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SENATE

{ REPORT
{ 106-263

PALACE OF THE GOVERNORS EXPANSION ACT

APRIL 12, 2000.—Ordered to be printed

Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, submitted the following

REPORT

[To accompany S. 1727]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 1727) to authorize funding for the expansion annex of the historic Palace of the Governors, a public history museum located, and relating to the history of Hispanic and Native American culture, in the Southwest and for other purposes, having consider the same, reports favorably thereon with amendments and recommends that the bill, as amended, do pass.

The amendments are as follows:

1. On page 2 line 14 strike the word “the” and insert in lieu thereof “the contiguous”.
2. On page 3 strike clause (iii) in its entirety and renumber the remaining clauses accordingly.

PURPOSE OF THE MEASURE

The purpose of S. 1727 is to authorize a grant of \$15 million to the State of New Mexico for the construction of an annex to the historic Palace of the Governors in Santa Fe, New Mexico.

BACKGROUND AND NEED

The Palace of Governors, anchoring the central plaza of Santa Fe, New Mexico, is the last remaining building of a large compound built in 1610 by the Spanish government. The compound was the military and administrative center of one of the northernmost outposts of Spanish colonial expansion. Now a National Historic Landmark, the Palace of the Governors served as the official residence of all who ruled New Mexico for over three hundred years, and is the oldest continuously occupied public building in the contiguous

United States. It now serves as the Palace of the Governors History Museum, and is one of several units that make up the Museum of New Mexico.

The mission of the History Museum is to increase understanding of the history and culture of New Mexico and the Southwest through interpretive exhibits and preservation of museum collections, as well as through research and publications. The Palace of the Governors' collection documents over four centuries of cultural heritage and change, and includes over 15,000 objects. Among these objects are the Segesser paintings, two large, early eighteenth century paintings on buffalo hide depicting historical events in New Mexico between 1706 and 1727. These objectives have been declared "National Treasures," along with the Palace itself, by the National Trust for Historic Preservation.

The History Museum complex currently consists of three distinct structures and a portion of a fourth, totaling 40,730 square feet, for exhibitions, public programs, offices, collections storage, and utility and shop space. The facilities for both storage and exhibition, however, are inadequate, unsuitable, and endanger the existence and preservation of the priceless museum collections.

The Palace of the Governors has acquired property immediately behind the existing Palace. This legislation would authorize \$15 million to be matched by the Museum on a 50-50 cost-share basis for construction of an Expansion Annex for the Palace of the Governors. The entire project is estimated to cost \$32 million.

LEGISLATIVE HISTORY

S. 1727 was introduced by Senator Domenici on October 14, 1999. Senator Bingaman was added as a co-sponsor on October 19, 1999. The Subcommittee on National Parks, Historic Preservation and Recreation held a hearing on S. 1727 on March 8, 2000.

At its business meeting on April 5, 2000, the Committee on Energy and Natural Resources ordered S. 1727 favorably reported, as amended.

COMMITTEE RECOMMENDATION

The Senate Committee on Energy and Natural Resources, in open business session on April 5, 2000, by a unanimous voice vote of a quorum present, recommends that the Senate pass S. 1727, if amended as described herein.

COMMITTEE AMENDMENTS

During its consideration of S. 1727, the Committee adopted an amendment clarifying that the Palace of the Governors' status as the oldest continuously occupied building applies only to the contiguous United States. The Committee also adopted an amendment that deleted the reference to the Columbus, New Mexico Railway Station Clock, which is part of the museum's collection of historic artifacts.

SECTION-BY-SECTION ANALYSIS

Section 1 designates the bill's short title as the "Palace of the Governors Expansion Act".

Section 2(a) contains congressional findings about the Palace of the Governors, its extensive and priceless collection of artifacts, and the inadequate and unsuitable facilities for exhibiting and storing the museum's collection.

Section (b) provides definitions, including that the term "Secretary" means the Secretary of the Interior.

Section (c) directs the Secretary, subject to the availability of appropriations, to award a grant to New Mexico to pay for the Federal share of the final design, construction, furnishing, and equipping of the new Palace of the Governors Expansion Annex.

Section (d) establishes the requirements that New Mexico, acting through the state's Office of Cultural Affairs must satisfy in order to be awarded the grant, including: (1) submission to the Secretary, within 30 days of enactment, of a copy of the architectural blueprints for the expansion annex; (2) exercise of due diligence in obtaining an appropriation from the New Mexico State Legislature for at least \$8 million; and (3) exercise of due diligence to expedite a memorandum of understanding that provides the date of completion of the expansion annex; and that the Office of Cultural Affairs award the contract for construction in accordance with the New Mexico Procurement Code pursuant to a competitive bidding process.

Section (d) also provides that the Federal share of the costs for the expansion annex shall be fifty percent.

Furthermore, it describes that the non-federal share may be in cash or in kind, including land, art and artifact collections, plant, equipment or services; and shall include any contribution received by New Mexico for the design, land acquisition, library renovation, Palace of the Governors conservation, and construction, furnishing, equipping of the annex, or donations of art collections to the Museum of New Mexico prior to the date of enactment of this section.

Section (e) directs that the grant funds be used only for the final design, construction, management, inspection, furnishing and equipment of the new annex.

Section (f) authorizes an appropriation to the Secretary totaling \$15 million for fiscal year 2001 and succeeding fiscal years. The funds are to remain available until expended, subject to (1) the New Mexico State Legislature appropriating a least \$8 million by 2010; and (2) other non-federal sources are made available such that when combined with the New Mexico appropriation, the federal grant is based on a 50-50 match.

COST AND BUDGETARY CONSIDERATIONS

The following estimate of costs of this measure has been provided by the Congressional Office:

U.S. CONGRESS,
 CONGRESSIONAL BUDGET OFFICE,
 Washington, DC, April 10, 2000.

Hon. FRANK H. MURKOWSKI,
 Chairman, Committee on Energy and Natural Resources, U.S. Senate,
 Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1727, the Palace of the Governors Expansion Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Deborah Reis.

Sincerely,

BARRY B. ANDERSON
 (For Dan L. Crippen, Director).

Enclosure.

S. 1727—Palace of the Governors Expansion Act

Subject to appropriation, S. 1727 would direct the Secretary of the Interior to pay for one-half of the costs of designing, constructing, and furnishing the Palace of the Governors Expansion Annex, a New Mexico state museum. For this purpose, the bill would authorize the appropriation of \$15 million, provided that the state of New Mexico and local entities raise a similar amount by the year 2010.

Assuming appropriation of the necessary amount, CBO estimates that implementing this legislation would cost the Federal Government \$15 million over the next 10 fiscal years. The bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. S. 1727 contains no private-sector or inter-governmental mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact is Deborah Reis. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out S. 1727. The bill is not a regulatory measure in the sense of imposing Government established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of S. 1727.

EXECUTIVE COMMUNICATIONS

The legislative report received by the Committee from the Department of the Interior setting forth Executive agency recommendations relating to S. 1727, is set forth below:

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, DC, March 20, 2000.

Hon. FRANK MURKOWSKI,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This letter presents the Department's views on S. 1727, a bill to authorize funding for the expansion annex of the historic Palace of the Governors in Santa Fe, New Mexico.

The Department opposes the enactment of S. 1727.

Our opposition does not detract from the significance of the Palace of the Governors as a structure and the collection it contains. We encourage New Mexico to continue to seek funding for the preservation and protection of the structure and collection, such as grants through the Millennium Initiative to Save America's Treasures, and we are happy to assist the staff of the State History Museum to apply for existing National Park Service preservation grant programs. We also are happy to provide any technical assistance, in coordination with the State Historic Preservation Office, to determine ways to protect these cultural resources. However, due to the financial implications of the bill on national parks and park programs, the Department must oppose S. 1727.

We appreciate the interest of the Museum of New Mexico in providing the highest level of care to the objects contained in its collection. However, the use of limited NPS appropriations to fund grant programs for the design, construction, and operation of projects of this type at non-Park System locations is inappropriate. In essence, any funds used for this purpose would not be available to reduce the long list of necessary but deferred construction projects in our national parks. We are also concerned that authorizing the National Park Service construction funds for non-park purposes would undermine ongoing management reforms to rank funding needs in a five-year construction list.

S. 1727 authorizes the Secretary of the Interior, subject to the availability of appropriations, to award a grant to the State of New Mexico to pay for a Federal share of the cost of the final design, construction, furnishing and equipping of the Palace of Governors Expansion Annex that will be located directly behind the historic Palace of Governors at 110 Lincoln Avenue, Santa Fe, New Mexico. The Federal share of the cost for this project is 50 percent and a total of \$15 million is authorized to be appropriated for use as grants, with the condition that the New Mexico State Legislature appropriates at least \$8 million and other non-federal sources provide enough funds to provide a 50 percent match. Funds are to be used for final design, construction, management, inspection, furnishing and equipment of the Annex.

Listed on the National Register of Historic Places, the Palace of Governors was built in 1610 and is considered to be the oldest public building in continuous use in the United States. The adobe brick Palace was the first major structure in what became the city of Santa Fe. It served as the seat of government for nearly three centuries during Spanish, Mexican and American periods. Today the building and its grounds are part of the Museum of New Mexico

and contain the State History Museum. The historical significance of the Palace of Governors is well established, and we realize that the State History Museum contains a valuable collection relating to New Mexico history and prehistory. Current exhibit and storage facilities are inadequate and place the collection in danger.

The Office of Management and Budget advises that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

DONALD BARRY,

Assistant Secretary for Fish and Wildlife and Parks.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee notes that no changes in existing law are made by bill S. 1727 as ordered reported.