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SENATE COMMITTEE ON RULES AND ADMINISTRATION
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Chairman Feinstein, Senator Bennett, Members of the Senate Committee on Rules and Administration, I am pleased to be here today as a member of the Smithsonian Board of Regents to share with you our work to date regarding the challenge of the facilities revitalization at the Smithsonian Institution, as well as its larger funding issues.

The importance of the Smithsonian to our nation and our nation's capital is evident to all. It is a unique Institution, truly a national treasure, whose mission, "the increase and diffusion of knowledge," is carried out through its collections, research, education and exhibitions.

The collections are vast and impressive, and the scholars are accomplished and dedicated. Millions of people come to the Smithsonian each year and we reach millions more through our web sites, *Smithsonian* magazine, our affiliate museums throughout the country, and our traveling exhibition service, the largest in the world.

We share the same goal, to ensure the Smithsonian remains a vibrant, thriving Institution for generations to come, which leads us to the question: What needs to be done to achieve our goals? How can the Congress, the Smithsonian Institution, and the American people work together to achieve the full potential of this beloved Institution?

First, I think it's important to note that since the mid-19th century, when Congress accepted the gift of English scientist James Smithson, Congress has recognized its responsibility for the Smithsonian's capital improvements and maintenance and has traditionally appropriated the funds for this purpose.

Congress made its first federal appropriation to the Smithsonian in 1858 (for "preservation of the collections of the exploring and surveying expeditions of the government") and thus began the long-standing practice of appropriating funds for the care and preservation of the collections. This has allowed the Smithsonian to turn to the private sector to help fund collections, research, education and exhibitions. This shared responsibility, a public-private partnership, ensures the integrity of the Smithsonian's intellectual pursuits and its well being.

Since its inception, private sector support of the Smithsonian has been essential to its success. For example, private investment accounted for \$100 million of the \$219 million cost of the National Museum of the American Indian ; \$311 million of the \$333 million cost of the National Air and Space Museum's Steven F. Udvar Hazy Center; and \$108 million of the \$274 million for the Donald W. Reynolds Center for American Art and Portraiture. This past fiscal year (2007) private sector donations totaled more than \$166 million, and for the past five fiscal years (2002-2006 IRS 990 #s) amounted to an average of \$125 million per year.

In the year 2000 I volunteered to be an advisor on the renovation and restoration of the Patent Office Building, the Donald W. Reynolds Center for American Art and Portraiture (home to the Smithsonian American Art Museum and the National Portrait Gallery). I became a member of Board of Regents in May of 2005, and I joined the *ad hoc* Committee on Facilities Revitalization, when it was formed in September of 2005.

In June of 2007 the Board of Regents made this *ad hoc* Committee into a standing Facilities Revitalization Committee, which I was asked to chair. My colleagues on the Committee are: Senator Thad Cochran, Senator Patrick Leahy, Congressman Sam Johnson, Congressman Xavier Becerra, Regent Roger Sant, and non-regent Richard Darman. All of the committee members have fully participated and been involved in our deliberations.

The Facilities Revitalization Committee was given the responsibility for the development and oversight of a plan to solve the pressing problems, specifically, “the implementation of strategies to engage Congress and other stakeholders on a continuing basis to address the Smithsonian facilities capital and maintenance needs,” as well as its other needs.

Since its creation, the Committee has researched and discussed a large number of options—including those suggested by members of Congress, as well as those reviewed by the Government Accountability Office in its September 2007 report “Smithsonian Institution: Funding Challenges Affect Facilities’ Conditions and Security, Endangering Collections”

After extensive discussion of the many options, in November of 2007 the facilities revitalization committee recommended and the Board of Regents approved a capital campaign to raise funds, not just for facilities revitalization, but also for its collections, research, education and exhibitions. This will be a comprehensive effort by all parts of the Smithsonian, and to the best of my knowledge, the first of its kind in the Institution’s history. The Smithsonian has done project and museum-specific campaigns throughout its history, but nothing of this size and scope.

This campaign will be a major challenge, but at the same time an exciting one. It will involve the Smithsonian Board of Regents, the Smithsonian National Board, our museum and research center advisory boards, the museums, research centers, staff, volunteers, the American people, and of course the Congress. We feel that we can count upon your support, and we envision a matching program with full federal participation. It is our intent to proceed with our plan as rapidly and expeditiously as possible.

Upon completion of a successful campaign, we would like an understanding that the federal government would once again fulfill the responsibility for capital improvements and maintenance as they have traditionally done in the past.

The current \$2.5 billion facilities revitalization need, acknowledged by the Government Accountability Office, is a result of inadequate funding to date. Over a 10-year period, our capital projects and maintenance requirement is \$250 million annually. At current federal appropriations levels, the Smithsonian receives about \$150 million each year for capital projects and maintenance. So the shortfall is \$100 million per year (broken down equally between capital improvements and maintenance), consequently during the 10 years, the shortfall is approximately \$1 billion.

As part of our capital campaign, we are also exploring other options, such as a gift maintenance fee, an energy savings performance initiative, public-private partnerships (such as the proposal for the Arts and Industries Building), and expanded use of collection boxes.

Although the Board of Regents supports a fee for special exhibitions (such as the new butterfly exhibition scheduled to open in February at the National Museum of Natural History), the Board does not support a general admissions charge, a federal income tax check-off, and an increase in local hotel and services taxes.

We all recognize and embrace the unique mission of the Smithsonian and its special place in our country and in the world. The Smithsonian is exceedingly fortunate to have as our partners the Congress, Executive Branch and the American people, and it is the vitality of this partnership which will determine the future well-being of the Institution.

In closing, we believe if we can successfully raise the funds from this comprehensive campaign, the Smithsonian will be prepared to continue to serve the American people for generations to come. We can only do it with the continued help and support of the Congress. Thank you.