

106TH CONGRESS  
1ST SESSION

# H. R. 788

To provide support for certain institutes and schools.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 23, 1999

Mr. DUNCAN (for himself, Mr. HILLEARY, Ms. PRYCE of Ohio, Mr. JENKINS, Mr. WAMP, Mr. FORD, Mr. BRYANT, Mr. GORDON, Mr. TANNER, Mr. CLEMENT, Mr. HALL of Ohio, Mr. OXLEY, Mr. GILLMOR, Mr. STRICKLAND, Ms. KAPTUR, Mr. KUCINICH, Mrs. JONES of Ohio, Mr. BROWN of Ohio, Mr. SAWYER, Mr. REGULA, Mr. TRAFICANT, Mr. NEY, and Mr. LATOURETTE) introduced the following bill; which was referred to the Committee on Education and the Workforce

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## 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—HOWARD BAKER**  
4 **SCHOOL OF GOVERNMENT**

5 **SEC. 101. DEFINITIONS.**

6 In this title:

7 (1) BOARD.—The term “Board” means the  
8 Board of Advisors established under section 104.

1           (2) ENDOWMENT FUND.—The term “endow-  
2           ment fund” means a fund established by the Univer-  
3           sity of Tennessee in Knoxville, Tennessee, for the  
4           purpose of generating income for the support of the  
5           School.

6           (3) SCHOOL.—The term “School” means the  
7           Howard Baker School of Government established  
8           under this title.

9           (4) SECRETARY.—The term “Secretary” means  
10          the Secretary of Education.

11          (5) UNIVERSITY.—The term “University”  
12          means the University of Tennessee in Knoxville,  
13          Tennessee.

14 **SEC. 102. HOWARD BAKER SCHOOL OF GOVERNMENT.**

15          From the funds authorized to be appropriated under  
16          section 106, the Secretary is authorized to award a grant  
17          to the University for the establishment of an endowment  
18          fund to support the Howard Baker School of Government  
19          at the University of Tennessee in Knoxville, Tennessee.

20 **SEC. 103. DUTIES.**

21          In order to receive a grant under this title, the Uni-  
22          versity shall establish the School. The School shall have  
23          the following duties:

24                (1) To establish a professorship to improve  
25                teaching and research related to, enhance the cur-

1       riculum of, and further the knowledge and under-  
2       standing of, the study of democratic institutions, in-  
3       cluding aspects of regional planning, public adminis-  
4       tration, and public policy.

5           (2) To establish a lecture series to increase the  
6       knowledge and awareness of the major public issues  
7       of the day in order to enhance informed citizen par-  
8       ticipation in public affairs.

9           (3) To establish a fellowship program for stu-  
10      dents of government, planning, public administra-  
11      tion, or public policy who have demonstrated a com-  
12      mitment and an interest in pursuing a career in  
13      public affairs.

14          (4) To provide appropriate library materials  
15      and appropriate research and instructional equip-  
16      ment for use in carrying out academic and public  
17      service programs, and to enhance the existing  
18      United States Presidential and public official manu-  
19      script collections.

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

22 **SEC. 104. ADMINISTRATION.**

23      (a) BOARD OF ADVISORS.—

24          (1) IN GENERAL.—The School shall operate  
25      with the advice and guidance of a Board of Advisors

1 consisting of 13 individuals appointed by the Vice  
2 Chancellor for Academic Affairs of the University.

3 (2) APPOINTMENTS.—Of the individuals ap-  
4 pointed under paragraph (1)—

5 (A) 5 shall represent the University;

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

8 (C) 5 shall be representative of business or  
9 government; and

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

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

16 (b) CHAIRPERSON.—

17 (1) IN GENERAL.—The Chancellor, with the  
18 concurrence of the Vice Chancellor for Academic Af-  
19 fairs, of the University shall designate 1 of the indi-  
20 viduals first appointed to the Board under sub-  
21 section (a) as the Chairperson of the Board. The in-  
22 dividual so designated shall serve as Chairperson for  
23 1 year.

24 (2) REQUIREMENTS.—Upon the expiration of  
25 the term of the Chairperson of the individual des-

1       ignated as Chairperson under paragraph (1) or the  
2       term of the Chairperson elected under this para-  
3       graph, the members of the Board shall elect a Chair-  
4       person of the Board from among the members of the  
5       Board.

6       **SEC. 105. ENDOWMENT FUND.**

7       (a) **MANAGEMENT.**—The endowment fund shall be  
8       managed in accordance with the standard endowment poli-  
9       cies established by the University of Tennessee System.

10      (b) **USE OF INTEREST AND INVESTMENT INCOME.**—  
11      Interest and other investment income earned (on or after  
12      the date of enactment of this subsection) from the endow-  
13      ment fund may be used to carry out the duties of the  
14      School under section 103.

15      (c) **DISTRIBUTION OF INTEREST AND INVESTMENT**  
16      **INCOME.**—Funds realized from interest and other invest-  
17      ment income earned (on or after the date of enactment  
18      of this subsection) shall be available for expenditure by  
19      the University for purposes consistent with section 103,  
20      as recommended by the Board. The Board shall encourage  
21      programs to establish partnerships, to leverage private  
22      funds, and to match expenditures from the endowment  
23      fund.

1 **SEC. 106. AUTHORIZATION OF APPROPRIATIONS.**

2 There is authorized to be appropriated to carry out  
3 this title \$10,000,000. Funds appropriated under this sec-  
4 tion shall remain available until expended.

5 **TITLE II—JOHN GLENN INSTI-**  
6 **TUTE FOR PUBLIC SERVICE**  
7 **AND PUBLIC POLICY**

8 **SEC. 201. DEFINITIONS.**

9 In this title:

10 (1) **ENDOWMENT FUND.**—The term “endow-  
11 ment fund” means a fund established by the Univer-  
12 sity for the purpose of generating income for the  
13 support of the Institute.

14 (2) **ENDOWMENT FUND CORPUS.**—The term  
15 “endowment fund corpus” means an amount equal  
16 to the grant or grants awarded under this title plus  
17 an amount equal to the matching funds required  
18 under section 202(d).

19 (3) **ENDOWMENT FUND INCOME.**—The term  
20 “endowment fund income” means an amount equal  
21 to the total value of the endowment fund minus the  
22 endowment fund corpus.

23 (4) **INSTITUTE.**—The term “Institute” means  
24 the John Glenn Institute for Public Service and  
25 Public Policy described in section 202.

1           (5) SECRETARY.—The term “Secretary” means  
2           the Secretary of Education.

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

5 **SEC. 202. PROGRAM AUTHORIZED.**

6           (a) GRANTS.—From the funds appropriated under  
7           section 206, the Secretary is authorized to award a grant  
8           to the Ohio State University for the establishment of an  
9           endowment fund to support the John Glenn Institute for  
10          Public Service and Public Policy. The Secretary may enter  
11          into agreements with the University and include in any  
12          agreement made pursuant to this title such provisions as  
13          are determined necessary by the Secretary to carry out  
14          this title.

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

17               (1) To sponsor classes, internships, community  
18               service activities, and research projects to stimulate  
19               student participation in public service, in order to  
20               foster America’s next generation of leaders.

21               (2) To conduct scholarly research in conjunc-  
22               tion with public officials on significant issues facing  
23               society and to share the results of such research  
24               with decisionmakers and legislators as the decision-  
25               makers and legislators address such issues.

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

8           (4) To educate the general public by sponsoring  
9           national conferences, seminars, publications, and fo-  
10          rums on important public issues.

11          (5) To provide access to Senator John Glenn's  
12          extensive collection of papers, policy decisions, and  
13          memorabilia, enabling scholars at all levels to study  
14          the Senator's work.

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

18          (d) MATCHING FUNDS REQUIREMENT.—The Univer-  
19          sity may receive a grant under this section only if the Uni-  
20          versity has deposited in the endowment fund established  
21          under this title an amount equal to one-third of such grant  
22          and has provided adequate assurances to the Secretary  
23          that the University will administer the endowment fund  
24          in accordance with the requirements of this title. The  
25          source of the funds for the University match shall be de-

1 rived from State, private foundation, corporate, or individ-  
2 ual gifts or bequests, but may not include Federal funds  
3 or funds derived from any other federally supported fund.

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

11 **SEC. 203. INVESTMENTS.**

12 (a) IN GENERAL.—The University shall invest the  
13 endowment fund corpus and endowment fund income in  
14 accordance with the University’s investment policy ap-  
15 proved by the Ohio State University Board of Trustees.

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

22 **SEC. 204. WITHDRAWALS AND EXPENDITURES.**

23 (a) IN GENERAL.—The University may withdraw and  
24 expend the endowment fund income to defray any ex-  
25 penses necessary to the operation of the Institute, includ-

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

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

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

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

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

23 (c) REPAYMENT.—

24 (1) INCOME.—If the University withdraws or  
25 expends more than the endowment fund income au-

1       thorized by this section, the University shall repay  
2       the Secretary an amount equal to one-third of the  
3       amount improperly expended (representing the Fed-  
4       eral share thereof).

5               (2) CORPUS.—Except as provided in section  
6       202(e)—

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

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

15 **SEC. 205. ENFORCEMENT.**

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

20                      (1) withdraws or expends any endowment fund  
21                      corpus, or any endowment fund income in excess of  
22                      the amount authorized by section 204, except as  
23                      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 prescribed 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 \$10,000,000. Funds appropriated under this sec-  
23          tion shall remain available until expended.

1 **TITLE III—OREGON INSTITUTE**  
2 **OF PUBLIC SERVICE AND**  
3 **CONSTITUTIONAL STUDIES**

4 **SEC. 301. DEFINITIONS.**

5 In this title:

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

10 (2) **INSTITUTE.**—The term “Institute” means  
11 the Oregon Institute of Public Service and Constitu-  
12 tional Studies established under this title.

13 (3) **SECRETARY.**—The term “Secretary” means  
14 the Secretary of Education.

15 **SEC. 302. OREGON INSTITUTE OF PUBLIC SERVICE AND**  
16 **CONSTITUTIONAL STUDIES.**

17 From the funds appropriated under section 306, the  
18 Secretary is authorized to award a grant to Portland State  
19 University at Portland, Oregon, for the establishment of  
20 an endowment fund to support the Oregon Institute of  
21 Public Service and Constitutional Studies at the Mark O.  
22 Hatfield School of Government at Portland State Univer-  
23 sity.

1 **SEC. 303. DUTIES.**

2 In order to receive a grant under this title the Port-  
3 land State University shall establish the Institute. The In-  
4 stitute shall have the following duties:

5 (1) To generate resources, improve teaching,  
6 enhance curriculum development, and further the  
7 knowledge and understanding of students of all ages  
8 about public service, the United States Government,  
9 and the Constitution of the United States of Amer-  
10 ica.

11 (2) To increase the awareness of the impor-  
12 tance of public service, to foster among the youth of  
13 the United States greater recognition of the role of  
14 public service in the development of the United  
15 States, and to promote public service as a career  
16 choice.

17 (3) To establish a Mark O. Hatfield Fellows  
18 program for students of government, public policy,  
19 public health, education, or law who have dem-  
20 onstrated a commitment to public service through  
21 volunteer activities, research projects, or employ-  
22 ment.

23 (4) To create library and research facilities for  
24 the collection and compilation of research materials  
25 for use in carrying out programs of the Institute.

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

3 **SEC. 304. ADMINISTRATION.**

4           (a) LEADERSHIP COUNCIL.—

5           (1) IN GENERAL.—In order to receive a grant  
6           under this title Portland State University shall en-  
7           sure that the Institute operates under the direction  
8           of a Leadership Council (in this title referred to as  
9           the “Leadership Council”) that—

10                   “(A) consists of 15 individuals appointed  
11                   by the President of Portland State University;  
12                   and

13                   “(B) is established in accordance with this  
14                   section.

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

17                   (A) Portland State University, Willamette  
18                   University, the Constitution Project, George  
19                   Fox University, Warner Pacific University, and  
20                   Oregon Health Sciences University shall each  
21                   have a representative;

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

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

4 (D) at least 2 shall be representative of  
5 business or government and reside outside of  
6 Oregon;

7 (E) at least 1 shall be an elected official;  
8 and

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

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

15 (b) CHAIRPERSON.—

16 (1) IN GENERAL.—The President of Portland  
17 State University shall designate 1 of the individuals  
18 first appointed to the Leadership Council under sub-  
19 section (a) as the Chairperson of the Leadership  
20 Council. The individual so designated shall serve as  
21 Chairperson for 1 year.

22 (2) REQUIREMENT.—Upon the expiration of the  
23 term of the Chairperson of the individual designated  
24 as Chairperson under paragraph (1), or the term of  
25 the Chairperson elected under this paragraph, the

1 members of the Leadership Council shall elect a  
2 Chairperson of the Leadership Council from among  
3 the members of the Leadership Council.

4 **SEC. 305. ENDOWMENT FUND.**

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

8 (b) USE OF INTEREST AND INVESTMENT INCOME.—  
9 Interest and other investment income earned (on or after  
10 the date of enactment of this subsection) from the endow-  
11 ment fund may be used to carry out the duties of the Insti-  
12 tute under section 303.

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

1 **SEC. 306. AUTHORIZATION OF APPROPRIATIONS.**

2 There is authorized to be appropriated to carry out  
3 this title \$3,000,000.

4 **TITLE IV—PAUL SIMON PUBLIC**  
5 **POLICY INSTITUTE**

6 **SEC. 401. DEFINITIONS.**

7 In this title:

8 (1) **ENDOWMENT FUND.**—The term “endow-  
9 ment fund” means a fund established by the Univer-  
10 sity for the purpose of generating income for the  
11 support of the Institute.

12 (2) **ENDOWMENT FUND CORPUS.**—The term  
13 “endowment fund corpus” means an amount equal  
14 to the grant or grants awarded under this title plus  
15 an amount equal to the matching funds required  
16 under section 402(d).

17 (3) **ENDOWMENT FUND INCOME.**—The term  
18 “endowment fund income” means an amount equal  
19 to the total value of the endowment fund minus the  
20 endowment fund corpus.

21 (4) **INSTITUTE.**—The term “Institute” means  
22 the Paul Simon Public Policy Institute described in  
23 section 402.

24 (5) **SECRETARY.**—The term “Secretary” means  
25 the Secretary of Education.

1           (6) UNIVERSITY.—The term “University”  
2           means Southern Illinois University at Carbondale,  
3           Illinois.

4 **SEC. 402. PROGRAM AUTHORIZED.**

5           (a) GRANTS.—From the funds appropriated under  
6           section 406, the Secretary is authorized to award a grant  
7           to Southern Illinois University for the establishment of an  
8           endowment fund to support the Paul Simon Public Policy  
9           Institute. The Secretary may enter into agreements with  
10          the University and include in any agreement made pursu-  
11          ant to this title such provisions as are determined nec-  
12          essary by the Secretary to carry out this title.

13          (b) DUTIES.—In order to receive a grant under this  
14          title, the University shall establish the Institute. The Insti-  
15          tute, in addition to recognizing more than 40 years of pub-  
16          lic service to Illinois, to the Nation, and to the world, shall  
17          engage in research, analysis, debate, and policy rec-  
18          ommendations affecting world hunger, mass media, for-  
19          eign policy, education, and employment.

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 those low-risk instruments and securities in which a regu-  
20 lated insurance company may invest under the laws of the  
21 State of Illinois, such as federally insured bank savings  
22 accounts or comparable interest bearing accounts, certifi-  
23 cates of deposit, money market funds, or obligations of  
24 the United States.

1 (b) JUDGMENT AND CARE.—The University, in in-  
2 vesting the endowment fund corpus and endowment fund  
3 income, shall exercise the judgment and care, under cir-  
4 cumstances then prevailing, which a person of prudence,  
5 discretion, and intelligence would exercise in the manage-  
6 ment of the person’s own business affairs.

7 **SEC. 404. WITHDRAWALS AND EXPENDITURES.**

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

22 (b) SPECIAL RULE.—The Secretary is authorized to  
23 permit the University to withdraw or expend more than  
24 50 percent of the total aggregate endowment fund income

1 whenever the University demonstrates such withdrawal or  
2 expenditure is necessary because of—

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

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

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

9 (c) REPAYMENT.—

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

16 (2) CORPUS.—Except as provided in section  
17 402(e)—

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

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

1 **SEC. 405. ENFORCEMENT.**

2 (a) **IN GENERAL.**—After notice and an opportunity  
3 for a hearing, the Secretary is authorized to terminate a  
4 grant and recover any grant funds awarded under this sec-  
5 tion if the University—

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

10 (2) fails to invest the endowment fund corpus  
11 or endowment fund income in accordance with the  
12 investment requirements described in section 403; or

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

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

1 priate measures to remedy any violation of this title and  
2 to protect the financial interest of the United States.

3 **SEC. 406. AUTHORIZATION OF APPROPRIATIONS.**

4       There is authorized to be appropriated to carry out  
5 this title \$3,000,000. Funds appropriated under this sec-  
6 tion shall remain available until expended.

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