INTRODUCTION OF THE SMITHSO-NIAN MODERNIZATION ACT

# HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA IN THE HOUSE OF REPRESENTATIVES

# Thursday, May 5, 2011

Ms. NORTON. Mr. Speaker, today, I introduce three bills to modernize the Smithsonian Institution and to enhance its governance and fundraising ability, in keeping with the recommendations of a number of experts, including the Smithsonian Independent Review Committee, chaired by former U.S. Comptroller General Charles Bowsher. This bill, the Smithsonian Modernization Act, makes changes to the Smithsonian's governance structure by expanding and changing the composition of its Board of Regents, from 17 members, which includes six Members of Congress, the Vice President of the United States, and the Chief Justice of the U.S. Supreme Court, to 21 members, comprised solely of private citizens. This change will strengthen both the Smithsonian's governance and fundraising capacity, and it is the first significant change in this old and revered institution since it was established in 1846. The second bill, the Smithsonian Free Admission Act of 2010, seeks to preserve the long-standing free admission policy for permanent exhibits at an institution that is largely funded by the federal government, as envisioned by James Smithson, its founder. Finally, the Open and Transparent Smithsonian Act of 2011 will apply the Freedom of Information Act and the Privacy Act to the Smithsonian in the same manner they apply to federal agencies.

The Smithsonian Institution is a unique and irreplaceable cultural, historical, educational and artistic complex without any public or private counterpart in the world. Since its founding, the Smithsonian has developed an extraordinary array of world-class museums, galleries, educational showplaces and unique research centers, including 19 museums and galleries, nine research facilities, the National Zoo, and the forthcoming National Museum of African American History and Culture, which has been approved by Congress and is now seeking funding from the private sector for construction. The Smithsonian has grown with donations from American culture and life, and financial contributions, but most of its funding continues to come from federal appropriations. Despite receiving 70 percent of its funding from the federal government, the Smithsonian has long had serious infrastructure and other needs.

Congress must help the Smithsonian strengthen its ability to build resources beyond what taxpayers are able to provide. The most important step Congress could take today is to rescue the Smithsonian from its 19th century governance structure, which keeps it from accessing needed and available private resources and limits close and critical oversight. The Smithsonian Modernization Act bill provides a governance structure befitting the Smithsonian's unique complexity. In no small part, the difficulty the Smithsonian has faced results from limitations inherent in its antiquated governance structure. The existing structure may have fit the Smithsonian over 170 years ago, but today the structure has

proven to be a relic that does a disservice to the Smithsonian. The present governance structure places immense responsibility on dedicated but overextended Members of the House and Senate, the Vice President of the United States and the Chief Justice of the United States Supreme Court. These federal officials comprise almost half of the Smithsonian Board of Regents, and must perform their fiduciary duties as board members while giving first priority to their sworn responsibilities as important federal officials.

In 2007, an independent review committee found that the Board had violated principles of good management during the tenure of the former Secretary of the Smithsonian, Lawrence Small, allowing him to create an "insular culture." The Committee's report indicated that the Board had failed to provide desperately needed oversight and had overcompensated Mr. Small. The report also found that Sheila P. Burke, the Smithsonian's then-deputy secretary and chief operating officer, had frequent absences from her duties because of outside activities, including service on corporate boards, for which she earned more than \$1.2 million over six years. Further, the Smithsonian's then-Business Ventures chief, Gary Beer, was dismissed for financial indiscretions. This unprecedented crisis, caused by unprecedented controversies and irresponsible risks, put into sharp focus the need for new revenue streams and for a modern governance structure. The first full-blown scandal in the Smithsonian's history, replete with embarrassing media coverage, damaged its reputation and perhaps the confidence of potential contributors. The poor judgment and overreaching of Smithsonian personnel during that period requires new and concentrated oversight by citizens for whom the Smithsonian would command priority attention.

The Board of Regents, of course, has taken some important action on its own. After irregularities were uncovered by the media, the Board responded to the controversies by creating a governance committee, chaired by Patty Stonesifer, a Regent and former chief executive officer of the Bill & Melinda Gates Foundation, with a mandate to comprehensively review the policies and practices of the Smithsonian and how the Board conducts its oversight of the institution. The Board also established an Independent Review Committee (IRC), chaired by former U.S. Comptroller General Charles A. Bowsher, to review the issues arising from an Inspector General's report and the Board's response, and related Smithsonian practices.

The IRC was forthright in its investigation and recommendations. The IRC stated explicitly that the root cause of the problems at the Smithsonian was an antiquated governance structure, which led to failures in governance and management. According to the IRC, the Board must assume a fiduciary duty that carries a "major commitment of time and effort, a reputational risk, and potentially, financial liability." The IRC further argued that the Smithsonian, with a budget of over \$1 billion a year, must have a Board who "act as true fiduciaries and who have both the time and the experience to assume the responsibilities of setting strategy and providing oversight." The IRC cited a lack of clarity of the roles of the U.S. Vice President and Chief Justice of the

U.S. Supreme Court on the Board, and said that "it is not feasible to expect the Chief Justice to devote the hours necessary to serve as a fiduciary agent." The same observation could be made of the Members of the House and Senate who serve on the Board. The IRC recommended that the Board increase the level of expertise and the number of members to ensure that the Regents have sufficient time and attention to dedicate to the Smithsonian.

The Smithsonian's own governance committee identified several Board weaknesses, concluding that the Board did not receive or demand the reports necessary for competent decision-making, that the staff whom the Board depended upon for oversight inquiries did not have direct access to information, and that the inability of staff to communicate red flags "crippled" internal compliance and oversight.

Only Congress, with the concurrence of the president, can amend the Smithsonian Charter. The last change to the Board's structure occurred over 30 years ago, but only to increase the number of private citizens on the Board from six to nine.

The number of Regents, however, is not the root problem. Although the bill expands the Board from 17 to 21 members, it, most importantly, brings the Board into alignment with modern public and private boards by requiring all Regents to be private citizens. The search for private funds by Smithsonian management was a major cause of the recent controversy. Faced with crippling budget problems, the Regents must be free to give new and unprecedented attention and energy to finding and helping to raise substantially more funds from private sources. The new structure envisioned by the bill will improve oversight and the capacity for fundraising from private sources. Unlike federal officials, private citizens are entirely free to assist in private fundraising. Most importantly, private citizens will have sufficient expertise to serve on the Board, and will be able to devote the personal time and attention necessary to fulfill the fiduciary responsibility that comes with serving such a venerable and complex institution.

The bill preserves and strengthens the traditional role of the Speaker of the House and the President of the Senate in selecting Board members, while eliminating the self-perpetuating role of the Board in selecting private citizens for the Board. The Speaker of the House and the President of the Senate will each send 12 recommendations to the President of the United States, who will select the 21 members of the Board of Regents.

Considering the seriousness of the findings of the Board's own governance committee and of the IRC, the changes prescribed by the bill are nothing short of necessary. The reform of the fiduciary and governance issues that have brought public criticism to this iconic American institution must begin with the indispensable step of making the Smithsonian's governance consistent with that of similar institutions today. Only congressional attention can reassure the public that the controversies that recently besieged the Smithsonian will not recur. In the face of an unprecedented public controversy, Congress would be remiss if it left the Smithsonian to its own oversight and devices alone for improvement.

I urge my colleagues to support the bill.

IN RECOGNITION OF THE BLOCK HIGH SCHOOL CLASS OF 1961

## HON. RODNEY ALEXANDER

OF LOUISIANA IN THE HOUSE OF REPRESENTATIVES

#### Thursday, May 5, 2011

Mr. ALEXANDER. Mr. Speaker, I rise today in recognition of the Block High School Class of 1961 as they celebrate their 50 year reunion. The alumni will observe this momentous occasion on Sunday, June 18, 2011.

The 1961 class was a cohesive and talented group who became doctors, nurses, elected officials, teachers, business owners, pharmacists. law enforcement personnel and investigators, and some have proudly served our country in uniform. Moreover, of the 43 classmates who graduated on May 18, 1961, only five are no longer with us.

This group of alumni is undoubtedly dedicated to each other, and they have gathered for several reunions throughout the decades since their graduation from the Jonesville. La. school. This reunion will surely be another success as they come together to commemorate each other and the significant and memorable occasions that have taken place throughout their lives.

Mr. Speaker, I ask my colleagues to join me in paying tribute to the Block High School Class of 1961 as they gather for their 50 year reunion. I know it will be a joyous celebration.

IN HONOR OF BISHOP ANTHONY M. PILLA

# HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES Thursday, May 5, 2011

Mr. KUCINICH. Mr. Speaker. I rise today in honor of Bishop Emeritus Anthony M. Pilla, the 2011 recipient of the Shrine Church of St. Stanislaus' Four Eagles Award. Bishop Pilla is being honored for his many years of service and commitment to the Saint Stanislaus community.

Bishop Anthony Pilla was born in Cleveland on November 12, 1932. He attended John Carroll University and went on to be ordained a Catholic Priest within the Cleveland Diocese in 1959. On June 30, 1979, Pope John Paul II named him Auxiliary Bishop of Cleveland. In 1980, he was named Apostolic Administrator of the Cleveland Diocese, and became the ninth Bishop of Cleveland on January 6, 1981. He was elected president of the National Conference of Catholic Bishops in 1995 and served in that position for three years. He served as Bishop until his retirement in 2006.

Bishop Anthony Pilla is being honored for his outstanding record of dedication to the Shrine Church of St. Stanislaus in Cleveland, Ohio. As Bishop of Cleveland, he advised Fr. William Gulas regarding the Church's renovations. He was responsible for achieving the Church's status as a shrine, thus opening the doors to thousands of visitors. He was instrumental in expanding Cleveland Central Catholic High School, which is located on St. Stanislaus Church's campus, and worked with community members on countless development and revitalization efforts. Even since his retirement, he has remained an active mem-

ber of the St. Stanislaus community. For these reasons, the St. Stanislaus community is awarding Bishop Emeritus Anthony Pilla the Four Eagle Award, named for the legendary four eagles that protected the body of the martyred St. Stanislaus.

Mr. Speaker and Colleagues, please join me in honor and recognition of Bishop Emeritus Anthony M. Pilla as he receives the Four Eagles Award for his devotion and dedication to the parish and community of the Shrine Church of St. Stanislaus in Cleveland, Ohio,

RECOGNIZING NATIONAL TEACHER APPRECIATION WEEK

### HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES Thursday, May 5, 2011

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today to honor our nation's teachers during National Teacher Appreciation Week, which is being held this year May 1st-7th.

This is a time to express our thanks and admiration for the more than 3 million teachers in the United States. I encourage everyone to express their appreciation for those teachers who have touched their lives or the lives of their children.

Teachers are heroes in our communities, shaping the next generation of great minds. No great leader, scientist, or artist would be where they are today without the influence of caring and dedicated teachers.

Thurgood Marshall once said, "None of us got where we are solely by pulling ourselves up by our bootstraps. We got here because somebody-a parent, a teacher, an lvv League crony or a few nuns-bent down and helped us pick up our boots."

There is perhaps no other occupation that influences the fabric of our society more than teachers, and we are fortunate to have this week dedicated to recognizing their contributions.

I am particularly proud of our teachers from my home state of Texas-serving as motivators and mentors for our future leaders. I remain dedicated to working in Congress to ensure that Texas teachers and all teachers have the resources necessary to successfully prepare our Nation's youth for a successful future.

#### CONGRATULATING MATTHEW WICKS

### HON. BRUCE L. BRALEY OF IOWA

IN THE HOUSE OF REPRESENTATIVES Thursday, May 5, 2011

Mr. BRALEY of Iowa. Mr. Speaker, I rise today to congratulate Matthew Wicks for being a first prize winner of C-SPAN's Student Cam competition. Matthew created a fantastic video entitled "After the Storm" which details the tragedy of one of the worst tornadoes in Iowa history. On May 25, 2008, the community of Parkersburg, Iowa was hit by an EF-5 tornado with winds of over 200 mph. This tornado destroyed the Parkersburg community.

Matthew's video highlights the successes and challenges faced by the Aplington Par-

kersburg community as they worked with the federal government to obtain disaster relief funding. Matthew did an excellent job of detailing the struggles of the Parkersburg community while seeking disaster funding. While the community did receive disaster relief funding, there are many challenges they still face today as they continue to work with FEMA.

Matthew's video illustrates the struggles that so many communities face when dealing with the aftermath of a natural disaster. I'm proud to have Matthew as one of my constituents and I congratulate him on his success. I wish him the best in his future endeavors.

#### COMMENDING THOSE RESPON-SIBLE FOR THEOSAMA BIN LADEN OPERATION

## HON. ALBIO SIRES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

#### Thursday, May 5, 2011

Mr. SIRES. Mr. Speaker, late Sunday night, we learned that the United States had successfully captured the mastermind behind the horrific attacks of September 11th, and today I rise to congratulate President Obama, the Navy SEALs, and all the men and women of our military and intelligence community on a successful mission. Osama bin Laden had been on the run for nearly 10 years, but in the end, he was not able to evade the tireless pursuit of the United States.

President Obama made the courageous decision to send U.S. Navy SEAL Team 6 on a mission to Osama bin Laden's compound in Pakistan, and within forty minutes, our ten year ordeal was ended. In this short period of time, the SEALs were even able to collect intelligence to further aid the United States in its ongoing fight against terrorism.

I commend the heroism of all those who participated in this expertly designed and executed operation, and I applaud President Obama's tough decision to move forward with this operation. Osama bin Laden has been brought to justice.

ON THE OCCASION OF THE RE-TIREMENT OF ANN COMISKEY FROM THE TROY COMMUNITY COALITION AFTER A DECADE AS EXECUTIVE DIRECTOR

# HON. GARY C. PETERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 5, 2011

Mr. PETERS. Mr. Speaker, I rise today to recognize Ms. Ann Comiskey on the occasion of her retirement from the Troy Community Coalition after nearly 10 years of dedicated and passionate service to the community as its Executive Director.

Ms. Comiskey's 38-year career has been one of advocacy and service for causes and programs which have impacted countless individuals in communities across Southeast Michigan. In her role with the Michigan Department of Social Services, Ms. Comiskey provided key support to many residents of Wayne County. After 10 years of dedicated service in that role, Ms. Comiskey then joined