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SENATE

{ REPORT
114-254

JOHN F. KENNEDY CENTER REAUTHORIZATION ACT OF 2016

MAY 16, 2016.—Ordered to be printed

Mr. INHOFE, from the Committee on Environment and Public
Works, submitted the following

R E P O R T

[To accompany S. 2808]

[Including cost estimate of the Congressional Budget Office]

The Committee on Environment and Public Works, to which was referred the bill (S. 2808) to amend the John F. Kennedy Center Act to authorize appropriations for the John F. Kennedy Center for the Performing Arts, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

GENERAL STATEMENT AND BACKGROUND

The Kennedy Center was established as the National Cultural Center when Congress passed the “National Cultural Center Act.” President Eisenhower signed the legislation in 1958 which became Public Law 85–874. It has had successive authorizations adopted continually since that time. In 1964, Public Law 88–260 established the performing arts center as a living memorial to honor the late president by changing the name of the center to the John F. Kennedy Center for the Performing Arts. Edward Durrell Stone designed the building, and in December 1965, President Lyndon Johnson broke ground for the Kennedy Center on a site located along the banks of the Potomac River. In 1971, the building opened to its first visitors.

Today, the Kennedy Center is the nation’s busiest performing arts center. The Kennedy Center hosts approximately 3,000 events, and receives over 2 million visitors each year.

The Center’s statute mandates the inclusion of designated Members of Congress to provide full and appropriate oversight of the

federal monies. The Speaker and Minority Leader of the House serve along with the leadership of the Center’s authorizing Committee, Transportation and Infrastructure. Three additional members are appointed by the House leadership. So, too, the Senate Majority and Minority Leaders are members of the Board, along with the leadership of the Environment and Public Works Committee and three members appointed by the Senate leadership.

These members are briefed on an ongoing basis regarding these federal appropriations to ensure both transparency and accountability.

The Center’s Board of Trustees raises the necessary private funds to support the *programming* at the Center. This is an ongoing annual effort to present a full range of programming in the fields of the performing arts, consistent with the Congressionally-proscribed mandate.

The Board is prudent with federal funds and, in an effort to respect federal budget limitations, embarked on a capital campaign to create a much-needed expansion for the building to include education classrooms and additional public access to its programming. This expansion, solely funded with private dollars, was authorized by Congress in the authorization in 2012 to ensure a full collaboration with Congress in the Center’s efforts to fulfill and sustain its statutory mandate.

OBJECTIVES OF THE LEGISLATION

The John F. Kennedy Center Reauthorization Act of 2016 authorizes appropriations for maintenance, repair, and security, as well as appropriations for capital projects each fiscal year from fiscal year 2017 until fiscal year 2020 for the John F. Kennedy Center for the Performing Arts.

SECTION-BY-SECTION ANALYSIS

Section 1. Short title

This section provides that the Act may be cited as the “John F. Kennedy Center Reauthorization Act of 2016.”

Section 2. Authorization of appropriations

Summary

Section 2 authorizes \$24 million for fiscal year 2017, \$25 million for each of fiscal years 2018 and 2019, and \$26 million for fiscal year 2020 for maintenance, repair, and security. Section 2 also authorizes \$13 million for each of fiscal years 2017 and 2018, and \$14 million for each of fiscal years 2019 and 2020 for capital projects.

Description

This would authorize a total of \$154 million over the next four fiscal years. In comparison to recent Kennedy Center authorization bills dating back to 2008, this amount is below those recently authorized levels. Specifically, the average annual authorized level under this bill is \$38.5 million, a slight reduction from the recent average annual level of \$38.6 million.

S. 2808 reduces capital funding in the first year of the bill, authorizing \$13 million for capital projects, below the \$14.74 million

appropriated and the \$15 million authorized for FY 2016. S. 2808 includes inflationary increases for maintenance, repair, and security, necessary to maintain the new expansion project which was solely funded with private dollars and authorized by Congress in 2012.

Consistent with federal austerity measures, the Center has adapted to across-the-board reductions in its federal funds and has had to become even more stringent as it budgets for these necessary expenditures. These reductions are challenging because the federal funding supports fixed costs for electricity, security and other expenses, all of which are expected to rise with the cost of living over the coming years.

Funds authorized in the legislation may only go towards the physical structure of the building—for the Operations and Maintenance and for Capital Repairs. These funds provide for the security of the building, electricity, building repairs and general upkeep. Federal funds may not be used for performing arts attractions, personnel or administration including production, fundraising marketing and ticket sales.

LEGISLATIVE HISTORY

On April 18, 2016, Senators Inhofe and Boxer introduced S. 2808, a bill to reauthorize the John F. Kennedy Center for the Performing Arts. The Committee on Environment and Public Works met to consider S. 2808 on April 28, 2016. The bill was approved by voice vote.

Previously, the Center received a one-year authorization for FY 2016, included in the omnibus appropriations bill for that fiscal year. This covered the first year of a five-year authorization bill (H.R. 1473), which was unanimously approved by the House Transportation and Infrastructure Committee in 2015. S. 2808 would authorize the remaining four-years of that legislation, Fiscal Years 2017 through 2020, at the levels included in H.R. 1473.

HEARINGS

No hearings were held on S. 2808.

ROLLCALL VOTES

The Committee on Environment and Public Works met to consider S. 2808 on April 28, 2016. The bill was ordered favorably reported by a voice vote. No rollcall votes were taken.

REGULATORY IMPACT STATEMENT

In compliance with section 11(b) of rule XXVI of the Standing Rules of the Senate, the committee finds that S. 2808 does not create any additional regulatory burdens, nor will it cause any adverse impact on the privacy of individuals.

MANDATES ASSESSMENT

In compliance with the Unfunded Mandates Reform Act of 1995 (Public Law 104–4), the committee finds that S. 2808 would not impose federal intergovernmental unfunded mandates on State, local, or tribal governments.

COST OF LEGISLATION

Section 403 of the Congressional Budget and Impoundment Control Act requires that a statement of the cost of the reported bill, prepared by the Congressional Budget Office, be included in the report. That statement follows:

S. 2808—John F. Kennedy Center Reauthorization Act of 2016

Summary: S. 2808 would amend the John F. Kennedy Center Act by authorizing appropriations for maintenance, repair, and security of the John F. Kennedy Center for the Performing Arts, as well as for capital projects for the center. Those activities were previously authorized through fiscal year 2014, and the Congress appropriated a total of \$33 million in 2016 for those activities.

The bill would authorize additional appropriations totaling \$154 million for fiscal years 2017 through 2020. Assuming appropriation of those amounts, CBO estimates that implementing S. 2808 would cost \$146 million over the 2017–2021 period.

Because enacting the bill would not affect direct spending or revenues, pay-as-you-go procedures do not apply. CBO estimates that enacting the bill would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

S. 2808 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary effects of S. 2808 are shown in the following table. The costs of this legislation fall within budget function 500 (education, employment, training, and social services).

	By fiscal year, in millions of dollars—					
	2017	2018	2019	2020	2021	2017– 2021
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
John F. Kennedy Center Maintenance, Repair, and Security:						
Authorization Level	24	25	25	26	0	100
Estimated Outlays	20	25	25	26	4	100
John F. Kennedy Center Capital Projects:						
Authorization Level	13	13	14	14	0	54
Estimated Outlays	5	8	11	13	9	46
Total Changes:						
Authorization Level	37	38	39	40	0	154
Estimated Outlays	25	33	36	39	13	146

Basis of estimate: S. 2808 would reauthorize funding for the maintenance, repair, and security of the John F. Kennedy Center for the Performing Arts, as well as for capital projects for the Center. Funding for such activities totaled \$37 million for fiscal year 2016.

For this estimate, CBO assumes that S. 2808 will be enacted by October 1, 2016, and that the specified amounts will be appropriated for each year. The estimated outlays reflect historical spending patterns for the affected programs.

Pay-As-You-Go considerations: None.

Increase in long-term net direct spending and deficits: CBO estimates that enacting S. 2808 would not affect net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

Previous CBO estimates: On April 21, 2015, CBO transmitted an estimate for H.R. 1473, the John F. Kennedy Center Reauthorization Act of 2015, as ordered reported by the House Committee on Transportation and Infrastructure on April 15, 2015. The two bills would authorize the same amounts for fiscal years 2017 through 2020. H.R. 1473 also authorized appropriations for 2016.

Intergovernmental and private-sector impact: S. 2808 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

Estimate prepared by: Federal costs: Christina Hawley Anthony; Impact on state, local, and tribal governments: Jon Sperl; Impact on the private sector: Amy Petz.

Estimate approved by: H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW

In compliance with section 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill as reported are shown as follows: Existing law proposed to be omitted is enclosed in [black brackets], new matter is printed in *italic*, existing law in which no change is proposed is shown in roman:

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JOHN F. KENNEDY CENTER ACT

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SECTION 1. [20 U.S.C. 76h note] SHORT TITLE AND FINDINGS.

(a) SHORT TITLE.—This Act may be cited as the “John F. Kennedy Center Act”.

(b) * * *

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SEC. 13. [20 U.S.C. 76r] AUTHORIZATION OF APPROPRIATIONS.

[(a) MAINTENANCE, REPAIR, AND SECURITY.—There is authorized to be appropriated to the Board to carry out section 4(a)(1)(H), \$22,000,000 for fiscal year 2016.]

[(b) CAPITAL PROJECTS.— There is authorized to be appropriated to the Board to carry out subparagraphs (F) and (G) of section 4(a)(1), \$15,000,000 for fiscal year 2016.]

(a) MAINTENANCE, REPAIR, AND SECURITY.—*There is authorized to be appropriated to the Board to carry out section 4(a)(1)(H)—*

- (1) *\$24,000,000 for fiscal year 2017;*
- (2) *\$25,000,000 for fiscal year 2018;*
- (3) *\$25,000,000 for fiscal year 2019; and*
- (4) *\$26,000,000 for fiscal year 2020.*

(b) CAPITAL PROJECTS.—There is authorized to be appropriated to the Board to carry out subparagraphs (F) and (G) of section 4(a)(1)—

- (1) *\$13,000,000 for fiscal year 2017;*

- (2) \$13,000,000 for fiscal year 2018;
(3) \$14,000,000 for fiscal year 2019; and
(4) \$14,000,000 for fiscal year 2020.

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