

109TH CONGRESS
2^D SESSION

H. R. 6206

To revise the calculation of interest on investments of the Harry S. Truman Memorial Scholarship Fund.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 27, 2006

Mr. ENGLISH of Pennsylvania (for himself, Mr. AKIN, Mr. SKELTON, and Mr. CLAY) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To revise the calculation of interest on investments of the Harry S. Truman Memorial Scholarship Fund.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Truman Scholarship
5 Fund Modernization Act”.

6 **SEC. 2. REVISION OF INVESTMENT PROCEDURE.**

7 Section 10 of the Harry S Truman Memorial Scholar-
8 ship Act (20 U.S.C. 2009) is amended—

9 (1) by striking subsection (b) and inserting the
10 following:

1 “(b) INVESTMENT OF AMOUNTS APPROPRIATED.—

2 “(1) At the request of the Board, it shall be the
3 duty of the Secretary of the Treasury to invest in
4 full the amounts appropriated and contributed to the
5 fund. Such investments may be made only in the in-
6 terest-bearing obligations of the United States
7 issued directly to the fund.

8 “(2) The purposes for which obligations of the
9 United States may be issued under chapter 31 of
10 title 31 are hereby extended to authorize the
11 issuance at par of special obligations directly to the
12 fund. Such special obligations shall bear interest at
13 a rate equal to the average rate of interest, com-
14 puted as to the end of the calendar month next pre-
15 ceding the date of such issue, borne by all market-
16 able interest-bearing obligations of the United States
17 then forming a part of the public debt; except that
18 where such average rate is not a multiple of one-
19 eighth of 1 per centum, the rate of interest of such
20 special obligations shall be the multiple of one-eighth
21 of 1 per centum next lower than such average rate.
22 All requests of the Board to the Secretary of the
23 Treasury provided for in this section shall be binding
24 upon the Secretary.”; and

1 (2) by striking subsection (c) and inserting the
2 following:

3 “(c) SALE OF OBLIGATIONS ACQUIRED BY FUND.—

4 At the request of the Board, the Secretary of the Treasury
5 shall redeem any obligation issued directly to the fund.

6 Obligations issued to the fund under subsection (b)(2)

7 shall be redeemed at par plus accrued interest. Any other

8 obligations issued directly to the fund shall be redeemed

9 at the market price.”.

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