minimum State grant, or 25 per centum of the total amount of Federal financial assistance received by such State under this subsection, whichever is greater, for the fiscal year involved;

"(iv) provides that funds paid to the State under this subsection will be expended solely on programs approved by the State agency which carry out the objectives of subsection (c) and which are designed to bring the humanities to the public;

"(v) provides assurances that State funds will be newly appropriated for the purpose of meeting the requirements of this subparagraph; and

"(vi) provides that the State agency will make such reports, in such form and containing such information, as the Chairman may require. Reports.

"(B) In any State in which the chief executive officer of the State fails to submit an application under subparagraph (A), the grant recipient in such State shall— Grant recipient, application procedure.

"(i) establish a procedure which assures that four members of the governing body of such grant recipient shall be appointed by an appropriate officer or agency of such State, except that in no event may the number of such members exceed 20 per centum of the total membership of such governing body; and

"(ii) provide, from any source, an amount equal to the amount of Federal financial assistance received by such grant recipient under this subsection for the fiscal year involved.".

(2) Section 7(f)(3) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(f)(3)) is amended to read as follows: Federal assistance, application and plan.

"(3) Whenever a State selects to receive Federal financial assistance under this subsection for any fiscal year under paragraph (2)(B), any appropriate entity desiring to receive such assistance shall submit an application for such assistance at such time as shall be specified by the Chairman. Each such application shall be accompanied by a plan which the Chairman finds—

"(A) provides assurances that the grant recipient will comply with the requirements of paragraph (2)(B);

"(B) provides that funds paid to the grant recipient will be expended solely on programs which carry out the objectives of subsection (c);

"(C) establishes a membership policy which is designed to assure broad public representation with respect to programs administered by such grant recipient;

"(D) provides a nomination process which assures opportunities for nomination to membership from various groups within the State involved and from a variety of segments of the population of such State, and including individuals who by reason of their achievement, scholarship, or creativity in the humanities, are especially qualified to serve;

"(E) provides for a membership rotation process which assures the regular rotation of the membership and officers of such grant recipient;

"(F) establishes reporting procedures which are designed to inform the chief executive officer of the State involved, and other appropriate officers and agencies, of the activities of such grant recipient;

"(G) establishes procedures to assure public access to information relating to such activities; and

Reports.

"(H) provides that such grant recipient will make reports to the Chairman, in such form, at such times, and containing such information, as the Chairman may require.".

(3)(A) The first sentence of section 7(f)(4) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(f)(4)) is amended by inserting "State and each" before "grant recipient".

(B) The second sentence of section 7(f)(4) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(f)(4)) is amended by inserting "States and" before "grant recipients".

Funds, allotment percentages.

(C) Section 7(f)(4) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(f)(4)) is amended by striking out subparagraph (A) and subparagraph (B) and inserting in lieu thereof the following new subparagraphs:

"(A) 34 per centum of the amount of such excess for such fiscal year shall be available to the Chairman for making grants under this subsection to States and regional groups and entities applying for such grants;

"(B) 44 per centum of the amount of such excess for such fiscal year shall be allotted in equal amounts among the States and grant recipients which have plans approved by the Chairman; and

"(C) 22 per centum of the amount of such excess for such fiscal year shall be allotted among the States and grant recipients which have plans approved by the Chairman in amounts which bear the same ratio to such excess as the population of the State for which the plan is approved (or, in the case of a grant recipient other than a State, the population of the State in which such grant recipient is located) bears to the population of all the States.".

(4)(A) Section 7(f)(5)(A) of the National Foundation on the Arts and Humanities Act of 1965 (20 U.S.C. 956(f)(5)(A)) is amended by striking out "Whenever the provisions of paragraph (3)(B) of this subsection apply in any State, that part of any" and inserting in lieu thereof the following: "The amount of each allotment to a State for any fiscal year under this subsection shall be available to each State or grant recipient, which has a plan or application approved by the Chairman in effect on the first day of such fiscal year, to pay not more than 50 per centum of the total cost of any project or production described in paragraph (1). The amount of any".

(B) Section 7(f)(5)(B) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(f)(5)(B)) is amended by inserting "State agency or" before "grant recipient".

(C) Section 7(f)(5) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(f)(5)) is amended by adding at the end thereof the following new subparagraph:

"State." "Grant recipient."

"(E) For purposes of paragraph (4)(B), the term 'State' and the term 'grant recipient' include, in addition to the several States of the Union, only those special jurisdictions specified in section 3(g) which have a population of 200,000 or more, according to the latest decennial census.".

(5) Section 7(f)(7) of the National Foundation on the Arts and Humanities Act of 1965 (20 U.S.C. 956(f)(7)) is amended—

(A) in subparagraph (A) thereof, by inserting "group or" before "grant recipient";

(B) in subparagraph (B) thereof, by inserting "State agency or" before "grant recipient", and by striking out "plan" and inserting in lieu thereof "State plan or grant recipient application";

(C) in subparagraph (C) thereof, by inserting "group or State agency or" before "grant recipient"; and

(D) in the matter following subparagraph (C) thereof, by inserting "group, State agency, or" before "grant recipient" each place it appears therein.

(6) Section 7(f)(8) of the National Foundation on the Arts and Humanities Act of 1965 (20 U.S.C. 956(f)(8)) is amended by striking out "paragraphs (4), (5), and (6)" and inserting in lieu thereof "the third sentence of paragraph (4), and paragraphs (5) and (6)".

(b) Section 7(g) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(g)) is amended by inserting "agency or" before "entity".

Interagency agreements.

(c) Section 7 of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956) is amended by adding at the end thereof the following new subsection:

"(i) The Chairman may enter into interagency agreements to promote or assist with the humanities-related activities of other Federal agencies, on either a reimbursable or nonreimbursable basis, and may use funds authorized to be appropriated for the purposes of subsection (c) for the costs of such activities.".

NATIONAL COUNCIL ON THE HUMANITIES

SEC. 105. Section 8(f) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 957(f)) is amended by striking out "$17,500" and inserting in lieu thereof "$30,000".

FEDERAL COUNCIL ON THE ARTS AND THE HUMANITIES

SEC. 106. (a) Section 9(b) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 958(b)) is amended by inserting "the Commissioner on Aging," after "Services Administration,".

(b) Section 9(c) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 958(c)) is amended—

(1) in paragraph (4) thereof, by striking out "and" at the end thereof;

(2) in paragraph (5) thereof, by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(6) undertake studies and make reports which address the state of the arts and humanities, particularly with respect to their economic needs and problems.".

(c) Section 9 of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 958) is amended by adding at the end thereof the following new subsections:

Study.

"(d)(1) The Council shall conduct a study of the state of employment opportunities for professional artists. Such study shall be undertaken in cooperation and consultation with the Secretary of Labor and shall address in particular (A) the effectiveness of existing Federal programs, such as programs administered under the Comprehensive Employment and Training Act, in serving and enhancing the employment opportunities of professional artists; and (B) the need for new programs to serve and enhance the employment opportunities of professional artists.

29 USC 801 note.

Report to President and Congress. *Ante*, p. 2583.

"(2) Not later than one year after the date of the enactment of the Arts and Humanities Act of 1980, the Chairman of the Council shall submit a report to the President and to the Congress relating to the results of the study required in paragraph (1), including such findings and recommendations (including legislative recommendations) as may be appropriate. Any recommendation involving changes in Federal legislation shall be accompanied by draft legislation.

"(3) Notwithstanding any other provision of law, no Federal agency or officer of the Federal Government shall have any authority to require the Council to submit the report required in paragraph (2) to any Federal agency or officer of the Federal Government for approval, comments, or review, before submission of such report to the Congress. The President may make such additional comments and recommendations with respect to the contents of such report as he may deem appropriate.

Study.

"(e)(1) The Council shall conduct a study of (A) the effectiveness of the program authorized by the Arts and Artifacts Indemnity Act (20 U.S.C. 971 et seq.); (B) the impact and feasibility of expanding the existing indemnity program to include the indemnification of objects loaned by lenders located in the United States for exhibition exclusively in the United States; and (C) other means to encourage and facilitate the wider sharing within the United States of the items described in section 3(a) of the Arts and Artifacts Indemnity Act (20 U.S.C. 972(a)), such as the development of standardized insurance policies and the development of a Federal technical assistance program to improve the curatorial facilities and personnel of museums.

Report to President and Congress. *Ante*, p. 2583.

"(2) Not later than one year after the date of the enactment of the Arts and Humanities Act of 1980, the Chairman of the Council shall submit a report to the President and to the Congress relating to the results of the study required in paragraph (1), including such findings and recommendations (including legislative recommendations) as may be appropriate. Any recommendation involving changes in Federal legislation shall be accompanied by draft legislation.".

ADMINISTRATIVE PROVISIONS

SEC. 107. (a) Section 10(a)(4) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 959(a)(4)) is amended by inserting "and culturally diverse" after "geographic".

(b) Section 10(b) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 959(b)) is amended by striking out "January" and inserting in lieu thereof "April".

(c) Section 10(c) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 959(c)) is amended by striking our "January" and inserting in lieu thereof "April".

(d) Section 10 of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 959) is amended by adding at the end thereof the following new subsection:

"(d)(1) The Chairman of the National Endowment for the Arts and the Chairman of the National Endowment for the Humanities each shall conduct a study of the use, sale, or other disposal of property under subsection (a)(2) for the purpose of carrying out sections 5(c) and 7(c). Each such study shall assess in particular (A) the effectiveness of such use, sale, or other disposal of property as an incentive for increasing the levels of non-Federal support; and (B) the extent to which activities carried out by each such Chairman under subsection (a)(2) result in undue administrative and financial burdens upon grant recipients.

Study.

Ante, p. 2583.

20 USC 956.

"(2) Not later than two years after the date of the enactment of the Arts and Humanities Act of 1980, each Chairman shall submit a report to the President and to the Congress relating to the results of the studies required in paragraph (1), including such findings and recommendations (including legislative recommendations) as may be appropriate. Any recommendation involving changes in Federal legislation shall be accompanied by draft legislation.".

Report to President and Congress.

Ante, p. 2583.

AUTHORIZATION OF APPROPRIATIONS

SEC. 108. (a) The first sentence of section 11(a)(1)(A) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 960(a)(1)(A)) is amended to read as follows: "For the purpose of carrying out section 5(c), there are authorized to be appropriated to the National Endowment for the Arts $115,500,000 for fiscal year 1981, $127,000,000 for fiscal year 1982, $140,000,000 for fiscal year 1983, $154,000,000 for fiscal year 1984, and $170,000,000 for fiscal year 1985.".

Ante, p. 2583.

(b) The first sentence of section 11(a)(1)(B) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 960(a)(1)(B)) is amended to read as follows: "For the purpose of carrying out section 7(c), there are authorized to be appropriated to the National Endowment for the Humanities $114,500,000 for fiscal year 1981, $126,000,000 for fiscal year 1982, $138,500,000 for fiscal year 1983, $152,000,000 for fiscal year 1984, and $167,500,000 for fiscal year 1985.".

20 USC 956.

(c) Section 11(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 960(a)(2)) is amended to read as follows:

"(2)(A) There are authorized to be appropriated for each fiscal year ending before October 1, 1985, to the National Endowment for the Arts an amount equal to the sum of—

"(i) the total amounts received by such Endowment under section 10(a)(2), including the value of property donated, bequeathed, or devised to such Endowment; and

20 USC 959.

"(ii) the total amounts received by the grantees of such Endowment from non-Federal sources, including the value of property donated, bequeathed, or devised to such grantees, for use in carrying out projects and other activities under paragraph (1) through paragraph (5) of section 5(c);

Ante, p. 2583.

except that the amounts so appropriated to the National Endowment for the Arts shall not exceed $18,500,000 for fiscal year 1981, $18,500,000 for fiscal year 1982, $18,500,000 for fiscal year 1983, $20,000,000 for fiscal year 1984, and $22,500,000 for fiscal year 1985.

"(B) There are authorized to be appropriated for each fiscal year ending before October 1, 1985, to the National Endowment for the Humanities an amount equal to the sum of—

"(i) the total amounts received by such Endowment under section 10(a)(2), including the value of property donated, bequeathed, or devised to such Endowment; and

20 USC 959.

"(ii) the total amounts received by the grantees of such Endowment from non-Federal sources, including the value of property donated, bequeathed, or devised to such grantees, for use in carrying out activities under paragraph (1) through paragraph (7) of section 7(c);

20 USC 956.

except that the amounts so appropriated to the National Endowment for the Humanities shall not exceed $12,500,000 for fiscal year 1981, $14,000,000 for fiscal year 1982, $15,000,000 for fiscal year 1983, $16,500,000 for fiscal year 1984, and $18,500,000 for fiscal year 1985.".

(d) Section 11(a)(3)(A) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 960(a)(3)(A)) is amended to read as follows:

"(3)(A) There are authorized to be appropriated for each fiscal year ending before October 1, 1985, to the National Endowment for the Arts an amount equal to the sum of—

"(i) the total amounts received by such Endowment, including the value of property donated, bequeathed, or devised to such Endowment, for the purposes set forth in section 5(l)(1) pursuant to the authority of section 10(a)(2); and

Ante, p. 2584.

20 USC 959.

"(ii) the total amounts received by the grantees of such Endowment from non-Federal sources, including the value of property donated, bequeathed, or devised to such grantees, for use in carrying out activities under subparagraph (A) through subparagraph (F) of section 5(l)(1);

Ante, p. 2584.

except that the amounts so appropriated to such Endowment shall not exceed $27,000,000 for fiscal year 1981, $30,000,000 for fiscal year 1982, $32,500,000 for fiscal year 1983, $36,000,000 for fiscal year 1984, and $40,000,000 for fiscal year 1985.".

(e) Section 11(a)(3)(B) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 960(a)(3)(B)) is amended to read as follows:

"(B) There are authorized to be appropriated for each fiscal year ending before October 1, 1985, to the National Endowment for the Humanities an amount equal to the sum of—

"(i) the total amounts received by such Endowment, including the value of property donated, bequeathed, or devised to such Endowment, for the purposes set forth in section 7(h)(1) pursuant to the authority of section 10(a)(2); and

20 USC 956.

"(ii) the total amounts received by the grantees of such Endowment from non-Federal sources, including the value of property donated, bequeathed, or devised to such grantees, for use in carrying out activities under subparagraph (A) through subparagraph (F) of section 7(h)(1);

except that the amounts so appropriated to such Endowment shall not exceed $30,000,000 for fiscal year 1981, $33,000,000 for fiscal year 1982, $36,000,000 for fiscal year 1983, $40,000,000 for fiscal year 1984, and $44,000,000 for fiscal year 1985.".

(f) Section 11(a)(4) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 960(a)(4)) is amended to read as follows:

"(4) The Chairman of the National Endowment for the Arts and the Chairman of the National Endowment for the Humanities, as the

case may be, shall issue guidelines to implement the provisions of paragraph (2) and paragraph (3). Such guidelines shall be consistent with the requirements of section 5(e), section 5(l)(2), section 7(f), and section 7(h)(2), as the case may be, regarding total Federal support of activities, programs, projects, or productions carried out under authority of this Act.". 20 USC 954, 956.

(g) Section 11(c) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 960(c)) is amended to read as follows:

"(c)(1) There are authorized to be appropriated to the National Endowment for the Arts $14,000,000 for fiscal year 1981, $15,000,000 for fiscal year 1982, $16,000,000 for fiscal year 1983, $17,000,000 for fiscal year 1984, and $18,000,000 for fiscal year 1985, to administer the provisions of this Act, or any other program for which the Chairman of the National Endowment for the Arts is responsible, including not to exceed $35,000 for each such fiscal year for official reception and representation expenses. The total amount which may be obligated or expended for such expenses for any fiscal year through the use of appropriated funds or any other source of funds shall not exceed $35,000.

"(2) There are authorized to be appropriated to the National Endowment for the Humanities $13,000,000 for fiscal year 1981, $14,500,000 for fiscal year 1982, $15,500,000 for fiscal year 1983, $16,500,000 for fiscal year 1984, and $17,500,000 for fiscal year 1985, to administer the provisions of this Act, or any other program for which the Chairman of the National Endowment for the Humanities is responsible, including not to exceed $35,000 for each such fiscal year for official reception and representation expenses. The total amount which may be obligated or expended for such expenses for any fiscal year through the use of appropriated funds or any other source of funds shall not exceed $35,000.".

TECHNICAL AMENDMENTS

SEC. 109. (a) The last sentence of section 5(c) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 954(c)) is amended by striking out "Labor and Public Welfare" and inserting in lieu thereof "Labor and Human Resources".

(b) Section 5(g)(4)(A) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 954(g)(4)(A)) is amended by striking out "project" the last place it appears therein and inserting in lieu thereof "projects".

(c) The last sentence of section 7(c) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 956(c)) is amended by striking out "Labor and Public Welfare" and inserting in lieu thereof "Labor and Human Resources".

(d) Section 9(b) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 958(b)) is amended by striking out "United States Commissioner of Education" and inserting in lieu thereof "Secretary of Education".

TITLE II—MUSEUM SERVICES

AMENDMENTS TO MUSEUM SERVICES ACT

SEC. 201. (a) Section 203 of the Museum Services Act (20 U.S.C. 962) is amended by striking out "Health, Education, and Welfare" and inserting in lieu thereof "Education".

(b) Section 204(a)(2)(A)(v) of the Museum Services Act (20 U.S.C. 963(a)(2)(A)(v)) is amended by striking out "Commissioner of Education" and inserting in lieu thereof "Secretary of Education".

20 USC 964.

(c)(1) Section 205(a)(2) of the Museum Services Act (20 U.S.C. 963(a)(2)) is amended by striking out "to the Secretary of Health, Education, and Welfare" and inserting in lieu thereof "directly to the Secretary of Education".

20 USC 964.

(2) Section 205(b) of the Museum Services Act (20 U.S.C. 963(b)) is amended by striking out "Department of Health, Education, and Welfare" and inserting in lieu thereof "Department of Education".

Competitive service employees. 20 USC 964. 5 USC 101.

(3) Section 205 of the Museum Services Act (20 U.S.C. 963) is amended by adding at the end thereof the following new subsection:

5 USC 5101 *et seq.*, 5331.

"(c) The Director may appoint without regard to the provisions of title 5, United States Code, governing appointment in the competitive service and may compensate without regard to the provisions of chapter 51 or subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates not to exceed one-fifth of the number of full-time regular technical or professional employees of the Institute. The rate of basic compensation for such employees may not equal or exceed the rate prescribed for GS-16 of the General Schedule under section 5332 of title 5, United States Code.".

5 USC 5332 note.

Contracts and cooperative agreements.

(d)(1) Section 206 of the Museum Services Act (20 U.S.C. 965) is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b)(1) The Director, subject to the policy direction of the National Museum Services Board, is authorized to enter into contracts and cooperative agreements with professional museum organizations to provide financial assistance to such organizations in order to enable such organizations to undertake projects designed to strengthen museum services, except that any contracts or cooperative agreements entered into pursuant to this subsection shall be effective only to such extent or in such amounts as are provided in appropriations Acts.

"(2)(A) No financial assistance may be provided under this subsection for any project for a period in excess of one year.

"(B) No financial assistance may be provided under this subsection to pay for the operational expenses of any professional museum organization.

"(3) The aggregate amount of financial assistance made under this subsection to professional museum organizations shall not exceed 5 percent of the amount appropriated under this Act for such fiscal year.

"Professional museum organization."

"(4) For purposes of this subsection, the term 'professional museum organization' means a private, nonprofit professional museum-related organization, institution, or association which engages in activities designed to advance the well-being of museums and the museum profession.".

(2) Section 206(c) of the Museum Services Act, as so redesignated in paragraph (1), is amended—

(A) by inserting ", contracts, and cooperative agreements" after "Grants";

(B) by inserting "or financial assistance" after "grant"; and

(C) by inserting "or financial assistance" after "grants".

Review and evaluation procedures.

(3) Section 206 of the Museum Services Act, as amended in paragraph (1), is further amended by adding at the end thereof the following new subsection:

"(d) The Director shall establish procedures for reviewing and evaluating grants, contracts, and cooperative agreements made or

entered into under this section. Procedures for reviewing grant applications or contracts and cooperative agreements for financial assistance under this section shall not be subject to any review outside of the Institute.".

(e)(1) Section 209(a) of the Museum Services Act (20 U.S.C. 967(a)) is amended to read as follows: Appropriation authorization.

"SEC. 209. (a) For the purpose of making grants under section 206(a), there are authorized to be appropriated $25,000,000 for fiscal year 1981, $30,000,000 for fiscal year 1982, $35,000,000 for fiscal year 1983, $40,000,000 for fiscal year 1984, and $45,000,000 for fiscal year 1985.".

(2) Section 209(d) of the Museum Services Act (20 U.S.C. 967(d)) is amended by striking out "1980" and inserting in lieu thereof "1985".

AMENDMENTS TO DEPARTMENT OF EDUCATION ORGANIZATION ACT

SEC. 202. Section 413(b)(1) of the Department of Education Organization Act (20 U.S.C. 3473(b)(1)) is amended by inserting "and" at the end of subparagraph (L), by striking out subparagraph (M), and by redesignating subparagraph (N) as subparagraph (M).

TITLE III—AMENDMENTS TO ARTS AND ARTIFACTS INDEMNITY ACT

AGGREGATE AMOUNTS COVERED UNDER INDEMNITY AGREEMENTS

SEC. 301. Section 5(b) of the Arts and Artifacts Indemnity Act (20 U.S.C. 974(b)) is amended by striking out "$250,000,000" and inserting in lieu thereof "$400,000,000".

DEDUCTIBLE AMOUNTS UNDER INDEMNITY AGREEMENTS

SEC. 302. Section 5(d) of the Arts and Artifacts Indemnity Act (20 U.S.C. 974(d)) is amended to read as follows:

"(d) If the estimated value of the items covered by an indemnity agreement for a single exhibition is—

"(1) $2,000,000 or less, then coverage under this Act shall extend only to loss or damage in excess of the first $15,000 of loss or damage to items covered;

"(2) more than $2,000,000 but less than $10,000,000, then coverage under this Act shall extend only to loss or damage in excess of the first $25,000 of loss or damage to items covered; or

"(3) $10,000,000 or more, then coverage under this Act shall extend only to loss or damage in excess of the first $50,000 of loss or damage to items covered.".

Approved December 4, 1980.

LEGISLATIVE HISTORY:

HOUSE REPORT No. 96-937 accompanying H.R. 7153 (Comm. on Education and Labor).
SENATE REPORT No. 96-557 (Comm. on Labor and Human Resources).
CONGRESSIONAL RECORD, Vol. 126 (1980):
Feb. 7, considered and passed Senate.
Nov. 17, H.R. 7153 considered and passed House; passage vacated and S. 1386, amended, passed in lieu.
Nov. 20, Senate concurred in House amendments.