§ 3.13. Participation in programs to promote progress and scholarship in the humanities and the arts. 1. As used in this section, the following terms shall mean and include:

a. "Municipal corporation". A county, city, town, village, or school district of the state, or a board of higher education in a city having a population of one million or more.

b. "National foundation act". The national foundation on the arts and humanities act of nineteen hundred sixty-five and any federal laws amendatory or supplemental thereto heretofore or hereafter enacted.

2. Any municipal corporation shall have power, either individually or jointly with one or more other municipal corporations, to apply for, accept, and expend funds made available by the federal government pursuant to the provisions of the national foundation act in order to administer, conduct or participate with the federal government in a program which has as its purpose the promotion of progress and scholarship in the humanities and the arts. Any such municipal corporation is authorized to appropriate and expend such sums as are required to administer, conduct, or participate in any such program and may perform any and all acts necessary to effectuate the purposes of any such program.

3. Any municipal corporation, either individually or jointly with one or more other municipal corporations, may enter into agreements with private, non-profit agencies which are authorized to apply for and accept funds made available by the federal government pursuant to the provisions of the national foundation act. Such agreements may provide that funds, services, or facilities will be made available by any such municipal corporation or municipal corporations to such private, non-profit agency upon such terms and conditions as may be prescribed by such municipal corporation or municipal corporations, in order to defray that portion of the cost of any program administered by any such private, non-profit agency which is not paid for by funds made available by the federal government. Such private, non-profit agency shall file annually with each such municipal corporation with which it has entered

into such an agreement, or at such more frequent periods as may be required by such municipality, a financial report with respect to such program or programs and shall make available for inspection or audit by each such municipal corporation, its books, records and other data.

4. No funds, services, or facilities shall be made available by a municipal corporation to a private, non-profit agency pursuant to the provisions of subdivision three of this section unless such agency has obtained approval of its application for a federal grant-in-aid as required by the provisions of the national foundation act, and its program is designed to promote progress and scholarship in the humanities and the arts within the municipal corporation or municipal corporations with which it has entered into such an agreement.