

AMENDMENT 3321 – Provides additional funding for children’s health care by eliminating a \$1 million earmark for a museum dedicated to the 1969 Woodstock concert.

Although the bill currently being debated by the Senate is supposed to provide funds for children’s health and education, one particular earmark funds the extracurricular hobbies of Woodstock-era baby boomers. The 2008 appropriations bill for the departments of Labor, Health and Human Services, and Education contains an interesting provision providing \$1 million in taxpayer money to the “Bethel Performing Arts Center, Liberty, NY, for the Bethel Museum[.]”¹ This amendment is simple: It transfers funding from this Woodstock museum to the Maternal and Child Health Block Grant program.

The Bethel Performing Arts Center is the home of the 1969 Woodstock festival

According to its website and the New York Times, “What Cooperstown is to baseball, Bethel could be to the baby boom.”² The earmark was inserted into the spending bill at the request of Sen. Hillary Clinton and Sen. Charles Schumer, both of New York. It last received \$180,000 in taxpayer funding via earmark as part of the 1,507-page fiscal year 2003 omnibus appropriations bill.³

Project	Committee recommendation	Requested by
Alaska Native Heritage Center, Anchorage, AK, for a partnership with Koahnic Broadcasting for a Native Values project.	\$250,000	Stevens
Archives Partnership Trust, New York, NY, to digitize fragile artifacts	100,000	Reid
Bethel Performing Arts Center, Liberty, NY, for the Museum at Bethel	1,000,000	Schumer, Clinton

Bethel Woods, which held its grand opening on July 1, 2006, is located at the site of the original 1969 Woodstock Festival in Bethel, New York. “Through dramatic imagery, audio-visual technology and immersive interactives, this exhibition tells the story of the 1969 [Woodstock] festival and its significance in a time of unrest and

¹ [Senate Report 110-107 to accompany S.1710, page 288](#)

² [Bethel Woods Center for the Arts website](#)

³ [Conference Report 108-10 to Accompany H.J. Res. 2, page 1401](#)

change, concluding with the myth, reality, and impact of the Woodstock Festival today,” one page of the website writes.⁴ To put it briefly, this earmark is a \$1 million, taxpayer-funded Woodstock flashback.

Earlier this year on August 11, Bethel Woods even hosted an event called HIPPIEFEST, with tickets priced up to \$60 per person.⁵ “Return to the flower-powered days of the 1960's with our oh-so-hippie line-up of truly talented artists,” states the center’s advertisement for the concert. “[G]ather your groovy beads and we’ll see you on the lawn for a trip down memory lane.”

Included at Bethel Woods are a 7,500-square-foot stage, a 4,800-seat, copper-covered pavilion, lawn seating with flawless sight lines, and a wide variety of food and beverage choices. But that’s not all! The Museum at Bethel Woods also “depicts the social, political and cultural transformation of the 1960’s and sets the stage for this greatest of rock festivals, with commentary from the artists who were there, as well as revelations from the people who came and the community that received them.”⁶ The museum contains 10,000 square feet of permanent exhibits extolling the virtues of Woodstock, a 130-seat projection theater, and even a monument commemorating the 1969 festival.

The organization’s website notes that the museum is principally funded by the Gerry Foundation, a non-profit 501(c)(3) organization.

The Woodstock museum is managed by a multi-million dollar foundation established and run by a billionaire tycoon

The Gerry Foundation, which will ostensibly manage the disbursement of the Woodstock museum earmark, was established and is run by its namesake, Alan Gerry. A self-made tycoon with a reported net worth of \$1.3 billion, Mr. Gerry is listed by Forbes Magazine as number 258 on its list of the 400 richest Americans. “The Bethel Woods Center for the Arts is Alan Gerry’s baby,” wrote the Times Herald-Record, a local New York newspaper. According to a 2004 report by USA Today, “The idea to develop the site came from

⁴ [Bethel Woods Center for the Arts website](#)

⁵ [Bethel Woods Center for the Arts 2007 event listing](#)

⁶ [Bethel Woods Center for the Arts website](#)

Alan Gerry, a millionaire businessman who in 1997 bought the 37-acre concert site that was home to Max Yasgur's old farm for about \$1 million. Gerry later snapped up 1,300 surrounding acres for an undisclosed sum.”⁷

Judging by its publicly available IRS Form 990s, Mr. Gerry and his foundation are hardly in need of a taxpayer handout. The foundation reported artwork alone worth \$4.4 million. With adjusted net income of \$7.7 million, investment income of more than \$24 million, and total net assets of over \$150 million at the end of 2004, the latest year for which data are available, the Gerry Foundation and the Bethel Museum do not exactly paint a picture of dire financial need.⁸

Gerry Foundation tax forms also disclose five separate tax shelters – one each for Arvida/JMB Partners LP, ML Media Partners LP, Rancon Realty Fund IV, Rancon Realty Fund V, and Westin Hotels Limited Partnership.⁹ Taxpayers have no business funding the activities of a foundation with tens of millions of dollars, run by a tycoon worth over a billion dollars, that has the financial means to create so many different ways to avoid taxation.

“New York State projects a current-year surplus of \$1.5 billion, up from the \$1.1 billion estimate in the Mid-Year Financial Plan”

According to the 2007-2008 New York State Executive Budget, “The Division of the Budget (DOB) now projects a current-year surplus of \$1.5 billion, up from the \$1.1 billion estimate in the Mid-Year Financial Plan.”¹⁰ As a result, the state of New York clearly has the means to provide additional funding for the Bethel Performing Arts Center if the state considers it to be a priority for local taxpayers. Given the current financial situation of the federal government, including the insolvency of Social Security and Medicare and the recent move to increase the statutory debt limit to more than \$9 trillion, American taxpayers should not be expected to fund a local project at the expense of other national priorities.

⁷ [“Ground Broken for Woodstock art center,” USA Today, July 19, 2004](#)

⁸ [Gerry Foundation IRS Form 990, Tax Year 2004](#)

⁹ [Gerry Foundation IRS Form 990, Tax year 2004](#)

¹⁰ [New York State Executive Budget, 2007-2008](#)

In 2000, the same newspaper noted that Gov. Pataki, the governor of New York at the time, pledged \$15 million towards the \$40 million project.¹¹ This August 29, 2000 article noted the contribution of local taxpayers:

The \$15 million in state money, which will come from discretionary funds controlled by Mr. Pataki and the Legislature, will be used for the construction of the theater and for road and land improvements. The state will not have any ownership of the new project, but invested the money to spur the sagging economy of the area, the governor said.

[...]

Many Sullivan county officials and residents praised the planned Woodstock center yesterday. Harvey Smith, the acting county manager, said it would bring a needed influx of customers for nearby hotels, restaurants, and stores, and also contribute to an active arts community that already stages classical music concerts, operas and plays for the county's 70,000 residents as well as summer visitors.

The New York Times on July 20, 2004, described the local ground-breaking for the center:

In summer-weight suits and dresses, chatting over white wine and choice hors d'oeuvres, business leaders and politicians gathered here Monday to scoop ceremonial soil and declare a new future for former alfalfa and corn fields best known for the mud, nudity and three-day concert that came to define a generation.¹²

Three days after the earmark was placed in the committee report, the earmark's benefactors donated \$9,200 to Sen. Clinton's presidential campaign

Mr. Gerry and his wife Sandra are prolific campaign contributors and fundraisers as well. Together they donated \$9,200, the maximum amount allowable under law, to the presidential campaign of Sen.

¹¹ ["Arts Center, Aided By Albany, Is to Rise on Woodstock Festival Site," The New York Times, August 29, 2000](#)

¹² ["Establishing A Center To Remember Woodstock," The New York Times, July 20, 2004](#)

Clinton, the sponsor of the earmark.¹³ The donations were made on June 30, 2007, only three days after the earmark was officially inserted into the committee report for this appropriations bill.

According to Federal Election Commission records compiled by the Center for Responsive Politics, Mr. Gerry has donated at least \$229,000 to various political campaigns throughout his career.¹⁴ Mrs. Gerry has contributed over \$90,000 to political campaigns over the last decade.¹⁵ Her largest contribution was a \$26,000 check in 2005 to the Democratic Senatorial Campaign Committee (DSCC), established to elect Democrats to the U.S. Senate. Sen. Charles Schumer, the current chairman of the DSCC as well as the chairman at the time of Mrs. Gerry's contribution, co-requested the Woodstock museum earmark with Sen. Clinton. Mr. Gerry matched his wife's \$26,000 contribution to the DSCC in 2005. Earlier this year, both he and his wife contributed another \$10,000 each to the DSCC, bring their total contributions to the DSCC to \$72,000 since 2005.

The Maternal and Child Health Block Grant Program is “well designed” according to the Program Analysis Rating Tool

This amendment increases funding for the Maternal and Child Health Block Grant (MCHBG) program by \$336,500 (due to different outlay rates for the earmark and MCHBG, a 1-to-1 transfer is not possible without triggering a budget point of order).

MCHBG is managed by the Maternal and Child Health Bureau, a program within the Department of Health and Human Services. Authorized through Title V of the Social Security Act, MCHBG is a formula-based block grant partnership between federal and state governments. Under this process, states match \$3 in funds for every \$4 contributed by the federal government.¹⁶

MCHBG helps states design systems to meet critical health care challenges in maternal and child health, including:

¹³ [Center for Responsive Politics/OpenSecrets.org](http://CenterforResponsivePolitics/OpenSecrets.org)

¹⁴ [Center for Responsive Politics/OpenSecrets.org](http://CenterforResponsivePolitics/OpenSecrets.org)

¹⁵ [Center for Responsive Politics/OpenSecrets.org](http://CenterforResponsivePolitics/OpenSecrets.org)

¹⁶ [Maternal and Child Health Bureau website](http://MaternalandChildHealthBureauwebsite)

- Significantly reducing infant mortality and incidence of handicapping conditions;
- Providing and ensuring access to comprehensive care for women;
- Promoting the health of children by providing preventive and primary care services;
- Increasing the number of children who receive health assessments, diagnostic and treatment services; and
- Providing family-centered, community-based, coordinated care for children with special health care needs.

The committee report for this bill notes the following about the MCBHG program:

The Maternal and Child Health Block Grant program provides a flexible source of funding that allows States to target their most urgent maternal and child health needs through development of community-based networks of preventive and primary care that coordinate and integrate public and private sector resources and programs for pregnant women, mothers, infants, children, and adolescents. The program supports a broad range of activities including prenatal care, well child services and immunizations, reducing infant mortality, preventing injury and violence, expanding access to oral health care, addressing racial and ethnic disparities and providing comprehensive care for children, adolescents, and families through clinics, home visits and school-based health programs.¹⁷

Although the committee report accompanying the current appropriations bill recommends \$673 million for this program, an amount equal to the president's request and equal to the fiscal year 2007 appropriation, surely an even greater amount of care for pregnant mothers and children is a higher priority than providing funding for a Woodstock museum.

In addition, the Program Analysis Rating Tool (PART), a process developed by the Office of Management and Budget to assess the effectiveness of federal programs, found that the Maternal and Child

¹⁷ [Senate Report 110-107 to accompany S.1710, page 52](#)

Health Block Grant program “is well designed.”¹⁸ PART also found that MCBHG “serves as a safety net to help improve the health of mothers and children and have a positive impact on their health.” More importantly, the program received a 100 percent rating from the PART analysis for its design and purpose. The PART analysis found that the program’s purpose is clear, that it addresses a specific problem or need, and that it is optimally designed to address that problem or need. Finally, the PART analysis also found that MCBHG has demonstrated improved efficiencies and cost effectiveness in achieving program goals each year.

¹⁸ [Program Analysis Rating Tool, Maternal and Child Health Care Block Grant program](#)