

Calendar No. 404

108TH CONGRESS }
1st Session

SENATE

{ REPORT
108-204

NATIONAL WOMEN'S HISTORY MUSEUM ACT
OF 2003

R E P O R T

OF THE

COMMITTEE ON GOVERNMENTAL AFFAIRS
UNITED STATES SENATE

TO ACCOMPANY

S. 1741

TO PROVIDE A SITE FOR THE NATIONAL WOMEN'S HISTORY
MUSEUM IN THE DISTRICT OF COLUMBIA



NOVEMBER 20, 2003.—Ordered to be printed

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NATIONAL WOMEN'S HISTORY MUSEUM ACT OF 2003

NOVEMBER 20, 2003.—Ordered to be printed

Ms. COLLINS, from the Committee on Governmental Affairs,
submitted the following

R E P O R T

[To accompany S. 1741]

The Committee on Governmental Affairs, to which was referred the bill (S. 1741) to provide a site for the National Women's History Museum in the District of Columbia, having considered the same reports favorably thereon without amendment and recommends that the bill do pass.

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I. PURPOSE & SUMMARY

The purpose of S. 1741, the National Women's History Museum Act of 2003, is to provide a site for the National Women's History Museum in the District of Columbia.

II. BACKGROUND

Need for a Women's Museum

As of the 2000 Census, women comprised 50.9% of the Nation's population¹ and while women have contributed greatly throughout the history of the United States, there is currently no national in-

¹ Gender: 2000, Census 2000 Brief, U.S. Census Bureau, September 2001.

stitution in the National Capital area that is dedicated to the heritage of women's contributions throughout America's history. This is not just a Washington, D.C. phenomenon. Indeed, less than 4% of the sites listed in the National Park Service's National Register of Historic Places are associated with women.²

The National Women's History Museum, Inc. (NWHM) is a non-partisan, non-profit organization located in the District of Columbia. The organization was founded in 1996 to affirm the importance of an accurate and complete understanding of the past. In order to accomplish its mission NWHM strives to fill the need for educating the public about the contributions of women throughout the Nation's history. The organization is dedicated to researching, collecting, and exhibiting the contributions of women to the social, cultural, and political life of the country.

The organization accomplishes its mission in a number of ways including maintaining the NWHM CyberMuseum, creating programming for diverse audiences regarding women's history, conducting seminars and educational outreach programs, and assembling a research library. One of the organization's key objectives is to build a physical museum in Washington, DC to expand its education of the public regarding women's history.

Site selection

Shortly after NWHM incorporated in 1996, the organization began the process of selecting a location for a physical museum in the District of Columbia. During this process, NWHM consulted with representatives of various museums in the area including the Holocaust Museum, the National Museum of Women in the Arts, and the National Museum of the American Indian. They also consulted with architects, curators, and other museum professionals. After information gathering and the hiring of a real estate consultant, NWHM considered over thirty potential sites for a physical museum. The thirty were narrowed to six potential sites and then finally to one, the Annex to the Old Post Office (OPO) Pavilion on Pennsylvania Avenue in Northwest Washington, DC. The narrowing of potential sites was based on a number of factors, including programming and space needs of the museum.

The History of the Old Post Office and the Annex

The Annex, currently owned by the General Services Administration (GSA), is vacant and includes approximately 100,000 square feet of space. It is located adjacent to the OPO on the south side of Pennsylvania Avenue, next to what used to be 11th Street. While the Annex is a relatively new structure—built in 1992—the adjacent building, the Old Post Office, and the surrounding area have had a long and, at times, tumultuous history. The Old Post Office, the building adjacent to the Annex, was built in 1899 at a time when Pennsylvania Avenue, considered “America's Main Street,” was in a state of disrepair and in need of revitalization.³ Pierre L'Enfant, who was appointed by President George Washington to plan the new city, hoped that Pennsylvania Avenue be-

²Search for Women in the National Register of Historic Places, National Register of Historic Places, National Park Service, U.S. Department of the Interior.

³See Historic Documentation Report, National Capital Parks-Central, National Park Service, U.S. Department of the Interior.

tween the Capitol and the White House would become a “Grand Avenue.”⁴ Indeed, while initially the Avenue did not become “Grand,” it was considered the District’s first downtown street. During the 1800s various businesses, shops, and other enterprises were established along this stretch of the Avenue. However, the Avenue was not a desirable location for many to go to. The Avenue was often flooded and muddy, and by the mid to late 1800s the area on the south side of Pennsylvania Avenue contained many warehouses, saloons, and other sorted enterprises. Toward the end of the 1800s, Congress focused on transforming this area and in 1892 authorized the construction of a Post Office Building to house the combined operations of the U.S. Post Office Department and the city Post Office at 12th Street. The building was completed in 1899.

Unfortunately, the Post Office Building did not bring the revitalization that Congress had intended. During President Woodrow Wilson’s first administration, Congress initiated plans to begin to take “radical measures” to save the south side of Pennsylvania Avenue.⁵ These measures included the demolition of buildings on the south side of the Avenue in order to construct the Federal Triangle.

Meanwhile, federal employment tripled between 1901 and 1926. The increased demand for office space fueled the push for more construction of federal buildings. Out of this growth, Congress formed the Public Building Commission in 1919, which began to carry out the plans for the Federal Triangle. The plans for the Federal Triangle were approved by Congress in 1926. By 1928, all of the land in the proposed Federal Triangle, 70 acres, was purchased by the federal government. Subsequently, the unsightly businesses and enterprises along Pennsylvania Avenue were demolished and work began on replacing them with federal office buildings.

During the turn of the century, the Old Post Office was the tallest and largest government building in the Capital. However, in 1934, the U.S. Post Office moved out of the building and many believed the building was outdated and also that its Romanesque Revival architecture no longer fit with the classical style of newer buildings in the area. There were calls to demolish the OPO; however the lack of resources during the Great Depression, saved the building from being torn down. Since that time, the OPO has been used by various other governmental entities. In the 1960s, there was a resurgence of interest to demolish the building. At that time, however, there was a new interest in historic preservation, which culminated in the passage of the National Historic Preservation Act of 1966. This Act saved the OPO from demolition. The OPO continued to be used solely for government agencies until the 1970s.

Further revitalization of Pennsylvania Avenue continued in the 1970s, in part as a result of Congress’ creation of the Pennsylvania Avenue Development Corporation in 1972. Congress directed that Pennsylvania Avenue be developed consistent with its relationship

⁴ Ibid.

⁵ Historic Documentation Report.

to the government and monuments and proximity to memorials adjacent to the area.⁶

In 1976, Congress passed the Public Buildings Cooperative Use Act.⁷ This Act, among other things, required the Administrator of the General Services Administration to encourage the public use of public buildings for “cultural, educational, and recreational activities.” This Act allowed Federal entities and commercial enterprises to share Federally owned buildings. Out of this new authority, GSA, owner of the OPO, began to examine ways in which the OPO could be used by both federal agencies and the private sector. In addition, GSA was concerned about “reinforc[ing] the economic life of the OPO and its Pennsylvania Avenue neighborhood.”⁸

In 1977, Congress authorized \$18 million to renovate the lower levels of the OPO. GSA planned to remodel the OPO and convert the lower levels into shops and restaurants.⁹ While the new shops and restaurants, which sparked the addition of “Pavilion” to the name of the OPO, opened in 1983, the process was riddled with delays. By 1981, GSA was behind schedule in selecting a private developer for the project and costs were already running over budget.¹⁰

In 1982, GSA entered into a 55-year outlease with the Post Office Pavilion Joint Venture (OPOJV), a private sector group comprised of private developers.¹¹ The OPOJV in turn made further necessary renovations to the lower levels of the OPO and sublet space to retail shops, restaurants, and food stand operators. When the new lower level opened in 1983, it had been touted as a major project that would bring much needed revitalization to the area and it was compared to Harborplace in Baltimore, Maryland and Faneuil Hall in Boston, Massachusetts.¹²

Contrary to the success many believed this public-private partnership would enjoy, the project failed to turn a profit. The OPOJV, after five years of financial losses, sought and obtained approval to build additional retail space adjacent to the OPO.¹³ The OPOJV believed that the additional retail space would optimize opportunities and help reverse its financial losses. The additional space, referred to as the East Atrium or OPO Annex, was built adjacent to the OPO, surrounded on three sides by the Internal Revenue Service building. The Annex was completed in 1992; however, within a year, the OPOJV filed for bankruptcy and the lender that helped to finance the private developers foreclosed on their leasehold interest, which was not slated to expire until 2037.¹⁴

Subsequently, the retail portion of the OPO continued to lose money. The Annex became vacant and even the retail space in the

⁶Pennsylvania Avenue National Historic Site and Old Post Office Building, A National Register of Historic Places Travel Itinerary, National Park Service, U.S. Department of the Interior.

⁷Public Law No. 94-541 (1976).

⁸Redevelopment Plan for the Old Post Office, Submitted to Congress by General Services Administration, December 28, 2000, p. 1.

⁹\$18 million Appropriated to Convert Old Post Office, Washington Post, July 28, 1977, Metro, C3; New Light on the Old P.O., Washington Post, October 1, 1977, p. B1.

¹⁰Pennsylvania Avenue Plan Grows Weeds in the Cracks as D.C. Waits, Washington Post, February 23, 1981, p. 1.

¹¹Redevelopment Plan for the Old Post Office, Submitted to Congress by General Services Administration, December 28, 2000, p. 1.

¹²Firm Picked to Enliven Post Office, Washington Post, September 12, 1981, C1.

¹³Old Post Office Passes First Test for Expansion, Washington Post, October 15, 1988, p. E1.

¹⁴Redevelopment Plan for the Old Post Office, Submitted to Congress by General Services Administration, December 28, 2000, p. 2; Post Office Pavilion Faces Foreclosure, Washington Post, October 22, 1993, p. A1.

OPO became significantly vacant. Interested in trying a new approach, GSA began negotiations with another joint venture between two developers in 1998.¹⁵ This joint venture proposed using the retail space to create a “unique urban entertainment center” that would house wider known stores and entertainment venues. The joint venture was prepared to buy the interest in the remaining lease if it could reach agreement with GSA. However, the negotiations broke down and GSA decided instead it would buy out the remaining lease interest and develop the OPO through a competitive process.¹⁶ As a result of the questions surrounding GSA’s handling of the development of the OPO, in 1998, Congress directed GSA not to convert the OPO from office use to any other use until a comprehensive plan, which was to include street-level retail use, has been approved by the Senate Appropriations Committee, the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works.¹⁷ Congress also directed GSA not to “acquire by purchase, condemnation, or otherwise the leasehold rights of the existing lease with private parties at the Old Post Office prior to the approval of the comprehensive plan * * *.”¹⁸

Pursuant to the mandate by Congress, in 2000, GSA submitted to the appropriate committees a Redevelopment Plan. In that Plan, GSA indicated that the OPO development under the Public Buildings Cooperative Use Act of 1976, has not worked due to poor tenant satisfaction and constant retail turnover, economic underperformance, and a change in the development environment.¹⁹ GSA reported dissatisfaction not only from the retail tenants but also from the federal agency tenants housed in the upper levels of the building.²⁰

GSA also concluded that under the then current leasehold arrangement, the costs to the government exceeded the revenue. GSA further concluded that the retail concept has never been economically viable and that since the retail market has changed since the 1970s, the original development concept was obsolete.²¹ GSA indicated two alternatives for use of the property—as federal office space or, through outleasing as a hotel. GSA indicated that the former was the most viable alternative in terms of costs to the government, but proposed going forward with the second alternative, a hotel. GSA concluded that the hotel would help promote economic revitalization in the District and a “hotel would create activity on the south side of Pennsylvania Avenue and would help draw tourists to this area at all hours of the day and night.”²²

In 2001, the Senate committees on Appropriations and Environment and Public Works as well as the House Committee on Transportation and Infrastructure approved the Redevelopment Plan, with some limitations, and allowed GSA to proceed with buying out

¹⁵ Redevelopment Plan at p. 2; Old Post Office in Flux, Joint Venture Plans Urban Entertainment Center, Washington Business Journal, January 23, 1998, p. 1.

¹⁶ Charges of Favoritism Halt Old Post Office Pavilion Negotiations, Washington Times, October 9, 1998, p. B11.

¹⁷ Public Law No. 105-277.

¹⁸ Public Law No. 105-277.

¹⁹ Redevelopment Plan for the Old Post Office, Submitted to Congress by General Services Administration, December 28, 2000, p. 2.

²⁰ Redevelopment Plan at pp. 1-2.

²¹ Redevelopment Plan at p. 2.

²² Redevelopment Plan at p. 3.

the remaining leasehold interest. Subsequently, GSA purchased the leasehold interest at \$7.1 million.²³

It is important to highlight that during this process, the Annex, as a separate building, was not specifically discussed or highlighted. In fact, the approvals by the congressional committees specifically require the preservation of “historically significant features” of the OPO, an issue that would not apply to the then-nine-year-old Annex. Both approvals also highlighted that the lease GSA would enter into with a new developer would be in the best economic interest of the Federal government, and provide economic revitalization to the District of Columbia.²⁴

GSA and the Women’s Museum

Early in 2002, NWHM initiated discussions with GSA to explore the possibility of using the Annex for a national women’s history museum. Later that year, GSA issued a draft Request for Qualifications (RFQ). The RFQ is the first phase of the process of gathering market information through the solicitation of responses from developers and other interested parties. In response to the draft RFQ, the NWHM wrote GSA expressing concerns about the process.²⁵ In April of 2003, all fourteen of the women Members of the Senate sent a letter to GSA expressing concerns about the process.²⁶ And, in June of 2003, Representatives Young and Oberstar, Chairman and Ranking Member of the House Transportation and Infrastructure Committee, sent a letter to GSA requesting that it fully consider the concerns and issues raised by the NWHM.²⁷

GSA’s response to the April letter was that GSA “considers the original OPO building and its Pavilion Annex as one structure.” The letter went further and indicated that “[t]aking market responses and other objectives into consideration * * * GSA may elect to develop the annex separately, collectively, or *even raze* the current structure.”²⁸ (emphasis added). Essentially this was the same response GSA provided in writing to the NWHM.²⁹

The objections raised by NWHM and the Senators related to the fact that, if GSA proceeded as it planned—developing the OPO and the Annex as one site—the NWHM would be effectively excluded from the process. GSA was asked to consider splitting the competitive bidding process into separate processes for the Annex and for the OPO so that the NWHM could compete for use of the Annex. Not only would proceeding as one structure preclude the NWHM

²³ GSA Pays \$7.1 Million for Old Post Office Lease, *Washington Business Journal*, July 30, 2001.

²⁴ Letter to the Honorable Stephen A. Perry, Administrator, General Services Administration from Senators Smith and Reid, Ranking Member and Chairman of the Senate Committee on Environment and Public Works, and Senators Campbell and Dorgan, Ranking Member and Chairman of the Senate Appropriations Subcommittee on Treasury and General Government, June 15, 2001; House Committee on Transportation and Infrastructure, Committee Resolution, May 16, 2001.

²⁵ Letter to Robert Roop, Contracting Officer, U.S. General Services Administration from National Women’s History Museum, July 22, 2002.

²⁶ Letter to the Honorable Stephen A. Perry, Administrator, U.S. General Services Administration, from Senators Collins, Mikulski, Murray, Snowe, Hutchison, Clinton, Lincoln, Cantwell, Landrieu, Stabenow, Murkowski, Feinstein, Boxer, and Dole, April 8, 2003.

²⁷ Letter to the Honorable Stephen A. Perry, Administrator, U.S. General Services Administration, from Representatives Young and Oberstar, June 6, 2003.

²⁸ Letter to the Honorable Susan M. Collins from Stephen A. Perry, Administrator, U.S. General Services Administration, May 29, 2003.

²⁹ Letter to Susan B. Jollie, President, National Women’s History Museum from Anthony E. Costa, Assistant Regional Administrator, Public Building Service, General Services Administration, June 2, 2003.

from competing in the process, but GSA could not provide a timeline on its plans for the redevelopment. Moreover, Federal agencies still occupy the OPO, and it remains unclear how long it would take for GSA to identify a new location for those agencies and then relocate them. In the meantime, the Annex remains vacant and continues to deteriorate.³⁰

Need for legislation

In response to GSA's refusal to work with NWHM, Senator Collins introduced S. 1741, the National Women's History Museum Act of 2003. S. 1741 directs GSA to enter into an occupancy agreement with the NWHM for a term of not more than 99 years at a rental rate based upon a fair market value appraisal derived from a third party appraisal process. The bill would also require the NWHM to pay for any necessary renovations and remodeling and would allow the deduction of any of those costs from the established rental payment.

Allowing the use of Federal buildings and land for a museum or memorial in the District of Columbia is not an uncommon practice.³¹ In addition, other bills authorizing museums and memorials either provide the land or building without cost to the organization building the museum or memorial or Federal funds are actually used to help cover the costs of construction.³² Unlike these precedents, S. 1741 would require NWHM to pay fair compensation for use of the now vacant space.

Rent-setting through appraisals and the subtraction of costs for remodeling and renovations are also not unusual practices. It is the Committee's understanding that GSA has used these tools in other projects with other entities and developers. In fact, GSA highlights these practices in its Pricing Desk Guide. According to GSA's Pricing Desk Guide, in entering into occupancy agreements with other Federal agencies, GSA recommends that the rent is based on an

³⁰In January of 2003, the General Accounting Office (GAO) added management of federal real property to its High Risk list. In August of 2003, GAO issued a report focusing specifically on vacant and underutilized property owned by Government agencies, including GSA. GAO indicated that "[u]nnecessary assets present significant potential risks to Federal agencies not only for lost dollars because such properties are costly to maintain but also for lost opportunities because the properties could be put to more cost-beneficial uses, exchanged for other needed property, or sold to generate revenue for the Government." GAO further stated that "continuing to hold real property that may no longer be needed does not present a positive image of the federal government in local communities * * * [i]nstead, it can present an image of waste and inefficiency that erodes taxpayers' confidence and can have a negative impact on local economies if the property is occupying a valuable location and is not used for other purposes, sold, or used in a public-private partnership if such a partnership provides the best economic value for the government." (See GAO-03-122, GAO-05-747).

³¹Public Law No. 96-515 (Authorized the use of the Pension Building for use as a National Museum for the Building Arts); Public Law No. 101-185 (authorized the establishment of the National Museum of the American Indian); Public Law No. 103-98 (authorized the construction of additional space for the National Museum of Natural History); Public Law No. 105-240 (authorized the use of the Carnegie Library at Mount Vernon Square by the Washington Historical Society for use as a City Museum); Public Law No. 106-492 (authorized the use of land to build a National Law Enforcement Museum); Public Law No. 107-224 (authorized the construction of a plaza adjacent to the John F. Kennedy Center for the Performing Arts to allow for construction of a museum of performing arts); Public Law No. 103-32 (authorized the use of Federal land for the construction of a World War II Memorial); Public Law No. 105-201 (approving a site for the location of the Martin Luther King, Jr. Memorial).

³²See, e.g., Public Law No. 96-515 (Congress required GSA and the Secretary of the Interior to provide matching fund); Public Law No. 105-240 (congress appropriated \$2 million in matching funds); Public Law No. 106-522 (congress appropriated \$250,000 to the Federal City Council, Inc. for the establishment of a National Museum of American Music).

appraised value.³³ In addition, GSA also has provided for a reduction in rental payments based upon “tenant improvement costs.”³⁴ A Tenant Improvement Allowance is intended to help the tenant “design, configure, and build out space to support its program operations.”³⁵ While the GSA Pricing Desk Guide provides for deductions in rental payment in terms of rental pricing for customer Federal agencies, this allowance is common practice in the real estate industry.³⁶

From a planning perspective, the chosen location of the museum appears to be ideal and appropriate. In 2001, the National Capital Planning Commission (NCPC) issued its Memorials and Museums Master Plan outlining proposed locations for future memorials and museums in Washington, DC. The purpose of the Plan was to respond to numerous proposals for memorials and museums and to avoid the encroaching on the settings of existing memorials and to avoid threatening the loss of historic landscapes.³⁷ In particular, the NCPC intended to try and guide Congress, government agencies, and the public away from the congested National Mall.³⁸ Typically, proponents of memorials and museums wish to be sited on the National Mall and also wish to build “signature” buildings to be able to reflect its theme in the architecture of the building. While such sentiments are understandable, there has been increased concern about the impact of new memorials and museums on the National Mall. The NCPC’s Plan was intended to help guide the location of new memorials and museums away from the Mall by identifying 100 potential new sites in the District. The Annex site is in the area of one location identified by the Plan, south of Pennsylvania Avenue near 12th Street NW.³⁹

In addition, the NCPC’s Plan tried to address the issue of selected new sites for memorials and museums that “reinforce the historic urban design features of the city, do not intrude upon the settings of existing memorials or museums, and result in minimal adverse environmental and transportation impacts and positive economic and other effects on the culture of local neighborhoods.”⁴⁰ The Annex is an existing vacant building on Pennsylvania Avenue, America’s Main Street. It has been vacant for nearly ten years. It is estimated that approximately 1.5 million visitors would be drawn to that area to visit the museum.⁴¹

In addition, on May 14, 2002, GSA asked the Urban Land Institute Washington District Council to convene a workshop with members of the real estate development community. The workshop was convened to discuss possible uses of the OPO site and the conclu-

³³ Pricing Desk Guide, Public Building Service, U.S. General Services Administration, Edition No. 3, March 15, 2002, p. 3–2.

³⁴ Pricing Desk Guide at p. 3–5.

³⁵ 41 CFR 102–85.90 (2001).

³⁶ Testimony of Robert A. Peck, Commissioner, Public Building Service, U.S. General Services Administration, Before the Subcommittee on Public Buildings and Economic Development, Committee on Transportation and Infrastructure, U.S. House of Representatives, March 5, 1998; GSA’s “Rent Pricing Policy” as highlighted on its website at www.gsa.gov indicates that GSA has revised its policies for space and related service and has “aligned its rent rates with private-sector markets, made space improvement allowances commercially equivalent * * *”

³⁷ Memorials and Museums Master Plan, National Capital Planning Commission, December 2001, p. 3.

³⁸ Memorials and Museums Master Plan, p. 3.

³⁹ Memorials and Museums Master Plan at p. 90.

⁴⁰ Memorials and Museums Master Plan at p. 3.

⁴¹ Market Support for the National Women’s History Museum, Prepared by the National Women’s History Museum, September 2003, p. 5.

sions of that meeting were summarized in a Final Report. One use discussed and highlighted was for a museum/art center/performing arts center with a hotel.⁴²

Conclusion

The history of Pennsylvania Avenue and the OPO has been long and mixed. The future of the use of the OPO is still uncertain. Since the times when Pennsylvania Avenue was considered unsightly, there has been a tremendous transformation that has brought tourists and commercial activity to that area. One of the unfinished pieces of this transformation has been finding viable uses for the OPO and its Annex. It is clear that one use, retail—the original purpose for the building of the Annex—has not been a viable solution. A museum, particularly one that fills the much-needed void of telling the history of women in this Nation, could assist in GSA's process of developing the OPO, utilize a vacant building on "America's Main Street," bring in revenue to the Federal government through rental payments, and attract tourists and other visitors to that area to generate economic activity for the city. Authorizing the use of the Annex as a museum appears not only to be consistent with planning in the area, but also as though it could help draw more visitors to that area, which in turn could increase the value and use of any future redevelopment of the OPO.

III. LEGISLATIVE HISTORY

S. 1741 was introduced on October 16, 2003 by Senators Collins, Mikulski, Landrieu, Stabenow, Snowe, Cantwell, Boxer, Clinton, and Durbin and was referred to the Committee on Governmental Affairs. On October 22, 2003, the Committee considered S. 1741 and ordered the bill reported by voice vote. Senators present: Collins, Voinovich, Coleman, Bennett, Fitzgerald, Levin, Akaka, Lautenberg and Pryor.

IV. SECTION-BY-SECTION ANALYSIS

Section 1 titles the bill as the National Women's History Museum Act of 2003.

Section 2 sets forth congressional findings including that the National Women's History Museum (NWHM) was established to research and present historic contributions women have made and that the Museum will collect and disseminate information concerning women, will foster educational programs relating to the history and contribution of women to society. It states that Congress also finds that the Annex of the Old Post Office has been vacant, is in a location ideal for museums and memorials, will make use of a currently vacant building, and that a museum will promote economic activity in the District.

Section 3 defines the terms in the bill to indicate that the term Administrator means the Administrator for GSA, Museum Sponsor means the National Women's History Museum, Inc., Pavilion Annex means the Annex to the Old Post Office.

Section 4 directs the Administrator to enter into an occupancy agreement to make the Pavilion Annex available to the NWHM for

⁴² ULI Washington District Council, Old Post Office Building Workshop, Sponsored by the General Services Administration, Final Report, pp. 2, 4, 6.

use as a National Women's History Museum; establishes an appraisal process for the determination of a fair market value for rent; establishes the term of occupancy to be at least 99 years, or any lesser term agreed to by the NWHM; requires that the terms and conditions of the occupancy agreement facilitate the raising of private funds for the modifications necessary to the building; allows the occupancy agreement to include reasonable terms and conditions pertaining to shared facilities to allow for the continued operations or development of adjacent buildings; requires the renovations and modifications to be carried out by the NWHM, in consultation with GSA, requires that the renovations begin within 5 years after the agreement is executed, requires expenses incurred by the NWHM to be subtracted from the rent; requires GSA to report to the Governmental Affairs Committee and the House Government Reform Committee in the event it is unable to fully execute an occupancy agreement.

Section 5 indicates that nothing in this Act limits the authority of the National Capital Planning Commission.

V. ESTIMATED COST OF LEGISLATION

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, November 3, 2003.

Hon. SUSAN M. COLLINS,
Chairman, Committee on Governmental Affairs,
U.S. Senate, Washington, DC.

DEAR MADAM CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1741, the National Women's History Museum Act of 2003.

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

Sincerely,

ELIZABETH M. ROBINSON
(For Douglas Holtz-Eakin, Director).

Enclosure.

S. 1741—National Women's History Museum Act of 2003

S. 1741 would require the Administrator of the General Services Administration (GSA) to reach an agreement with the National Women's History Museum (NWHM) to lease space in the Pavilion Annex located next to the Old Post Office in Washington, D.C. CBO estimates that implementing this legislation could affect direct spending, but any impact is likely to be insignificant over the next 10 years.

S. 1741 would require GSA and the NWHM to reach an agreement on the use of this building within 150 days of enactment. If an agreement is not completed within the time frame, GSA would have to report to the Congress on the unresolved issues. The legislation would require that the museum pay fair market value over the lease term of up to 99 years, but the bill would allow the museum to use the facility rent free for the first five years of the agreement, and any expenses incurred by the museum for renovations and modifications to the facility could be credited against the rental payment.

GSA currently receives no rental payments for the site; it has been vacant for nine years, and GSA does not expect to find a private party to lease the site in the next few years. GSA expects that the facility could generate around \$2 million in annual rental receipts if a lessee could be found. Under the National Historic Preservation Act, however, any receipts from outleasing historic buildings may be spent to preserve historic properties in GSA's inventory. If a lease of the Pavilion Annex qualified for such treatment under that act, there would be no net budgetary impact of leasing the facility to the NWHM or any other lessee.

Under the bill, there would be no rental payments from the National Women's History Museum over the 2004–2009 period, and subsequent lease payments are not likely to be significant for a few years after deductions for renovation costs. Thus, CBO estimates that renting the annex to the National Women's History Museum would not have a significant impact on the federal budget over the 2004–2013 period.

S. 1741 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of State, local, or tribal governments.

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

VI. EVALUATION OF REGULATORY IMPACT

Pursuant to the requirements of paragraph 11 (b) of rule XXVI of the Standing Rules of the Senate, the Committee has considered the regulatory impact of this bill. CBO states that there are no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and no costs on state, local, or tribal governments. The legislation contains no other regulatory impact.

VII. CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, there are no changes in existing law made by the bill as reported.