

## **Titles II (Howard University Endowment Act) and III of P.L. 98–480**

**[**Currency: This publication is a compilation of the text of Public Law 98–480. It was last amended by the public law listed in the As Amended Through note above and below at the bottom of each page of the pdf version and reflects current law through the date of the enactment of the public law listed at <https://www.govinfo.gov/app/collection/comps/>**]**

**[**Note: While this publication does not represent an official version of any Federal statute, substantial efforts have been made to ensure the accuracy of its contents. The official version of Federal law is found in the United States Statutes at Large and in the United States Code. The legal effect to be given to the Statutes at Large and the United States Code is established by statute (1 U.S.C. 112, 204).**]**

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### **TITLE II—HOWARD UNIVERSITY ENDOWMENT**

#### **SHORT TITLE**

**SEC. 201. [20 U.S.C. 130aa note]** This title may be cited as the “Howard University Endowment Act”.

#### **DEFINITIONS**

**SEC. 202. [20 U.S.C. 130aa]** For purposes of this title—

(1) the term “endowment fund” means a fund, or a tax exempt foundation, established and maintained by Howard University for the purpose of generating income for its support, but which shall not include real estate;

(2) the term “endowment fund corpus” means an amount equal to the grants awarded under this title plus an amount equal to such grants provided by Howard University;

(3) the term “endowment fund income” means an amount equal to the total value of the endowment fund established under this title minus the endowment fund corpus;

(4) the term “Secretary” means the Secretary of Education; and

(5) the term “University” means the Howard University established by the Act of March 2, 1867.

#### **PROGRAM AUTHORIZED**

**SEC. 203. [20 U.S.C. 130aa–1]** (a) The Secretary is authorized to establish an endowment program, in accordance with the provisions of this title, for the purpose of establishing or increasing endowment funds, providing additional incentives to promote fundraising activities, and encouraging independence and self-sufficiency at the University.

(b)(1) From the funds appropriated pursuant to this title for endowments in any fiscal year for the University, the Secretary is

authorized to make grants to Howard University. The Secretary may enter into agreements with the University and include in any agreement made pursuant to this title such provisions deemed necessary by the Secretary to assure that the purposes of this title will be achieved.

(2) The University may receive a grant under this section only if it has deposited in the endowment fund established under this title an amount equal to such grant and has adequately assured the Secretary that it will administer the endowment fund in accordance with the requirements of this title. The source of funds for this institutional match shall not include Federal funds or funds derived from an existing endowment fund.

(3) The period of any grant under this section shall not exceed twenty years, and during such period the University shall not withdraw or expend any of its endowment fund corpus. Upon the expiration of any grant period, the University may use the endowment fund corpus plus any endowment fund income for any educational purpose.

#### INVESTMENTS

SEC. 204. [20 U.S.C. 130aa-2] (a) The University shall invest its endowment fund corpus and endowment fund income in those low-risk instruments and securities in which a regulated insurance company may invest under the law of the District of Columbia, such as federally insured bank savings account or comparable interest bearing account, certificate of deposit, money market fund, mutual fund, or obligations of the United States.

(b) The University, in investing its endowment fund corpus and income, shall exercise the judgment and care, under circumstances then prevailing, which a person of prudence, discretion, and intelligence would exercise in the management of his own business affairs.

#### WITHDRAWALS AND EXPENDITURES

SEC. 205. [20 U.S.C. 130aa-3] (a) The University may withdraw and expend its endowment fund income to defray any expenses necessary to its operation, including expenses of operations and maintenance, administration, academic and support personnel, construction and renovation, community and student services programs, technical assistance, and research. No endowment fund income or corpus may be used for any type of support of the executive officers of the University or for any commercial enterprise or endeavor entered into after January 1, 1981. Except as provided in subsection (b), the University shall not, in the aggregate, withdraw or expend more than 50 per centum of the total aggregate endowment fund income earned prior to the time of withdrawal or expenditure.

(b) The Secretary is authorized to permit the University to withdraw or expend more than 50 per centum of its total aggregate endowment income whenever the University demonstrates such withdrawal or expenditure is necessary because of—

(A) a financial emergency, such as a pending insolvency or temporary liquidity problem;

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

(C) another unusual occurrence or exigent circumstance.

(c)(1) If the University withdraws or expends more than the endowment fund income authorized by this section, the University shall repay the Secretary an amount equal to 50 per centum of the amount improperly expended (representing the Federal share thereof).

(2) The University shall not withdraw or expend any endowment fund corpus. If the University withdraws or expends any endowment fund corpus, the University shall repay the Secretary an amount equal to 50 per centum of the amount withdrawn or expended (representing the Federal share thereof) plus any income earned thereon.

#### ENFORCEMENT

SEC. 206. [20 U.S.C. 130aa-4] (a) After notice and an opportunity for a hearing, the Secretary is authorized to terminate and recover any grant awarded under this title if the University—

(1) withdraws or expends any endowment fund corpus, or any endowment fund income in excess of the amount authorized by section 205;

(2) fails to invest its endowment fund corpus or income in accordance with the investment standards set forth in section 204; or

(3) fails to account properly to the Secretary concerning investments and expenditures of its endowment fund corpus or income.

(b) If the Secretary terminates a grant under subsection (a), the University shall return to the Treasury of the United States an amount equal to the sum of the original grant or grants under this Act plus any income earned thereon. The Secretary may direct the University to take such other appropriate measures to remedy any violation of this title and to protect the financial interest of the United States.

#### AUTHORIZATION OF APPROPRIATIONS

SEC. 207. [20 U.S.C. 130aa-5] There is authorized to be appropriated \$2,000,000 for the purposes authorized under section 203. Funds appropriated under this section shall remain available until expended.

#### CONFORMING AMENDMENTS

SEC. 208. [Conforming amendments to the Act of March 2, 1867, incorporated in text shown on pages 679-680].

#### EFFECTIVE DATE

SEC. 209. [20 U.S.C. 130aa note] This title shall take effect on October 1, 1984.

## TITLE III—HIGHER EDUCATION PROJECTS

## LIBRARY PROJECT AUTHORIZED

SEC. 301. (a) The Secretary of Education (hereafter in this title referred to as the “Secretary”) is authorized to provide financial assistance, in accordance with the provisions of this section, to pay all of the cost of construction, and related expenses, for an addition to the William H. Mortensen Library at the University of Hartford located at Hartford, Connecticut, to enable the University of Hartford to house a collection of materials relating to Presidential campaigns and to American political history, known as the Presidential Americana, together with other collections.

(b) No financial assistance may be made under this section except upon an application at such time, in such manner, and containing or accompanied by such information, as the Secretary may reasonably require.

(c) There are authorized to be appropriated such sums, not to exceed \$6,500,000, as may be necessary to carry out the provisions of this section. Funds appropriated pursuant to this section shall remain available until expended.

## HUMAN DEVELOPMENT CENTER FACILITY AUTHORIZED

SEC. 302. (a) The Secretary is authorized, in accordance with the provisions of this section, to provide financial assistance to the University of Kansas located in Lawrence, Kansas, to pay the Federal share of the cost of construction and related costs for a human development center facility at the University of Kansas, to be used as a national research and training resource for individuals acquiring expertise in the rehabilitation, education, parent training, employment, independent living, and public policy concerns of handicapped individuals and their families, and as a treatment resource for handicapped persons and their families.

(b) No financial assistance may be made under this section unless an application is made at such time, in such manner, and containing or accompanied by such information, as the Secretary may reasonably require.

(c) There are authorized to be appropriated such sums, not to exceed \$9,000,000, as may be necessary to carry out the provisions of this section. Funds appropriated pursuant to this section shall remain available until expended.

## CARL VINSON INSTITUTE OF GOVERNMENT AUTHORIZED

SEC. 303. (a) In recognition of the public service of Representative Carl Vinson, in order to enhance the program of service to State and local governments in Georgia and in other States provided by the Carl Vinson Institute of Government of the University of Georgia, and in order to preserve a historic landmark that provided special education opportunities for young women in Georgia and in other States at a time when such opportunities were limited or nonexistent, the Secretary is authorized, in accordance with the provisions of this section, to provide financial assistance to the State of Georgia to renovate the physical facilities of the former Lucy Cobb Institute for Girls in Athens, Georgia, for the purpose

of providing a center for the Carl Vinson Institute of Government of the University of Georgia.

(b) No financial assistance may be made under this section except upon an application at such time, in such manner, and containing or accompanied by such information, as the Secretary may reasonably require.

(c) There are authorized to be appropriated \$3,500,000 to carry out the provisions of this section. Funds appropriated pursuant to this section shall remain available until expended.

JOHN W. MCCORMACK INSTITUTE OF PUBLIC AFFAIRS

SEC. 304. (a) In recognition of the public service of the former Speaker of the United States House of Representatives, John W. McCormack, and of the pressing need for national centers for applied public policy research, the Secretary is authorized to provide funds in accordance with the provisions of this section to assist in the development of the John W. McCormack Institute of Public Affairs, located at the University of Massachusetts, Boston, Massachusetts.

(b) No payment may be made under this section except upon an application at such time, in such manner, and containing or accompanied by such information as the Secretary may require in order to certify the amount of eligible funds. All such payments may be used in furtherance of the mission of the McCormack Institute, which is defined as research, instruction, and civil education related to public policy and the role of representative government in the United States.

(c)(1) Funds appropriated pursuant to this section shall be made available to the John W. McCormack Institute on or after October 1, 1984, and prior to the close of the fiscal year ending September 30, 1987.

(2) There are authorized to be appropriated such sums as may be necessary to carry out this section for the fiscal year ending September 30, 1985, and for each of the two succeeding fiscal years, except that the aggregate amount so appropriated shall not exceed \$3,000,000. Funds appropriated pursuant to this section shall remain available until expended.