

August 6, 2009

The Honorable Charles Schumer
U.S. Senate
Washington, DC 20510

Dear Senator Schumer:

The American Association of Museums (AAM) is pleased to endorse your legislation to correct an unintended consequence created by the Pension Protection Act of 2006 (PPA) that restricted the terms governing fractional gifts of works of art to public art museums.

As you know, the American Association of Museums represents the full range of our nation's museums - including aquariums, arboretums, archaeological museums, art museums, botanical gardens, children's museums, culturally specific museums, historic sites, history museums, maritime museums, military museums, natural history museums, nature centers, planetariums, presidential libraries, science and technology centers, zoological parks, and other specialty museums - along with professional staff and volunteers who work for and with museums.

Eighty percent of works of art acquired by museums are donated. The most valuable works of art – those which museums cannot afford to purchase -- are often donated as fractional gifts. A fractional gift allows a donor to give a fractional interest in a work of art to a museum while retaining an interest. Over time, as the donor gives additional fractions to the museum, the entire work is given to the museum. During the shared ownership time, the donor and museum share the work of art. The Hope Diamond was a fractional gift to the Smithsonian.

Fractional gifts allow the community -- the public, school groups, educators and ethnic and religious groups -- to have immediate access to works which would probably not be available until the donor's death, if at all. Once the first fraction of a partial gift is made, we know that the museum will eventually completely own the work which it will hold in the public trust forever. However, if donors are not encouraged to make fractional gifts and instead promise the gifts in their will, the likelihood is great that the works will never go to the museum. A gift delayed is often a gift denied.

Sen. Schumer, we greatly appreciate your willingness to take the lead on modifying these changes to ensure that fractional gifts are still attractive to donors. We are very hopeful that these changes will be enacted as quickly as possible. We also want to take this opportunity to acknowledge your leadership as co-founder and co-chair of the Senate Philanthropy Caucus.

Given the current economic conditions, museums of all kinds have been hard hit by reduced donations, elimination of state or local funding, all while accommodating an increase in visitorship. We applaud your efforts as to encourage charitable giving in all forms.

Sincerely,

A handwritten signature in black ink, appearing to read "Ford W. Bell". The signature is written in a cursive style with a large, looping initial "F".

Ford W. Bell, DVM

President

American Association of Museums