

## U.S. Senate Committee on Homeland Security and Governmental Affairs Subcommittee on Federal Spending Oversight

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Senator Rand Paul, M.D. (Kentucky), Chairman

## WASTE REPORT for July 6, 2015 Lights, Camera, Waste

Since well before Jed Clampett moved his family to Beverly Hills, Hollywood and the movie industry has been synonymous with wealth. And at the center of it all is The Academy of Motion Picture Arts and Sciences (the academy), familiar to most Americans for its annual awards show commonly known as the Oscars.

So one may ask, why an organization in an industry known for an abundance of wealth needs a \$25,000 grant from the National Endowment of The Arts to help plan exhibits for The Academy Museum, which is set to break ground later this year?<sup>1</sup> The grant is supposed to help fund decision making about the, "exhibition's conceptual themes, selection of related artist projects and creation of a film/film clip listing, artifact checklist, and preliminary interpretive plans."<sup>2</sup>

But, while Uncle Sam helps pay to plan the museum's exhibit, one item we know will be in the museum is the Aries 1B Trans-Lunar Space Shuttle from, 2001: A Space Odyssey, which the academy bought for a cool \$344,000.

In addition to scores of Hollywood brass ponying up donations to the museum, the academy is flush with cash; it makes profits of roughly \$50 million on the Oscars alone.<sup>4</sup>

And, while \$25,000 might be small in the scope of the federal budget or in Hollywood, it is over half what the average worker makes in a year,<sup>5</sup> and equals the full federal tax liability of almost four average Americans.<sup>6</sup> So, one must wonder, when cries ring out about what constitutes a fair share of taxes for someone to pay, why are any of those tax dollars going to support a museum that does not need it?

## And, The Nominees for Most Wasteful Are...

<sup>&</sup>lt;sup>1</sup> National Endowment for the Arts, Washington D.C. award number 15-4400-7105

<sup>&</sup>lt;sup>2</sup> Ibio

<sup>&</sup>lt;sup>3</sup> Hamedy, Saby, *The \$344,000 movie item: Academy buys ship from Kubrick's '2001,'* Los Angeles Times, Los Angeles, CA, March 2015.

<sup>&</sup>lt;sup>4</sup> Cunningham, Todd, *Academy Turned \$51M Profit on 2012 Oscars.* The Wrap: Covering Hollywood, Los Angeles, CA. January 2013

<sup>&</sup>lt;sup>5</sup> BLS Statistics- All Occupations Mean Annual Wages.

<sup>&</sup>lt;sup>6</sup> Calculated using IRS data