

105TH CONGRESS
2^D SESSION

S. 2638

To provide support for certain institutes and schools.

IN THE SENATE OF THE UNITED STATES

OCTOBER 15 (legislative day, OCTOBER 2), 1998

Mr. FRIST (for himself, Mr. DEWINE, Mr. KENNEDY, Mr. SMITH of Oregon, Mr. THOMPSON, and Mr. WYDEN) introduced the following bill; which was read twice, considered, read the third time, and passed

A BILL

To provide support for certain institutes and schools.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **TITLE I—OREGON INSTITUTE OF**
4 **PUBLIC SERVICE AND CON-**
5 **STITUTIONAL STUDIES**

6 **SEC. 101. DEFINITIONS.**

7 In this title:

8 (1) ENDOWMENT FUND.—The term “endow-
9 ment fund” means a fund established by Portland
10 State University for the purpose of generating in-
11 come for the support of the Institute.

1 (2) To increase the awareness of the impor-
2 tance of public service, to foster among the youth of
3 the United States greater recognition of the role of
4 public service in the development of the United
5 States, and to promote public service as a career
6 choice.

7 (3) To establish a Mark O. Hatfield Fellows
8 program for students of government, public policy,
9 public health, education, or law who have dem-
10 onstrated a commitment to public service through
11 volunteer activities, research projects, or employ-
12 ment.

13 (4) To create library and research facilities for
14 the collection and compilation of research materials
15 for use in carrying out programs of the Institute.

16 (5) To support the professional development of
17 elected officials at all levels of government.

18 **SEC. 104. ADMINISTRATION.**

19 (a) LEADERSHIP COUNCIL.—

20 (1) IN GENERAL.—In order to receive a grant
21 under this title Portland State University shall en-
22 sure that the Institute operates under the direction
23 of a Leadership Council (in this title referred to as
24 the “Leadership Council”) that—

1 “(A) consists of 15 individuals appointed
2 by the President of Portland State University;
3 and

4 “(B) is established in accordance with this
5 section.

6 (2) APPOINTMENTS.—Of the individuals ap-
7 pointed under paragraph (1)(A)—

8 (A) Portland State University, Willamette
9 University, the Constitution Project, George
10 Fox University, Warner Pacific University, and
11 Oregon Health Sciences University shall each
12 have a representative;

13 (B) at least 1 shall represent Mark O.
14 Hatfield, his family, or a designee thereof;

15 (C) at least 1 shall have expertise in ele-
16 mentary and secondary school social sciences or
17 governmental studies;

18 (D) at least 2 shall be representative of
19 business or government and reside outside of
20 Oregon;

21 (E) at least 1 shall be an elected official;
22 and

23 (F) at least 3 shall be leaders in the pri-
24 vate sector.

1 (3) EX-OFFICIO MEMBER.—The Director of the
2 Mark O. Hatfield School of Government at Portland
3 State University shall serve as an ex-officio member
4 of the Leadership Council.

5 (b) CHAIRPERSON.—

6 (1) IN GENERAL.—The President of Portland
7 State University shall designate 1 of the individuals
8 first appointed to the Leadership Council under sub-
9 section (a) as the Chairperson of the Leadership
10 Council. The individual so designated shall serve as
11 Chairperson for 1 year.

12 (2) REQUIREMENT.—Upon the expiration of the
13 term of the Chairperson of the individual designated
14 as Chairperson under paragraph (1), or the term of
15 the Chairperson elected under this paragraph, the
16 members of the Leadership Council shall elect a
17 Chairperson of the Leadership Council from among
18 the members of the Leadership Council.

19 **SEC. 105. ENDOWMENT FUND.**

20 (a) MANAGEMENT.—The endowment fund shall be
21 managed in accordance with the standard endowment poli-
22 cies established by the Oregon University System.

23 (b) USE OF INTEREST AND INVESTMENT INCOME.—
24 Interest and other investment income earned (on or after
25 the date of enactment of this subsection) from the endow-

1 ment fund may be used to carry out the duties of the Insti-
 2 tute under section 103.

3 (c) DISTRIBUTION OF INTEREST AND INVESTMENT
 4 INCOME.—Funds realized from interest and other invest-
 5 ment income earned (on or after the date of enactment
 6 of this subsection) shall be spent by Portland State Uni-
 7 versity in collaboration with Willamette University, George
 8 Fox University, the Constitution Project, Warner Pacific
 9 University, Oregon Health Sciences University, and other
 10 appropriate educational institutions or community-based
 11 organizations. In expending such funds, the Leadership
 12 Council shall encourage programs to establish partner-
 13 ships, to leverage private funds, and to match expendi-
 14 tures from the endowment fund.

15 **SEC. 106. AUTHORIZATION OF APPROPRIATIONS.**

16 There is authorized to be appropriated to carry out
 17 this title \$3,000,000 for fiscal year 1999, and each subse-
 18 quent fiscal year thereafter.

19 **TITLE II—PAUL SIMON PUBLIC**
 20 **POLICY INSTITUTE**

21 **SEC. 201. DEFINITIONS.**

22 In this title:

23 (1) ENDOWMENT FUND.—The term “endow-
 24 ment fund” means a fund established by the Univer-

1 sity for the purpose of generating income for the
2 support of the Institute.

3 (2) ENDOWMENT FUND CORPUS.—The term
4 “endowment fund corpus” means an amount equal
5 to the grant or grants awarded under this title plus
6 an amount equal to the matching funds required
7 under section 202(d).

8 (3) ENDOWMENT FUND INCOME.—The term
9 “endowment fund income” means an amount equal
10 to the total value of the endowment fund minus the
11 endowment fund corpus.

12 (4) INSTITUTE.—The term “Institute” means
13 the Paul Simon Public Policy Institute described in
14 section 202.

15 (5) SECRETARY.—The term “Secretary” means
16 the Secretary of Education.

17 (6) UNIVERSITY.—The term “University”
18 means Southern Illinois University at Carbondale,
19 Illinois.

20 **SEC. 202. PROGRAM AUTHORIZED.**

21 (a) GRANTS.—From the funds appropriated under
22 section 206, the Secretary is authorized to award a grant
23 to Southern Illinois University for the establishment of an
24 endowment fund to support the Paul Simon Public Policy
25 Institute. The Secretary may enter into agreements with

1 the University and include in any agreement made pursu-
2 ant to this title such provisions as are determined nec-
3 essary by the Secretary to carry out this title.

4 (b) DUTIES.—In order to receive a grant under this
5 title, the University shall establish the Institute. The Insti-
6 tute, in addition to recognizing more than 40 years of pub-
7 lic service to Illinois, to the Nation, and to the world, shall
8 engage in research, analysis, debate, and policy rec-
9 ommendations affecting world hunger, mass media, for-
10 eign policy, education, and employment.

11 (c) DEPOSIT INTO ENDOWMENT FUND.—The Uni-
12 versity shall deposit the proceeds of any grant received
13 under this section into the endowment fund.

14 (d) MATCHING FUNDS REQUIREMENT.—The Univer-
15 sity may receive a grant under this section only if the Uni-
16 versity has deposited in the endowment fund established
17 under this title an amount equal to one-third of such grant
18 and has provided adequate assurances to the Secretary
19 that the University will administer the endowment fund
20 in accordance with the requirements of this title. The
21 source of the funds for the University match shall be de-
22 rived from State, private foundation, corporate, or individ-
23 ual gifts or bequests, but may not include Federal funds
24 or funds derived from any other federally supported fund.

1 (e) DURATION; CORPUS RULE.—The period of any
2 grant awarded under this section shall not exceed 20
3 years, and during such period the University shall not
4 withdraw or expend any of the endowment fund corpus.
5 Upon expiration of the grant period, the University may
6 use the endowment fund corpus, plus any endowment fund
7 income for any educational purpose of the University.

8 **SEC. 203. INVESTMENTS.**

9 (a) IN GENERAL.—The University shall invest the
10 endowment fund corpus and endowment fund income in
11 those low-risk instruments and securities in which a regu-
12 lated insurance company may invest under the laws of the
13 State of Illinois, such as federally insured bank savings
14 accounts or comparable interest bearing accounts, certifi-
15 cates of deposit, money market funds, or obligations of
16 the United States.

17 (b) JUDGMENT AND CARE.—The University, in in-
18 vesting the endowment fund corpus and endowment fund
19 income, shall exercise the judgment and care, under cir-
20 cumstances then prevailing, which a person of prudence,
21 discretion, and intelligence would exercise in the manage-
22 ment of the person's own business affairs.

23 **SEC. 204. WITHDRAWALS AND EXPENDITURES.**

24 (a) IN GENERAL.—The University may withdraw and
25 expend the endowment fund income to defray any ex-

1 penses necessary to the operation of the Institute, includ-
2 ing expenses of operations and maintenance, administra-
3 tion, academic and support personnel, construction and
4 renovation, community and student services programs,
5 technical assistance, and research. No endowment fund in-
6 come or endowment fund corpus may be used for any type
7 of support of the executive officers of the University or
8 for any commercial enterprise or endeavor. Except as pro-
9 vided in subsection (b), the University shall not, in the
10 aggregate, withdraw or expend more than 50 percent of
11 the total aggregate endowment fund income earned prior
12 to the time of withdrawal or expenditure.

13 (b) SPECIAL RULE.—The Secretary is authorized to
14 permit the University to withdraw or expend more than
15 50 percent of the total aggregate endowment fund income
16 whenever the University demonstrates such withdrawal or
17 expenditure is necessary because of—

18 (1) a financial emergency, such as a pending in-
19 solvency or temporary liquidity problem;

20 (2) a life-threatening situation occasioned by a
21 natural disaster or arson; or

22 (3) another unusual occurrence or exigent cir-
23 cumstance.

24 (c) REPAYMENT.—

1 (1) INCOME.—If the University withdraws or
2 expends more than the endowment fund income au-
3 thorized by this section, the University shall repay
4 the Secretary an amount equal to one-third of the
5 amount improperly expended (representing the Fed-
6 eral share thereof).

7 (2) CORPUS.—Except as provided in section
8 202(e)—

9 (A) the University shall not withdraw or
10 expend any endowment fund corpus; and

11 (B) if the University withdraws or expends
12 any endowment fund corpus, the University
13 shall repay the Secretary an amount equal to
14 one-third of the amount withdrawn or expended
15 (representing the Federal share thereof) plus
16 any endowment fund income earned thereon.

17 **SEC. 205. ENFORCEMENT.**

18 (a) IN GENERAL.—After notice and an opportunity
19 for a hearing, the Secretary is authorized to terminate a
20 grant and recover any grant funds awarded under this sec-
21 tion if the University—

22 (1) withdraws or expends any endowment fund
23 corpus, or any endowment fund income in excess of
24 the amount authorized by section 204, except as
25 provided in section 202(e);

1 (2) fails to invest the endowment fund corpus
2 or endowment fund income in accordance with the
3 investment requirements described in section 203; or

4 (3) fails to account properly to the Secretary,
5 or the General Accounting Office if properly des-
6 ignated by the Secretary to conduct an audit of
7 funds made available under this title, pursuant to
8 such rules and regulations as may be proscribed by
9 the Comptroller General of the United States, con-
10 cerning investments and expenditures of the endow-
11 ment fund corpus or endowment fund income.

12 (b) TERMINATION.—If the Secretary terminates a
13 grant under subsection (a), the University shall return to
14 the Treasury of the United States an amount equal to the
15 sum of the original grant or grants under this title, plus
16 any endowment fund income earned thereon. The Sec-
17 retary may direct the University to take such other appro-
18 priate measures to remedy any violation of this title and
19 to protect the financial interest of the United States.

20 **SEC. 206. AUTHORIZATION OF APPROPRIATIONS.**

21 There is authorized to be appropriated to carry out
22 this title \$3,000,000 for fiscal year 1999, and each subse-
23 quent fiscal year thereafter. Funds appropriated under
24 this section shall remain available until expended.

1 **TITLE III—HOWARD BAKER**
2 **SCHOOL OF GOVERNMENT**

3 **SEC. 301. DEFINITIONS.**

4 In this title:

5 (1) BOARD.—The term “Board” means the
6 Board of Advisors established under section 304.

7 (2) ENDOWMENT FUND.—The term “endow-
8 ment fund” means a fund established by the Univer-
9 sity of Tennessee in Knoxville, Tennessee, for the
10 purpose of generating income for the support of the
11 School.

12 (3) SCHOOL.—The term “School” means the
13 Howard Baker School of Government established
14 under this title.

15 (4) SECRETARY.—The term “Secretary” means
16 the Secretary of Education.

17 (5) UNIVERSITY.—The term “University”
18 means the University of Tennessee in Knoxville,
19 Tennessee.

20 **SEC. 302. HOWARD BAKER SCHOOL OF GOVERNMENT.**

21 From the funds authorized to be appropriated under
22 section 306, the Secretary is authorized to award a grant
23 to the University for the establishment of an endowment
24 fund to support the Howard Baker School of Government
25 at the University of Tennessee in Knoxville, Tennessee.

1 **SEC. 303. DUTIES.**

2 In order to receive a grant under this title, the Uni-
3 versity shall establish the School. The School shall have
4 the following duties:

5 (1) To establish a professorship to improve
6 teaching and research related to, enhance the cur-
7 riculum of, and further the knowledge and under-
8 standing of, the study of democratic institutions, in-
9 cluding aspects of regional planning, public adminis-
10 tration, and public policy.

11 (2) To establish a lecture series to increase the
12 knowledge and awareness of the major public issues
13 of the day in order to enhance informed citizen par-
14 ticipation in public affairs.

15 (3) To establish a fellowship program for stu-
16 dents of government, planning, public administra-
17 tion, or public policy who have demonstrated a com-
18 mitment and an interest in pursuing a career in
19 public affairs.

20 (4) To provide appropriate library materials
21 and appropriate research and instructional equip-
22 ment for use in carrying out academic and public
23 service programs, and to enhance the existing
24 United States Presidential and public official manu-
25 script collections.

1 (5) To support the professional development of
2 elected officials at all levels of government.

3 **SEC. 304. ADMINISTRATION.**

4 (a) BOARD OF ADVISORS.—

5 (1) IN GENERAL.—The School shall operate
6 with the advice and guidance of a Board of Advisors
7 consisting of 13 individuals appointed by the Vice
8 Chancellor for Academic Affairs of the University.

9 (2) APPOINTMENTS.—Of the individuals ap-
10 pointed under paragraph (1)—

11 (A) 5 shall represent the University;

12 (B) 2 shall represent Howard Baker, his
13 family, or a designee thereof;

14 (C) 5 shall be representative of business or
15 government; and

16 (D) 1 shall be the Governor of Tennessee,
17 or the Governor's designee.

18 (3) EX OFFICIO MEMBERS.—The Vice Chan-
19 cellor for Academic Affairs and the Dean of the Col-
20 lege of Arts and Sciences at the University shall
21 serve as an ex officio member of the Board.

22 (b) CHAIRPERSON.—

23 (1) IN GENERAL.—The Chancellor, with the
24 concurrence of the Vice Chancellor for Academic Af-
25 fairs, of the University shall designate 1 of the indi-

1 viduals first appointed to the Board under sub-
2 section (a) as the Chairperson of the Board. The in-
3 dividual so designated shall serve as Chairperson for
4 1 year.

5 (2) REQUIREMENTS.—Upon the expiration of
6 the term of the Chairperson of the individual des-
7 ignated as Chairperson under paragraph (1) or the
8 term of the Chairperson elected under this para-
9 graph, the members of the Board shall elect a Chair-
10 person of the Board from among the members of the
11 Board.

12 **SEC. 305. ENDOWMENT FUND.**

13 (a) MANAGEMENT.—The endowment fund shall be
14 managed in accordance with the standard endowment poli-
15 cies established by the University of Tennessee System.

16 (b) USE OF INTEREST AND INVESTMENT INCOME.—
17 Interest and other investment income earned (on or after
18 the date of enactment of this subsection) from the endow-
19 ment fund may be used to carry out the duties of the
20 School under section 303.

21 (c) DISTRIBUTION OF INTEREST AND INVESTMENT
22 INCOME.—Funds realized from interest and other invest-
23 ment income earned (on or after the date of enactment
24 of this subsection) shall be available for expenditure by
25 the University for purposes consistent with section 303,

1 as recommended by the Board. The Board shall encourage
 2 programs to establish partnerships, to leverage private
 3 funds, and to match expenditures from the endowment
 4 fund.

5 **SEC. 306. AUTHORIZATION OF APPROPRIATIONS.**

6 There is authorized to be appropriated to carry out
 7 this title \$10,000,000 for fiscal year 2000, and each sub-
 8 sequent fiscal year thereafter.

9 **TITLE IV—JOHN GLENN INSTI-**
 10 **TUTE FOR PUBLIC SERVICE**
 11 **AND PUBLIC POLICY**

12 **SEC. 401. DEFINITIONS.**

13 In this title:

14 (1) **ENDOWMENT FUND.**—The term “endow-
 15 ment fund” means a fund established by the Univer-
 16 sity for the purpose of generating income for the
 17 support of the Institute.

18 (2) **ENDOWMENT FUND CORPUS.**—The term
 19 “endowment fund corpus” means an amount equal
 20 to the grant or grants awarded under this title plus
 21 an amount equal to the matching funds required
 22 under section 402(d).

23 (3) **ENDOWMENT FUND INCOME.**—The term
 24 “endowment fund income” means an amount equal

1 to the total value of the endowment fund minus the
2 endowment fund corpus.

3 (4) INSTITUTE.—The term “Institute” means
4 the John Glenn Institute for Public Service and
5 Public Policy described in section 402.

6 (5) SECRETARY.—The term “Secretary” means
7 the Secretary of Education.

8 (6) UNIVERSITY.—The term “University”
9 means the Ohio State University at Columbus, Ohio.

10 **SEC. 402. PROGRAM AUTHORIZED.**

11 (a) GRANTS.—From the funds appropriated under
12 section 406, the Secretary is authorized to award a grant
13 to the Ohio State University for the establishment of an
14 endowment fund to support the John Glenn Institute for
15 Public Service and Public Policy. The Secretary may enter
16 into agreements with the University and include in any
17 agreement made pursuant to this title such provisions as
18 are determined necessary by the Secretary to carry out
19 this title.

20 (b) PURPOSES.—The Institute shall have the follow-
21 ing purposes:

22 (1) To sponsor classes, internships, community
23 service activities, and research projects to stimulate
24 student participation in public service, in order to
25 foster America’s next generation of leaders.

1 (2) To conduct scholarly research in conjunc-
2 tion with public officials on significant issues facing
3 society and to share the results of such research
4 with decisionmakers and legislators as the decision-
5 makers and legislators address such issues.

6 (3) To offer opportunities to attend seminars
7 on such topics as budgeting and finance, ethics, per-
8 sonnel management, policy evaluations, and regu-
9 latory issues that are designed to assist public offi-
10 cials in learning more about the political process and
11 to expand the organizational skills and policy-mak-
12 ing abilities of such officials.

13 (4) To educate the general public by sponsoring
14 national conferences, seminars, publications, and fo-
15 rums on important public issues.

16 (5) To provide access to Senator John Glenn's
17 extensive collection of papers, policy decisions, and
18 memorabilia, enabling scholars at all levels to study
19 the Senator's work.

20 (c) DEPOSIT INTO ENDOWMENT FUND.—The Uni-
21 versity shall deposit the proceeds of any grant received
22 under this section into the endowment fund.

23 (d) MATCHING FUNDS REQUIREMENT.—The Univer-
24 sity may receive a grant under this section only if the Uni-
25 versity has deposited in the endowment fund established

1 under this title an amount equal to one-third of such grant
2 and has provided adequate assurances to the Secretary
3 that the University will administer the endowment fund
4 in accordance with the requirements of this title. The
5 source of the funds for the University match shall be de-
6 rived from State, private foundation, corporate, or individ-
7 ual gifts or bequests, but may not include Federal funds
8 or funds derived from any other federally supported fund.

9 (e) DURATION; CORPUS RULE.—The period of any
10 grant awarded under this section shall not exceed 20
11 years, and during such period the University shall not
12 withdraw or expend any of the endowment fund corpus.
13 Upon expiration of the grant period, the University may
14 use the endowment fund corpus, plus any endowment fund
15 income for any educational purpose of the University.

16 **SEC. 403. INVESTMENTS.**

17 (a) IN GENERAL.—The University shall invest the
18 endowment fund corpus and endowment fund income in
19 accordance with the University's investment policy ap-
20 proved by the Ohio State University Board of Trustees.

21 (b) JUDGMENT AND CARE.—The University, in in-
22 vesting the endowment fund corpus and endowment fund
23 income, shall exercise the judgment and care, under cir-
24 cumstances then prevailing, which a person of prudence,

1 discretion, and intelligence would exercise in the manage-
2 ment of the person's own business affairs.

3 **SEC. 404. WITHDRAWALS AND EXPENDITURES.**

4 (a) IN GENERAL.—The University may withdraw and
5 expend the endowment fund income to defray any ex-
6 penses necessary to the operation of the Institute, includ-
7 ing expenses of operations and maintenance, administra-
8 tion, academic and support personnel, construction and
9 renovation, community and student services programs,
10 technical assistance, and research. No endowment fund in-
11 come or endowment fund corpus may be used for any type
12 of support of the executive officers of the University or
13 for any commercial enterprise or endeavor. Except as pro-
14 vided in subsection (b), the University shall not, in the
15 aggregate, withdraw or expend more than 50 percent of
16 the total aggregate endowment fund income earned prior
17 to the time of withdrawal or expenditure.

18 (b) SPECIAL RULE.—The Secretary is authorized to
19 permit the University to withdraw or expend more than
20 50 percent of the total aggregate endowment fund income
21 whenever the University demonstrates such withdrawal or
22 expenditure is necessary because of—

23 (1) a financial emergency, such as a pending in-
24 solvency or temporary liquidity problem;

1 (2) a life-threatening situation occasioned by a
2 natural disaster or arson; or

3 (3) another unusual occurrence or exigent cir-
4 cumstance.

5 (c) REPAYMENT.—

6 (1) INCOME.—If the University withdraws or
7 expends more than the endowment fund income au-
8 thorized by this section, the University shall repay
9 the Secretary an amount equal to one-third of the
10 amount improperly expended (representing the Fed-
11 eral share thereof).

12 (2) CORPUS.—Except as provided in section
13 402(e)—

14 (A) the University shall not withdraw or
15 expend any endowment fund corpus; and

16 (B) if the University withdraws or expends
17 any endowment fund corpus, the University
18 shall repay the Secretary an amount equal to
19 one-third of the amount withdrawn or expended
20 (representing the Federal share thereof) plus
21 any endowment fund income earned thereon.

22 **SEC. 405. ENFORCEMENT.**

23 (a) IN GENERAL.—After notice and an opportunity
24 for a hearing, the Secretary is authorized to terminate a

1 grant and recover any grant funds awarded under this sec-
2 tion if the University—

3 (1) withdraws or expends any endowment fund
4 corpus, or any endowment fund income in excess of
5 the amount authorized by section 404, except as
6 provided in section 402(e);

7 (2) fails to invest the endowment fund corpus
8 or endowment fund income in accordance with the
9 investment requirements described in section 403; or

10 (3) fails to account properly to the Secretary,
11 or the General Accounting Office if properly des-
12 ignated by the Secretary to conduct an audit of
13 funds made available under this title, pursuant to
14 such rules and regulations as may be prescribed by
15 the Comptroller General of the United States, con-
16 cerning investments and expenditures of the endow-
17 ment fund corpus or endowment fund income.

18 (b) TERMINATION.—If the Secretary terminates a
19 grant under subsection (a), the University shall return to
20 the Treasury of the United States an amount equal to the
21 sum of the original grant or grants under this title, plus
22 any endowment fund income earned thereon. The Sec-
23 retary may direct the University to take such other appro-
24 priate measures to remedy any violation of this title and
25 to protect the financial interest of the United States.

1 **SEC. 406. AUTHORIZATION OF APPROPRIATIONS.**

2 There is authorized to be appropriated to carry out
3 this title \$6,000,000 for fiscal year 2000, and each subse-
4 quent fiscal year thereafter. Funds appropriated under
5 this section shall remain available until expended.

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