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ACTION

Last Day: January 4

THE WHITE HOUSE
WASHINGTON
January 2, 1975

APPROVED

JAN 4 - 1975

Statement issued 1/4/75

Filed 1/4/75

1/6/75

MEMORANDUM FOR THE PRESIDENT
FROM: KEN COLE
SUBJECT: Enrolled Bill S. 3548
Harry S. Truman Memorial
Scholarship Act

Attached for your consideration is S. 3548, sponsored by Senator Symington and 59 others, which authorizes a permanent scholarship program as a memorial to honor former President Harry S. Truman, and authorizes \$30 million to establish a trust fund to finance the program.

OMB recommends approval and provides additional background information in its enrolled bill report (Tab A).

Max Friedersdorf (Loen) and Phil Areeda both recommend approval. Paul Theis has prepared a proposed signing statement announcing your approval of both this bill and S. 1418, Herbert Hoover Memorial Library.

RECOMMENDATION

That you sign S. 3548 (Tab C).

Signing Statement for S. 3548 and S. 1418 (Tab B)

Approve MA

Disapprove _____

Please check the
accompanying statement

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

DEC 27 1974

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill S. 3548 - Harry S. Truman
Memorial Scholarship Act
Sponsor - Sen. Symington (D) Missouri and 59 others

Last Day for Action

January 4, 1975 - Saturday

Purpose

Authorizes a permanent educational scholarship program as a memorial to honor former President Harry S. Truman, and authorizes \$30 million to establish a trust fund to finance the program.

Agency Recommendations

Office of Management and Budget	Approval
Department of Health, Education, and Welfare	Approval
Civil Service Commission	Approval (Personnel provisions)
General Services Administration	No objection
Department of the Treasury	No recommendation

Discussion

S. 3548 is designed to honor President Truman by authorizing scholarships each year to students from the 50 States, the District of Columbia, Puerto Rico, and the territories, who indicate a serious intent to enter public service. The bill specifies that this scholarship program shall be the sole Federal memorial to President Truman.



Program operation.--To operate the scholarship program, a Harry S. Truman Scholarship Foundation would be established as an independent establishment of the Executive Branch, subject to supervision and direction by a 13-member Board of Trustees. The Board would be composed of:

-- 2 members from the Senate, one from each political party, to be appointed by the President of the Senate.

-- 2 members from the House of Representatives, one from each political party, to be appointed by the Speaker.

-- the Commissioner of Education or his designate, as an ex officio member, not eligible to be Chairman.

-- 8 members to be appointed by the President and confirmed by the Senate, not more than 4 from one political party. Of these members, one would be required to be a Chief Executive Officer of a State, one a chief executive officer of a city or county, one a member of a Federal court, one a member of a State court, one a person active in postsecondary education, and three representatives of the general public.

Board members would be unpaid, but would be reimbursed for travel and per diem subsistence expenses.

An earlier version of the legislation required that a representative of the Truman family be appointed to the Board. The enrolled bill does not include such a requirement, but the report of the House Committee on Education and Labor indicates the hope of the Committee members that the President will consider appointing a member of President Truman's immediate family and that members of the family will be periodically consulted by the Board.

Terms of Board members would be six years, with one-third replaced every two years. The President would designate the initial terms--4 for two years, 5 for four years, and 4 for six years.

The Board would appoint an Executive Secretary at GS-18 as chief executive officer of the Foundation, which would be authorized to secure the services of other employees, and to perform other standard housekeeping tasks connected with carrying out the Act.

The Truman Scholarship Foundation would be required to submit an annual report on its operations to the President and the Congress.

Scholarship awards and terms.--S. 3548 would authorize the Foundation to award scholarships each year, after a nationwide competition, to at least one student from each State and other designated jurisdiction "who demonstrate outstanding potential for and who plan to pursue a career in public service." Award recipients would be known as Truman scholars, and could receive stipends of up to \$5,000 each year for no more than four academic years.

Truman scholarships would be available for both graduate and undergraduate study. A student awarded a scholarship could attend any institution of higher education offering courses designed to prepare persons for public service careers as determined pursuant to criteria established by the Truman Scholarship Foundation. To continue to receive scholarship payments, Truman scholars would be required to maintain satisfactory proficiency and devote full time to study and research designed to prepare for a career in public service.

Financing.--The enrolled bill would authorize appropriations of \$30 million to be paid into a Harry S. Truman Memorial Scholarship Trust Fund to be established in the Treasury. The fund would consist of amounts appropriated to it (in installments, according to the bill's legislative history), and would be invested by the Secretary of the Treasury in U.S. interest-bearing or guaranteed obligations. The Secretary would be authorized to pay to the Harry S. Truman Scholarship Foundation such sums from the interest and earnings of the fund as the Foundation's Board of Trustees determine are needed to carry out the scholarship program, including all administrative expenses.

Should you approve the bill, we would propose to include funds in the 1976 budget to get the program started. It appears at this time that the request would be \$10 million or less for fiscal year 1976.

Recommendation

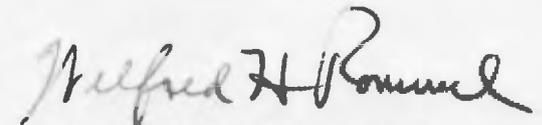
During consideration of this legislation HEW and OMB expressed the view that it would be fitting to memorialize President Truman, as has been done for other former Presidents, and generally left the form and method of the memorial up to the Congress. S. 3548 reflects the Congress' view as to the most appropriate means of honoring President Truman. The former President's daughter, Mrs. Margaret Truman Daniel, expressed the support of the family in a letter printed in the report of the Senate Labor and Public Welfare Committee.

There are several aspects of S. 3548 which are not particularly desirable--for example, establishing a new independent Executive Branch agency, specifying the groups from which Presidential appointees to the Board of Trustees must be selected, and offering scholarships unrelated to the students' need for financial assistance. Moreover, as we noted in our report to the Senate Committee, the \$30 million authorized seems to be greater than necessary for the intended purpose, and there is no provision for a future evaluation to see if the program is effective.

Treasury, in its attached views letter, notes various problems with the financing mechanism in the measure and believes that, if you sign it, the technical deficiencies should be corrected by appropriate legislation before the authorized appropriation is made.

In spite of these and other technical problems in the bill, we recommend its approval. As you know, the Congress earlier this year authorized additional funds for the Eisenhower College. S. 1418, a bill which would authorize a memorial to President Hoover at Stanford University, is currently also enrolled and awaiting your action; we are recommending your approval of both bills.

The necessary technical corrections can be submitted to the Congress early next year.



Assistant Director for
Legislative Reference

Enclosures

STATEMENT BY THE PRESIDENT

I have today signed two bills that honor former Presidents Herbert Hoover and Harry S Truman.

S. 1418, the Herbert Hoover Memorial Bill, authorizes the Secretary of the Treasury to make available \$7 million in matching grants to the Hoover Institution at Stanford University for the construction and equipping of a new memorial building. This memorial building will complete the Hoover Institution's library and research complex. The addition of this building will make the dream of Herbert Hoover in 1919, when the Institution was founded, a reality. With expanded facilities, the Institution will be strengthened as a national and international center for advanced research on the problems of the 20th Century. It will make available to scholars and students from each of our states and every country in the world the research facilities essential to academic scholarship.

S. 3548, the Harry S Truman Memorial Scholarship Act, establishes a \$30 million fund in the United States Treasury. These proceeds will be used by the Truman Foundation to provide four-year college scholarships on a competitive basis to outstanding students interested in public service careers. There is no fixed number of scholarships, but at least one must be awarded in each state where there is a qualified applicant.

The Herbert Hoover Memorial Bill and the Harry S Truman Memorial Scholarship Act create living memorials to two Presidents and honor their many years of extraordinary and selfless public service. I am privileged to sign the Hoover and Truman Memorial legislation.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

To Hendricks
12.27.74
KOL

DEC 27 1974

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill S. 3548 - Harry S. Truman
Memorial Scholarship Act
Sponsor - Sen. Symington (D) Missouri and 59 others

Last Day for Action

January 4, 1975 - Saturday

Purpose

Authorizes a permanent educational scholarship program as a memorial to honor former President Harry S. Truman, and authorizes \$30 million to establish a trust fund to finance the program.

Agency Recommendations

Office of Management and Budget

Approval

Department of Health, Education,
and Welfare

Approval

Civil Service Commission

Approval (Personnel
provisions)

General Services Administration

No objection

Department of the Treasury

No recommendation

Discussion

S. 3548 is designed to honor President Truman by authorizing scholarships each year to students from the 50 States, the District of Columbia, Puerto Rico, and the territories, who indicate a serious intent to enter public service. The bill specifies that this scholarship program shall be the sole Federal memorial to President Truman.



ACTION MEMORANDUM

Date: December 31, 1974

FOR ACTION: Phil Areeda *th* cc (for *th*) en Hendriks
Max Friedersdorf *th*

FROM THE STAFF SECRETARY

DUE: Date: December 31, 1974

Time: 1:00 p.m.

SUBJECT:

Proposed Signing Statement for S. 1418, Herbert Hoover
Memorial Library and S. 3548, Harry S Truman Scholarship Act.

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

The attached statement was prepared by Paul Theis.

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a
delay in submitting the required material, please
telephone the Staff Secretary immediately.

K. R. COLE, JR.
For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 222934

Date: December 31, 1974

Time: 10:00 a.m.

FOR ACTION: Phil Areeda
Max Friedersdorf
Paul O'Neill

cc (for information): Warren Hendriks

FROM THE STAFF SECRETARY

DUE: Date: December 31, 1974

Time: 1:00 p.m.

SUBJECT:

Proposed Signing Statement for S. 1418, Herbert Hoover
Memorial Library and S. 3548, Harry S Truman Scholarship Act.

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

The attached statement was prepared by Paul Theis.

Please return to Judy Johnston, Ground Floor West Wing

OK
P Areeda

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a
delay in submitting the required material, please
telephone the Staff Secretary immediately.

Warren K. Hendriks
For the President

THE WHITE HOUSE

WASHINGTON

December 31, 1974

MEMORANDUM FOR: WARREN HENDRIKS
FROM: *Van Lan for* MAX L. FRIEDERSDORF
SUBJECT: Action Memorandum - Log No. 934

The Office of Legislative Affairs concurs with the Agencies
that the enrolled bill should be signed.

Attachments

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 22934

Date: December 31, 1974

Time: 10:00 a.m.

FOR ACTION: Phil Areeda
Max Friedersdorf ✓
Paul O'Neill

cc (for information): Warren Hendriks

FROM THE STAFF SECRETARY

DUE: Date: December 31, 1974

Time: 1:00 p.m.

SUBJECT:

Proposed Signing Statement for S. 1418, Herbert Hoover
Memorial Library and S. 3548, Harry S Truman Scholarship Act.

ACTION REQUESTED:

- | | |
|---|--|
| <input type="checkbox"/> For Necessary Action | <input checked="" type="checkbox"/> For Your Recommendations |
| <input type="checkbox"/> Prepare Agenda and Brief | <input type="checkbox"/> Draft Reply |
| <input checked="" type="checkbox"/> For Your Comments | <input type="checkbox"/> Draft Remarks |

REMARKS:

The attached statement was prepared by Paul Theis.

Please return to Judy Johnston, Ground Floor West Wing

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a
delay in submitting the required material, please
telephone the Staff Secretary immediately.

Warren K. Hendriks
For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 863

Date: December 27, 1974

Time: 7:00 p.m.

FOR ACTION: Roger Semerad *oh*
Max Friedersdorf *th*
Phil Areeda *no obj*
Geoff Shepard *no obj*

cc (for information): Warren Hendriks
Jerry Jones

FROM THE STAFF SECRETARY

DUE: Date: Monday, December 30

Time: 1:00 p.m.

SUBJECT:

Enrolled Bill H. 3548 - Harry S. Truman Memorial
Scholarship Act

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor, West Wing

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

K. R. COLE, JR.
For the President

Date: December 27, 1974

Time: 7:00 p.m.

FOR ACTION: Roger Semerad ✓
Max Friedersdorf
Phil Areeda
Geoff Shepard

cc (for information): Warren Hendriks
Jerry Jones

FROM THE STAFF SECRETARY

DUE: Date: Monday, December 30

Time: 1:00 p.m.

SUBJECT:

Enrolled Bill S. 3548 - Harry S. Truman Memorial
Scholarship Act

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor, West Wing

I recommend approval

W. Hendriks 12/30/74

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks
For the President

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR: WARREN HENDRIKS
FROM: *Max L. Friedersdorf* MAX L. FRIEDERSDORF
SUBJECT: Action Memorandum - Log No. 863 A
Enrolled Bill S. 3548

The Office of Legislative Affairs concurs in the attached proposal and has no additional recommendations.

Attachment

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 863

Date: December 27, 1974

Time: 7:00 p.m.

FOR ACTION: Roger Semerad
Max Friedersdorf
Phil Areeda
Geoff Shepard

cc (for information): Warren Hendriks
Jerry Jones

FROM THE STAFF SECRETARY

DUE: Date: Monday, December 30

Time: 1:00 p.m.

SUBJECT:

Enrolled Bill H. 3548 - Harry S. Truman Memorial
Scholarship Act

ACTION REQUESTED:

- For Necessary Action
- For Your Recommendations
- Prepare Agenda and Brief
- Draft Reply
- For Your Comments
- Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor, West Wing

*No objection
P. Areeda OK*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

K. R. COLE, JR.
For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 863

Date: December 27, 1974

Time: 7:00 p.m.

FOR ACTION: Roger Semerad
Max Friedersdorf
Phil Areeda
Geoff Shepard ✓

cc (for information): Warren Henriks
Jerry Jones

FROM THE STAFF SECRETARY

DUE: Date: Monday, December 30

Time: 1:00 p.m.

SUBJECT:

Enrolled Bill H. 3548 - Harry S. Truman Memorial
Scholarship Act

ACTION REQUESTED:

- For Necessary Action
- For Your Recommendations
- Prepare Agenda and Brief
- Draft Reply
- For Your Comments
- Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor, West Wing

No objection
K.C.S.

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

K. R. COLE, JR.
For the President



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

DEC 24 1974

Honorable Roy L. Ash
Director, Office of Management
and Budget
Washington, D. C. 20503

Dear Mr. Ash:

This is in response to Mr. Rommel's request of December 19, 1974, for a report on S. 3548, an enrolled bill "To establish the Harry S Truman memorial scholarships, and for other purposes."

Section 2 of the bill states, among the Congressional findings, that because of the special interest of former President Truman in American history and his broad knowledge and understanding of the American political and economic system, it is appropriate to honor him through the creation of a perpetual scholarship program to develop increased opportunities for young Americans to prepare and pursue careers in public service. In order to provide for such a scholarship program, the enrolled bill would create the Harry S Truman Scholarship Foundation governed by a thirteen-member Board of Trustees. Under section 4 of the bill the Harry S Truman Scholarship Program, as authorized by the enrolled bill, would be the sole Federal memorial to former President Truman.

Section 6 of the bill would authorize the award of scholarships to persons who demonstrate outstanding potential for and who plan to pursue a career in public service. Truman scholarships would be available for both graduate and undergraduate study.

Under section 7 of the enrolled bill the Foundation would be authorized to conduct a nationwide competition for the

purpose of selecting Truman scholars. While there would be no limit to the number of such scholars, at least one scholar would be selected each year from each State in which there is at least one resident applicant who meets the minimum criteria established by the Foundation. Section 8 would establish \$5,000 as the maximum annual stipend for each scholar.

Section 9 of the enrolled bill would require the Foundation to determine that each scholar is maintaining satisfactory performance and devoting full time to study for a career in public service. The Foundation would be authorized to require each scholar to submit annual reports.

The Truman Memorial Scholarship Foundation, which would be created under section 10 of the enrolled bill, would consist of amounts appropriated under section 14, the authorization for which is \$30 million. The full amount so appropriated would be required to be invested by the Secretary of the Treasury in interest-bearing obligations of the United States or in obligations guaranteed by the United States.

We agree with the finding of the Congress that such a scholarship fund is an appropriate memorial to former President Truman. The establishment of such a memorial would be consistent with our support of a Federal grant to Eisenhower College as a memorial to former President Eisenhower.

A number of our reservations concerning this bill, which were expressed in our report on S. 3548 to the Chairman of the Senate Committee on Labor and Public Welfare on July 18, 1974, have not been addressed by the Congress in its final passage of this bill. Particularly, we believe that the authorization of appropriations exceeds the amount necessary to fund the anticipated number of scholarships. Also, we would have preferred that the bill authorize the Foundation to adjust the amount of each stipend to the degree of financial need of each scholar.

Honorable Roy L. Ash

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In spite of these reservations, the Department supports the establishment of the Harry S Truman Memorial Scholarship Program, and we therefore recommend that the enrolled bill be approved.

Sincerely,


Secretary





UNITED STATES CIVIL SERVICE COMMISSION

WASHINGTON, D.C. 20415

CHAIRMAN

December 24, 1974

Honorable Roy L. Ash
Director, Office of Management and Budget
Washington, D.C. 20503

Attention: Assistant Director for
Legislative Reference

Dear Mr. Ash:

This is in response to your request for the Commission's views on enrolled S. 3548, a bill "To establish the Harry S. Truman memorial scholarships, and for other purposes."

Enrolled S. 3548 would establish in the executive branch a scholarship foundation under the direction of a Board of Trustees composed of 4 Members of Congress, 8 persons appointed by the President with Senate confirmation, and the Commissioner of Education or his designate who is to serve ex officio as a member of the Board. The Board would be empowered to award full scholarships to students who expressed a desire to pursue careers in public service.

The Commission has not previously had the opportunity to report on this legislation. We are limiting our comments to the personnel provisions contained therein. Section 13(a)(1) authorizes the Foundation to appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of the Act. In the absence of any provision to the contrary these employees would be subject to competitive appointment procedures. There is no objection to this provision.

With regard to pay, section 13(a)(1) limits the salaries of staff members other than the Executive Secretary to the rate prescribed for GS-15. Section 12(b) provides for compensating the Executive Secretary at the rate prescribed for GS-18. The Commission is opposed to these two provisions. Classifying jobs by statute not only restricts the agency's manpower flexibilities, but usurps a proper Commission function.

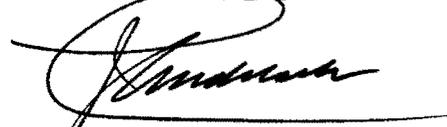
Section 13(a) (2) authorizes the Foundation to procure the temporary or intermittent services of experts and consultants under 5 U.S.C. 3109 at rates not to exceed the rate for GS-18. This is appropriate.

Section 13(a) (5) permits the Foundation to utilize the services of "voluntary and noncompensated personnel." We would have preferred language specifying that such personnel are not to be considered Federal employees for any purposes except for coverage under tort claims, injury compensation, and related laws.

We have no objections to any of the other personnel provisions in this bill. Insofar as these provisions are concerned, we recommend that the President sign enrolled S. 3548 into law.

By direction of the Commission:

Sincerely yours,

A handwritten signature in black ink, appearing to be "J. [unclear]", written over a horizontal line.

ACTING Chairman

UNITED STATES OF AMERICA
GENERAL SERVICES ADMINISTRATION
WASHINGTON, DC 20405



DEC 20 1974

Honorable Roy L. Ash
Director
Office of Management and Budget
Washington, DC 20503

Dear Mr. Ash:

By referral dated December 19, 1974, from the Assistant Director for Legislative Reference, your office requested the views of the General Services Administration on enrolled bill S. 3548, 93rd Congress, an act "To establish the Harry S Truman memorial scholarships, and for other purposes."

The bill would establish, as an independent establishment of the executive branch, the Harry S Truman Scholarship Foundation, and establish in the Treasury a Harry S Truman Memorial Scholarship Trust Fund. The Foundation would award scholarships to persons planning public service careers, selected by nationwide competition.

It is noted that section 13(a)(5) of the bill would authorize the Foundation to "accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;..." On the other hand, section 5(d) states merely that "Members of the Board shall serve without pay, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of their duties." We do not feel that any problem is presented by the omission in this instance of any reference to the Code, inasmuch as 5 U.S.C. 5703(c), by its own terms, applies to any individual serving without pay.

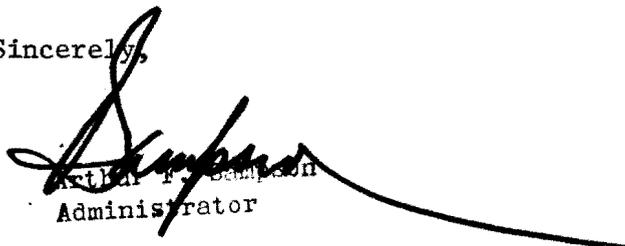
Section 13(a) contains authorizations for the disposal of property (paragraph (4)) and the renting of office space in the District of Columbia (paragraph (8)). Had we had an earlier opportunity to comment on the bill, we would have suggested insertions to indicate that these

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activities would be carried out pursuant to the Federal Property and Administrative Services Act of 1949, as amended. We assume that the Foundation, if established, will avail itself of the services of the General Services Administration in these respects.

GSA has no objection to Presidential approval of the enrolled bill.

Sincerely,



Arthur F. Campbell
Administrator



THE UNDER SECRETARY OF THE TREASURY

WASHINGTON, D.C. 20220

DEC 26 1974

Director, Office of Management and Budget
Executive Office of the President
Washington, D. C. 20503

Attention: Assistant Director for Legislative
Reference

Sir:

Reference is made to your request for the views of this Department on the enrolled enactment of S. 3548, "To establish the Harry S Truman memorial scholarships, and for other purposes."

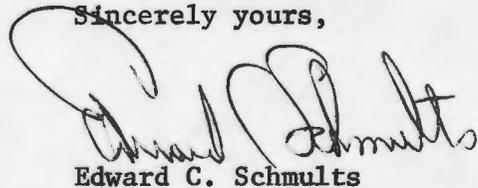
The enrolled enactment would create as an independent establishment of the executive branch, the Harry S Truman Scholarship Foundation. The Foundation would be authorized to award scholarships of not more than \$5,000 per year for up to four years to persons planning to enter a career in public service.

To finance the activities of the Foundation, a Harry S Truman Memorial Trust Fund would be created within the Treasury to which appropriations of \$30 million would be authorized. It would be the duty of the Secretary of the Treasury to invest in full the amounts appropriated to the fund in interest bearing obligations of the United States or in fully guaranteed obligations of the United States. The Secretary would be authorized to pay to the Foundation from the interest earnings of the fund such sums as the Board of Trustees determines are necessary to carry out the scholarship program. The "Trust Fund" appellation is a misnomer since there is no fiduciary relationship. Also, since expenditures under the proposal would not be subject to the normal appropriations process, the proposal would result in back-door financing, which would be inconsistent with the intent of the recently enacted Congressional Budget and Impoundment Control Act of 1974. As a technical matter, it appears that the proposed funding mechanism would be operable, but the Department has generally maintained

that an appropriation is not a sum of money available for investment. Rather, an appropriation is simply an authorization to expend up to the amount specified. Thus, even if the authorized appropriation is actually made, there would be no money in the fund available for investment and thus no interest earnings from which to pay the proposed scholarships. In addition, language regarding selection of investments and rate of interest on special obligations is technically deficient and not in accord with the Department's overall investment policy.

The Department has no recommendation to make as to whether the President should sign the enrolled enactment. If the President signs the measure, the Department believes that the technical deficiencies should be corrected by appropriate legislation before the authorized appropriation is made.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Edward C. Schmults". The signature is written in dark ink and is positioned above the printed name.

Edward C. Schmults

HARRY S TRUMAN MEMORIAL SCHOLARSHIP ACT

NOVEMBER 27, 1974.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. PERKINS, from the Committee on Education and Labor,
submitted the following

REPORT

together with

DISSENTING VIEWS

[To accompany H.R. 17481]

The Committee on Education and Labor, to whom was referred the bill (H.R. 17481) to establish the Harry S Truman Memorial Scholarship Program, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Page 9, strike out lines 19 through 23 and insert in lieu thereof the following:

(b) The Executive Secretary of the Foundation shall be compensated at the rate specified for employees placed in grade 18 of the General Schedule set forth in section 5332 of title 5, United States Code:

BACKGROUND

In his thirty years of service to his country, Harry S Truman, thirty-third President of the United States, held various elective offices at both local and national levels of government. In 1922, President Truman was elected one of the three judges of the Jackson County Court, and in that position had the chief responsibility for the expenditure of sixty million dollars in tax funds and bond issues. During the ten years President Truman served on the court, he built a lasting reputation for honesty and dedication in service to the people by whom he had been elected.

Mr. Truman was first elected to the United States Senate in 1934 and gained national recognition in his second term with his establishment and conduct of the Senate Special Committee to Investigate the

National Defense Program. With Truman as chairman, the Committee's investigations and revelations of waste and extravagance in the World War II defense program ultimately resulted in tremendous savings for American taxpayers.

Elected to the office of the Vice Presidency in November, 1944, he served only 83 days in that office when, upon the death of President Roosevelt in April, 1945, he succeeded to the Presidency. His first year as President was marked by the end of World War II, and the dawn of the nuclear era. Faced in the postwar years with reconversion problems at home and increasing difficulties with Communist nations abroad, President Truman responded with programs to ease the transition of the American economy from war to peace and with the Marshall Plan which opened a new era of international policy. This, along with President Truman's role in the formation of NATO, and ratification of the United Nations Charter led Prime Minister Churchill to say that Truman, more than any other man, had saved Western Civilization.

Elected to the Presidency in 1948, Mr. Truman announced his "Fair Deal" program for promoting the general welfare of the people of this country and the "Point Four" program for technical assistance to underdeveloped nations abroad.

During all of his years in public office, he met challenges with statesmanship, humanity, a sense of justice, and a vast reservoir of historical knowledge—attributes which have led many historians to rank President Truman as among our greatest Presidents.

Because he was a widely read student of American history and because he also believed in the value of education and encouraged young people to pursue knowledge, it is particularly appropriate to provide an educational memorial for President Truman as provided in H.R. 17481.

SUMMARY OF THE BILL

H.R. 17481 establishes the Harry S Truman Memorial Scholarship Program, an endowed scholarship program for persons who "demonstrate an outstanding potential for, and plan to pursue a career in, the public service."

The scholarships are to be awarded on the basis of a nationwide competition, to be conducted either directly or by contract, by the Truman Foundation. At least one such scholarship is to be awarded annually in each State in which there is a resident applicant who meets the minimum qualifications set by the Foundation. If the funds available from the endowment permit additional fellowships, they may be awarded, but there are no further geographical limitations.

The Committee did not seek to prescribe closely the criteria on which the Foundation should base its final selection of Truman Scholars. But the members of the Committee did express the hope that academic promise, demonstrated leadership ability and concern for and interest in public service should rank high on the list of the qualifications sought by the Foundation in its effort to select from among applicants for Truman Scholarships.

The scholarships may be awarded either to undergraduate or graduate students, but may not be for a period in excess of four years. Each scholarship will carry with it an annual stipend in the amount of \$5,000 or the full cost of tuition, fees, books, room and board, whichever is less, at any institution of higher education as defined in Sec. 1201 of

the Higher Education Act. Attendance is limited to "any such institution offering courses of study, training or other educational activities designed to prepare persons for a career in public service as determined pursuant to criteria established by the Foundation." Every Truman Scholar must have indicated a serious intention to enter the public service, and the institutions are required to "make reasonable continuing efforts to encourage such a student" to do so, but there is no ironclad requirement that the Truman Scholar in fact pursue such a career after leaving school.

The Harry S Truman Scholarship Foundation shall be under the direction of a 13-member Board of Trustees. Two Members of different political parties, to be appointed by the Speaker, shall be Members of the House. Two Senators also of different parties, shall be appointed by the President of the Senate. The Commissioner of Education shall be an ex-officio member, and the President shall appoint eight additional members with the advice and consent of the Senate, as follows: 3 representatives of the general public; 1 chief executive officer of a state; 1 mayor or chief executive officer of a county; 1 federal judge; 1 state judge; and 1 postsecondary educator.

Of these eight, no more than four shall be from the same political party. The terms of office shall be six years, with one-third replaced every two years. Members shall not be paid, but shall be entitled to travel and subsistence and other expenses incurred in the performance of their duties.

It was suggested originally that at least one Member of the Board should be, by statute, a representative of the Truman family, but since this statutory requirement would in effect create a hereditary office, it seemed inappropriate. Nevertheless, the Committee members hope that so long as there are members of the late President's immediate family alive, the President will consider appointing a representative of that family to the Board and that the members of the immediate family will be periodically consulted by the Board.

The Foundation is further authorized to hire an Executive Secretary, secure the services of other employees, consultants, voluntary and uncompensated employees, to receive private gifts and bequests, and to perform other standard housekeeping tasks connected with carrying out the Act.

All of the expenses of the Foundation, including the stipends to Scholars, the costs to the Foundation of selecting the Scholars, the salaries of the Foundation staff, and the other administrative expenses of the program, shall be paid from the income from the endowment. Once the \$30 million authorized has been appropriated no further appropriations of any kind are authorized by the Act or envisaged by the Committee.

The bill establishes a fund in the Treasury to which the 30 million dollars is to be appropriated. The Secretary of the Treasury will invest the full amount appropriated in interest bearing obligations of the United States or in obligations guaranteed by the United States. If the Secretary of the Treasury determines that such purchases are not in the public interest then he may issue special obligations to the fund bearing a rate of interest which is an average of all interest bearing obligations which form a part of the public debt. The Secretary may sell obligations acquired by the fund. All interest earned

and proceeds from sale or redemption of obligations shall form a part of the fund.

The Secretary is directed by section 11 to pay to the Foundation such sums from the interest and earnings of the fund as the Board finds necessary and appropriate to enable the Foundation to carry out the purposes of the Act. Given this prohibition against the use of the principal in the endowment itself, while the bill does not require that the entire \$30,000,000 be appropriated at one time, it would obviously be necessary that each increment appropriated be of sufficient magnitude to provide adequate revenues to permit the Program to be carried on.

The Act provides that this program shall be the sole national memorial to Harry S Truman, and the Committee was unanimous in its belief that there should be no further support given this program from the Treasury beyond the original endowment of \$30 million.

Some of the original proposals for a Truman Scholarship Program, envisaged a year of study at a college or university in the Washington area as a *requirement* of the program of every Truman Scholar. The Committee dropped this requirement because it does not believe the Congress, or, indeed, the Foundation, should be in the business of designing curricula for as broad and diverse a career objective as "the public service." The bill is, therefore, silent on what such a course must contain, and the Foundation is urged to refrain from establishing any criteria which would impose any sort of uniformity on course offerings. Before approving a Truman Scholar's plan to attend a given school, the Foundation should, of course, ascertain that it is a bona fide institution, and that its course offerings and curriculum are not fraudulent, but at the same time, the Foundation should not exercise its judgment in lieu of the judgment of legitimate educational institutions as to what constitutes a course of study or training leading to the public service.

The Committee is convinced of the great educational value of having a semester or year in Washington, Jefferson City, or elsewhere, a cooperative education experience, an internship, or other techniques of exposure to the world of public service as a part of any Truman Scholar's individual program. The Foundation may certainly work with the colleges and universities in developing such programs, and making such experiences available to Truman Scholars and is encouraged to do so. But in order to ensure the broadest possible portability of the Truman scholarships, the bill does not permit any of these techniques to be made a mandatory part of any Truman Scholar's course of study.

The Foundation is further directed not to restrict the attendance of Truman Scholars to schools of any particular source of financial support, or outside attachment. Each Truman Scholar should be free to attend whatever legitimate institution, public, private, non-profit, church-affiliated, or secular, best provides that scholar with an educational opportunity designed for his or her public service career objective.

LEGISLATIVE HISTORY OF H.R. 17481

This legislation was originally introduced in this House as H.R. 15138, under the sponsorship of Mr. Randall, and the other members of the Missouri delegation. Other members of the House on both sides

of the aisle joined with the Missouri delegation until approximately 100 members had sponsored companion bills.

In the other body, sixty Senators had joined together in introducing similar legislation, which gained the approval of that body by voice vote on August 7, 1974.

The bills were referred to the Special Subcommittee on Education, which held one day's hearing on October 11. All members of the Missouri delegation submitted statements or testified at that hearing, together with the Honorable John Snyder, Secretary of the Treasury during the Truman Administration, and President Truman's daughter, Mrs. Margaret Truman Daniel. All testimony taken was supportive of the legislation.

On November 19 and 20, the Subcommittee met in open mark-up session, and adopted several substantive amendments to the bill, finally approving a "clean" text on November 20 by a vote of 12 to 0. This text was reintroduced as H.R. 17481 on that day, and on November 21st, also in open mark-up session, the full Education and Labor Committee voted by voice vote to report the bill with an amendment.

Though the Committee did not request a report from the Executive Branch, a report relating to the Senate bill was sent to that body's Committee by the Acting Secretary of Health, Education and Welfare. The text of that report follows:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Washington, D.C., July 18, 1974.

HON. HARRISON A. WILLIAMS, JR.,
*Chairman, Committee on Labor and Public Welfare,
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in response to your request of June 10, 1974, for a report on S. 3548, a bill "To establish the Harry S Truman memorial scholarships, and for other purposes."

The bill states that because of the special interest of former President Truman in the American political and economic system, it is appropriate to honor him through the creation of a perpetual education scholarship program to provide increased opportunities for young Americans to prepare for and pursue careers in public service.

In order to carry out the program, S. 3548 would create a Harry S Truman Memorial Scholarship Trust Fund to which \$30 million would be authorized to be appropriated. The Secretary of Health, Education, and Welfare would be required to invest the amounts so appropriated, the proceeds of which would generate earnings to be awarded in the form of scholarships.

The Foundation would be authorized to award no more than 51 scholarships in any fiscal year beginning after June 30, 1973, for undergraduate study for persons who plan to pursue a career in public service. The scholarships awarded would consist of a stipend which shall not exceed the cost for tuition, fees, books, room and board or \$5,000, whichever is less.

A student awarded a scholarship under this act could attend any institution of higher education, if that institution offers courses of study designed to prepare persons for a career in public service as determined pursuant to criteria established by the Foundation. Each student awarded a scholarship shall sign an agreement stating he has

a serious intent to enter the public service upon the completion of the educational program.

The foundation would be authorized to enter into agreements with the chief executive of each State in order to conduct a statewide competitive examination and to select each year the Truman scholar for that State.

We agree that it is fitting to have a memorial to former President Truman. Such action would be consistent with our support of memorials for former Presidents Eisenhower and Hoover.

As to whether the approach in this particular bill is the most appropriate means of establishing such a memorial, the Department defers to the judgment of the Congress. However, we would like to point out a number of our concerns relating to the provisions of S. 3548.

First, the amount authorized to be appropriated for the establishment of the Truman Scholarship Foundation may be more than is necessary to support the activities anticipated under the bill. The investment of the \$30 million authorized would, at an annual return of only 5 percent, yield \$1.5 million each year. Even after 4 years when the program would be supporting the maximum number of 204 students, only \$1,020,000 would be required to provide the maximum grant of \$5,000 per student authorized by the bill.

The bill would require a Truman scholar to devote his "full time" to study or research while receiving a grant, and such student could not engage in gainful employment other than employment approved by the Foundation. No criteria are provided to guide the Foundation in determining when a student should be allowed to engage in such employment. It would thus be possible for a student to arbitrarily be prevented from working even when such work might be necessary or useful and in the best interests of the student to support himself.

Although the bill does not anticipate that financial need will be a criterion in the selection of Truman scholars, it might be advisable to provide some means of adjusting the amount of the stipend to be received in accordance with his or her degree of financial need.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

FRANK C. CARLUCCI,
Acting Secretary.

ESTIMATE OF COST

In compliance with clause 7 of rule XIII, the cost of the Truman Scholarship fund is estimated at \$30,000,000, all of which is expected to be appropriated well within the five-year period specified by said rule. No further appropriations are authorized by the bill.

SECTION BY SECTION ANALYSIS

SEC. 1

The short title is "The Harry S Truman Memorial Scholarship Act."

SEC. 2. STATEMENT OF FINDINGS

Congress finds that it is especially appropriate to honor former President Harry S Truman through the creation of a perpetual educational scholarship program to prepare young Americans to pursue careers in public service because of his high regard for the public trust and lively exercise of political talents.

SEC. 3. DEFINITIONS

(1) "Board" means the Board of Trustees of the Foundation. (2) defines "Foundation" to mean the Harry S Truman Foundation. "Fund" in (3) means the Harry S Truman Memorial Scholarship Fund. "Institution of higher education" means such institution as defined in section 1201(a) of the Higher Education Act (29 U.S.C. 1141). "State" is defined in (5) to mean each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa and the Trust Territory of the Pacific Islands are considered as one State. In (6) "Secretary" is defined to mean the Secretary of the Treasury.

SEC. 4

Provides that the Harry S Truman Memorial Scholarship Program shall be the sole Federal memorial to President Harry S Truman.

SEC 5. ESTABLISHMENT OF THE HARRY S TRUMAN SCHOLARSHIP PROGRAM

Subsection (a) establishes the Harry S Truman Scholarship Foundation as an independent establishment of the executive branch of the federal government. (b) provides that the Foundation shall be supervised by a Board of Trustees. The Board is composed of thirteen members as follows: Two Senators, one from each party, appointed by the President of the Senate; two House members one from each party, appointed by the Speaker; eight members, not more than four from the same party, appointed by the President with the advice and consent of the Senate; among these one shall be a Governor, one a Chief Executive of a city or county, one member of a Federal Court, one member of a State Court, one person active in postsecondary education, and three public representatives. In addition the Commissioner of Education or his designate shall serve ex-officio, but shall not be eligible to be Chairman.

Terms of office are set at six years. Among those first serving, four shall have two year terms, five will have four year terms and four will have six year terms. Those filling vacancies will serve the term of their predecessor.

Members of the Board will not be paid but will be entitled to reimbursement for necessary expenses including travel and subsistence.

SEC. 6. SCHOLARSHIPS

This section authorizes the Foundation to award scholarships not to exceed four academic years to persons of outstanding potential who plan to pursue a career in public service.

Students receiving scholarships may attend any institution offering study, training, or other educational activities designed to prepare persons for a career in public service according to criteria set by the Foundation.

Students awarded scholarships must have indicated a serious intent to enter public service after completing their educational program. The institutions which the students attend must make reasonable efforts to encourage the students to enter public service at the completion of their education.

SEC. 7. SELECTION OF TRUMAN SCHOLARS

The section authorizes the Foundation itself or by contract to provide for the conduct of a nation-wide competition to select Truman Scholars. In addition the Foundation must assure that one Scholar will be selected from each state having a resident applicant who meets minimum criteria established by the Foundation.

SEC. 8. STIPENDS

This section provides that each Scholar shall receive a stipend not exceeding the cost of tuition, books, room and board, but in no case more than \$5,000.

SEC. 9. SCHOLARSHIP CONDITIONS

Subsection (a) provides that Scholars may receive payments only while engaged in full time study or research designed to prepare for a career in public service. The student must also maintain satisfactory proficiency in his or her program and engage in gainful employment only as approved by the Foundation.

In subsection (b) the Foundation is authorized to require Scholars to submit reports which must be accompanied by certification from the institution that the student is devoting essentially full time to his or her program and is making satisfactory progress.

SEC. 10. TRUMAN MEMORIAL SCHOLARSHIP FUND

This section establishes a fund to be known as the Harry S Truman Memorial Scholarship Fund in the Treasury of the United States. The fund shall consist of amounts appropriated under section 14.

The Secretary must invest the full amounts appropriated to the fund. These investments may only be made in obligations of the United States which bear interest or in obligations which the United States guarantees as to both principal and interest. These obligations may be acquired either at original issue or in the market. In addition the Secretary may issue special obligations exclusively to the fund when the Secretary determines that the purchase of other obligations is not in the public interest. These special obligations shall bear interest at the average rate of all marketable interest bearing obligations then forming a part of the public debt.

The Secretary may sell or redeem obligations acquired by the fund. Moneys derived from sale or redemption shall be credited to and form a part of the fund.

SEC. 11. EXPENDITURES FROM THE FUND

This section provides for the Secretary of the Treasury to pay from the interest and earnings of the fund sums determined by the Board to be necessary and appropriate to carry out the purposes of the Act. The General Accounting Office is authorized to audit the activities of the Foundation. The GAO is given access to all books, accounts, records, etc., necessary to facilitate this responsibility.

SEC. 12. EXECUTIVE SECRETARY

This section requires the Board to appoint an Executive Secretary who shall function subject to the supervision and direction of the Board in carrying out the provisions of the act. The Executive Secretary shall be compensated at the rate of a GS-18 as set forth in 5 U.S.C. 5332.

SEC. 13. ADMINISTRATIVE PROVISIONS

This section permits the Foundation to employ personnel other than the Executive Secretary at rates of compensation not to exceed rates for employees in GS-15 as set forth in 5 U.S.C. 5332. The Foundation may also procure the services of experts and consultants as provided in 5 U.S.C. 3109 at rates of compensation not to exceed rates provided for employees at GS-18. The Foundation may also prescribe regulations, receive and dispose of property and money donated to the Foundation. The Foundation may also utilize the services of volunteers (5 U.S.C. 5703) and enter into contracts, grants, or other arrangements. With two-thirds concurrence the Board may enter into contracts without performance or other bonds as required by section 3709 of the Revised Statute as amended (41 U.S.C. 5). The Foundation may also make progress and other payments, rent office space in the District of Columbia as well as other expenditures. The Foundation is required to submit an annual report to the President and Congress.

SEC. 14. APPROPRIATIONS AUTHORIZED

This section authorizes an appropriation of \$30 million to the fund.

DISSENTING VIEWS OF HON. ROMANO L. MAZZOLI

Harry S Truman was a man of the people. He is best remembered for his programs designed to meet basic human needs.

Today, around the world, inflation rages and a global recession deepens. The world food shortage is of crisis proportions. Millions are hungry. Thousands starve.

It seems to me—and I am alone on my committee—that H.R. 17481 is not an appropriate way to memorialize Harry Truman.

As a matter of fact, I can think of no less appropriate way to give tribute and honor to our 33d President than to authorize the expenditure of thirty millions of tax dollars for another scholarship program.

If President Truman—a simple, direct, and earthy man—were still with us, he'd react to H.R. 17481 something like this:

“Now, dammit, you people know very well this isn't the time for such a bill.

“I appreciate the gesture, understand, but (expletive deleted) if we have any extra money lying around, let's spend it on those poor, hungry kids.

“That's the kind of tribute I'd prefer, anyway.”

I oppose the passage of this bill.

ROMANO L. MAZZOLI.

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(11)

HARRY S. TRUMAN MEMORIAL SCHOLARSHIP ACT

AUGUST 2, 1974.—Ordered to be printed

Mr. EAGLETON, from the Committee on Labor and Public Welfare,
submitted the following

REPORT

[To accompany S. 3548]

The Committee on Labor and Public Welfare, to which was referred the bill (S. 3548) to honor former President Harry S. Truman through the creation of a perpetual educational scholarship program to develop increased opportunities for young Americans to prepare and pursue careers in public service, having considered the same, reports favorably thereon with an amendment in the nature of a substitute and recommends that the bill as amended do pass.

SUMMARY AND BACKGROUND

In his thirty years of service to his country, Harry S. Truman, thirty-third President of the United States, held various elective offices at both local and national levels of government. In 1922, President Truman was elected one of the three judges of the Jackson County Court, and in that position had the chief responsibility for the expenditure of sixty million dollars in tax funds and bond issues. During the ten years President Truman served on the court, he built a lasting reputation for honesty and dedication in service to the people by whom he had been elected.

Mr. Truman was first elected to the United States Senate in 1934 and gained national recognition in his second term with his establishment and conduct of the Senate Special Committee to Investigate the National Defense Program. With Truman as chairman, the Committee's investigations and revelations of waste and extravagance in the World War II defense program ultimately resulted in tremendous savings for American taxpayers.

Elected to the office of the Vice Presidency in November, 1944, he served only 83 days in that office when, upon the death of President Roosevelt in April, 1945, he succeeded to the Presidency. His first year

as President was marked by the end of World War II. Faced in the postwar years with reconversion problems at home and increasing difficulties with Communist nations abroad, President Truman responded with programs to ease the transition of the American economy from war to peace and with the Marshall Plan which opened a new era of international policy. This, along with President Truman's role in the formation of NATO, and ratification of the United Nations charter led Prime Minister Churchill to say that Truman, more than any other man, had saved Western Civilization.

Elected to the Presidency in 1948, Mr. Truman announced his "Fair Deal" program for promoting the general welfare of the people of this country and the "Point Four" program for technical assistance to underdeveloped nations abroad.

During all of his years in public office, he met challenges with statesmanship, humanity, a sense of justice, and a vast reservoir of historical knowledge—attributes which have led many historians to rank President Truman as among our greatest Presidents.

Because he was a widely read student of American history and because he also believed in the value of education and encouraged young people to pursue knowledge, it is particularly appropriate to provide an educational memorial for President Truman as planned in S. 3548.

PURPOSE OF THE BILL

On July 18, 1974, the Education Subcommittee of the Committee on Labor and Public Welfare conducted hearings on S. 3548, at which time the following individuals appeared and testified:

Hon. Stuart Symington, United States Senator.

Hon. Thomas F. Eagleton, United States Senator.

Hon. John W. Snyder, former Secretary of the Treasury.

To commemorate the thirty years of extraordinary public service of Harry S. Truman, it is appropriate to establish a living memorial to provide educational benefits for young men and women to prepare for careers in public service at all levels of government. The Truman scholarship program envisioned by S. 3548 is intended to be the sole federally financed memorial to the late President Truman.

The Act provides for the funding and award of four year undergraduate scholarships each year to 51 young Americans, one in each of the 50 States and the District of Columbia. They are to be known as Truman Scholars.

The bill establishes the Harry S. Truman Scholarship Foundation as an independent establishment of the executive branch of government. A Board of Trustees, composed of 15 members appointed by the President by and with the advice and consent of the Senate, would supervise and direct the Foundation through an Executive Director. Appointees to the Board would include a Senator, a Representative, a Governor, a Mayor or county executive, a Federal or State judge, as well as a representative of the Truman family, and representatives of the general public.

The Foundation would supervise the scholarship program and under arrangements with the Governors of each State would make provisions for the selection of the scholarship winner annually on a statewide competitive basis. A Truman Scholar could attend the col-

lege or university of his or her choice provided it met with criteria established by the Foundation.

Qualifying institutions would also agree to provide a scholarship student with an opportunity to participate in a special program established by the Foundation under which Truman Scholars during one academic year would attend a college or consortium of colleges and universities in or near Washington, D.C. The Committee believes that this special program should be conducted during the junior year.

The trust fund established to finance the scholarship program, created in the Department of Treasury, would be invested in interest-bearing obligations of the United States or in obligations guaranteed by the United States.

It is anticipated that the income on the \$30 million appropriation would provide a return sufficient to support 204 working scholarships in a period of four years, and for administrative expenses of the Foundation. The amount of the scholarship is to be based on the cost to each student of tuition, fees, books, and room and board, but no individual grant could exceed an annual payment of more than \$5,000.

It is the opinion of the Committee that support for the Harry S. Truman Memorial Scholarship Act as a living memorial would be the most fitting tribute that can be paid to the former President. The Truman family heartily endorses the program as evidenced by the following letter from Margaret Truman Daniel to former Treasury Secretary John Snyder who has been one of the leaders of the movement in support of the scholarship memorial.

(The text of letter of Margaret Truman Daniel to John Snyder:)

DEAR MR. SNYDER: I am very honored by the invitation to testify in favor of the bill to create a national scholarship fund in memory of my father. I take this means of doing so, through you.

I do not want to urge anything on the Congress, the Senate or the American people on behalf of my family. They have already been more than generous to us. But it would be ungrateful and ungracious of me not to say how pleased mother and I are that my father's friends have of their own volition and out of affectionate regard for him, undertaken to establish a distinctive memorial to him.

No memorial could be more appropriate. Dad valued education most highly, and he would surely value education for public service more highly than any other kind. He believed in public service. He loved being a politician and was proud of it.

Nothing would have pleased him more than to see his friends in both parties joining together in a project bearing his name to enhance the standards of public service in the United States.

With sincere thanks and warm regards to you and all the sponsors of the scholarship bill.

Affectionately,

MARGARET TRUMAN DANIEL.

SECTION-BY-SECTION ANALYSIS

Section 2. Statement of Findings.

This section states that the purpose of the Act is to establish a memorial to honor former President Harry S. Truman through the creation of an educational scholarship program.

Section 3. Definitions.

This section contains general definitions for purposes of this Act.

Section 4. Establishment of the Harry S. Truman Scholarship Foundation.

This section establishes the Foundation, as an independent establishment of the executive branch, under the direction of a Board of Trustees.

Section 5. Scholarships Authorized.

This section authorizes the Foundation established pursuant to Section 4 to award 51 scholarships for undergraduate study to students planning to pursue a career in public service. The scholarship recipients are to be known as Truman scholars.

Section 6. Scholarship Requirements.

This section sets forth the requirements for an institution of higher education which must be met in order for a Truman scholar to attend, and the requirement that a Truman scholar agree to enter public service upon completion of his educational program.

Section 7. Selection of Truman Scholars.

This section establishes procedures for the competitive selection of a Truman Scholar from each state, and authorizes the Foundation to make such a selection if the state fails to do so.

Section 8. Stipends and Institutional Allowances.

This section establishes the maximum annual stipend which can be received by a Truman Scholar and makes clear that the amount of the stipend is to be related to the cost of the educational program at the institution which the Scholar attends.

Section 9. Scholarship Conditions.

This section sets forth scholarship conditions relating to academic performance and authorizes the Foundation to require such information and reports as it needs to make a determination relating to continued performance. It also prohibits scholars from studying at a school or department of divinity.

Section 10. Truman Memorial Scholarship Fund.

This section establishes the Truman Memorial Scholarship Fund within the U.S. Treasury to finance the scholarship program.

Section 11. Expenditures from the Fund.

This section authorizes the Secretary of the Treasury to pay to the Foundation such amounts as are necessary to carry out the purposes of the Act.

Section 12. Executive Secretary.

This section directs the Board of the Foundation to appoint an Executive Secretary to carry out the functions of the Foundation.

Section 13. Administrative Provisions.

This section places ceilings on salaries to be received by Foundation staff members and consultants, and authorizes expenditure of funds for administrative purposes.

Section 14. Appropriations Authorized.

This section authorizes an appropriation of \$30,000,000 to finance the scholarship program.

DEPARTMENTAL REPORTS

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Washington, D.C., July 18, 1974.

HON. HARRISON A. WILLIAMS, JR.,
Chairman, Committee on Labor and Public Welfare,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request of June 10, 1974, for a report on S. 3548, a bill "To establish the Harry S. Truman memorial scholarships, and for other purposes."

The bill states that because of the special interest of former President Truman in the American political and economic system, it is appropriate to honor him through the creation of a perpetual educational scholarship program to provide increased opportunities for young Americans to prepare for and pursue careers in public service.

In order to carry out the program, S. 3548 would create a Harry S. Truman Memorial Scholarship Trust Fund to which \$30 million would be authorized to be appropriated. The Secretary of Health, Education, and Welfare would be required to invest the amounts so appropriated, the proceeds of which would generate earnings to be awarded in the form of scholarships.

The Foundation would be authorized to award no more than 51 scholarships in any fiscal year beginning after June 30, 1973, for undergraduate study for persons who plan to pursue a career in public service. The scholarships awarded would consist of a stipend which shall not exceed the cost for tuition, fees, books, room and board or \$5,000, whichever is less.

A student awarded a scholarship under this Act could attend any institution of higher education, if that institution offers courses of study designed to prepare persons for a career in public service as determined pursuant to criteria established by the Foundation. Each student awarded a scholarship shall sign an agreement stating he has a serious intent to enter the public service upon the completion of the educational program.

The Foundation would be authorized to enter into arrangements with the chief executive of each State in order to conduct a Statewide competitive examination and to select each year the Truman scholar for that State.

We agree that it is fitting to have a memorial to former President Truman. Such action would be consistent with our support of memorials for former Presidents Eisenhower and Hoover.

As to whether the approach in this particular bill is the most appropriate means of establishing such a memorial, the Department defers to the judgment of the Congress. However, we would like to point out a number of our concerns relating to the provisions of S. 3548.

First, the amount authorized to be appropriated for the establishment of the Truman Scholarship Foundation may be more than is necessary to support the activities anticipated under the bill. The investment of the \$30,000,000 authorized would, at an annual return of

only 5 percent, yield \$1.5 million each year. Even after four years when the program would be supporting the maximum number of 204 students, only \$1,020,000 would be required to provide the maximum grant of \$5,000 per student authorized by the bill.

The bill would require a Truman scholar to devote his "full time" to study or research while receiving a grant, and such student could not engage in gainful employment other than employment approved by the Foundation. No criteria are provided to guide the Foundation in determining when a student should be allowed to engage in such employment. It would thus be possible for a student to arbitrarily be prevented from working even when such work might be necessary or useful and in the best interests of the student to support himself.

Although the bill does not anticipate that financial need will be a criterion in the selection of Truman scholars, it might be advisable to provide some means of adjusting the amount of the stipend to be received in accordance with his or her degree of financial need.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

FRANK C. CARLUCCI,
Acting Secretary.

ESTIMATED COST

In accordance with Section 252(a) of the Legislative Reorganization Act of 1970 (P.L. 91-510), the cost of this legislation will not exceed \$30,000,000.

TABULATION OF VOTES CAST IN COMMITTEE

Pursuant to section 133(b) of the Legislative Reorganization Act of 1946, as amended, the Committee voted unanimously to report the bill to the Senate.

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Ninety-third Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Monday, the twenty-first day of January,
one thousand nine hundred and seventy-four*

An Act

To establish the Harry S Truman memorial scholarships, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Harry S Truman Memorial Scholarship Act".

STATEMENT OF FINDINGS

SEC. 2. The Congress finds that—

because a high regard for the public trust and a lively exercise of political talents were outstanding characteristics of the thirty-third President of the United States;

because a special interest of the man from Independence in American history and a broad knowledge and understanding of the American political and economic system gained by study and experience in county and National Government culminated in the leadership of America remembered for the quality of his character, courage, and commonsense;

because of the desirability of encouraging young people to recognize and provide service in the highest and best traditions of the American political system at all levels of government, it is especially appropriate to honor former President Harry S Truman through the creation of a perpetual education scholarship program to develop increased opportunities for young Americans to prepare and pursue careers in public service.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "Board" means the Board of Trustees of the Harry S Truman Scholarship Foundation;

(2) "Foundation" means the Harry S Truman Scholarship Foundation;

(3) "fund" means the Harry S Truman Memorial Scholarship Fund;

(4) "institution of higher education" means any such institution as defined by section 1201(a) of the Higher Education Act of 1965;

(5) "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, and, considered as a single entity, Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands; and

(6) "Secretary" means the Secretary of the Treasury."

SEC. 4. The Harry S Truman Scholarship Program as authorized by this Act shall be the sole Federal memorial to President Harry S Truman.

ESTABLISHMENT OF THE HARRY S TRUMAN SCHOLARSHIP PROGRAM

SEC. 5. (a) There is established, as an independent establishment of the executive branch of the United States Government, the Harry S Truman Scholarship Foundation.

(b)(1) The Foundation shall be subject to the supervision and direction of a Board of Trustees. The Board shall be composed of thirteen members, as follows:

(A) two Members of the Senate, one from each political party, to be appointed by the President of the Senate;

(B) two Members of the House of Representatives, one from each political party, to be appointed by the Speaker;

(C) eight members, not more than four of whom shall be of the same political party, to be appointed by the President with the advice and consent of the Senate, of whom one shall be a chief executive officer of a State, one a chief executive officer of a city or county, one a member of a Federal court, one a member of a State court, one a person active in postsecondary education, and three representatives of the general public; and

(D) the Commissioner of Education or his designate, who shall serve ex officio as a member of the Board, but shall not be eligible to serve as Chairman.

(c) The term of office of each member of the Board shall be six years; except that (1) the members first taking office shall serve as designated by the President, four for terms of two years, five for terms of four years, and four for terms of six years, and (2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed, and shall be appointed in the same manner as the original appointment for that vacancy was made.

(d) Members of the Board shall serve without pay, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of their duties.

SCHOLARSHIPS

SEC. 6. (a) The Foundation is authorized to award scholarships to persons who demonstrate outstanding potential for and who plan to pursue a career in public service. Award recipients shall be known as Truman scholars.

(b) Scholarships under this Act shall be awarded for such periods as the Foundation may prescribe but not to exceed four academic years.

(c) A student awarded a scholarship under this Act may attend any institution of higher education offering courses of study, training, or other educational activities designed to prepare persons for a career in public service as determined pursuant to criteria established by the Foundation.

(d) Each student awarded a scholarship under this Act must have indicated a serious intent to enter the public service upon the completion of his or her educational program. Each institution of higher education at which such a student is in attendance will make reasonable continuing efforts to encourage such a student to enter the public service upon completing his or her educational program.

SELECTION OF TRUMAN SCHOLARS

SEC. 7. (a) The Foundation is authorized, either directly or by contract, to provide for the conduct of a nationwide competition for the purpose of selecting Truman scholars.

(b) The Foundation shall adopt selection procedures which shall assure that at least one Truman scholar shall be selected each year from each State in which there is at least one resident applicant who meets the minimum criteria established by the Foundation.

STIPENDS

SEC. 8. Each student awarded a scholarship under this Act shall receive a stipend which shall not exceed the cost to such student for tuition, fees, books, room and board, or \$5,000 whichever is less for each academic year of study.

SCHOLARSHIP CONDITIONS

SEC. 9. (a) A student awarded a scholarship under the provisions of this Act shall continue to receive the payments provided in this Act only during such periods as the Foundation finds that he or she is maintaining satisfactory proficiency and devoting full time to study or research designed to prepare him or her for a career in public service and is not otherwise engaging in gainful employment other than employment approved by the Foundation pursuant to regulation.

(b) The Foundation is authorized to require reports containing such information in such form and to be filed at such times as the Foundation determines to be necessary from any student awarded a scholarship under the provisions of this act. Such reports shall be accompanied by a certificate from an appropriate official at the institution of higher education, approved by the Foundation, stating that such student is making satisfactory progress in, and is devoting essentially full time to, study or research, except as otherwise provided in subsection (a).

TRUMAN MEMORIAL SCHOLARSHIP FUND

SEC. 10. (a) There is established in the Treasury of the United States a trust fund to be known as the Harry S Truman Memorial Scholarship Trust Fund. The fund shall consist of amounts appropriated to it by section 14 of this act.

(b) It shall be the duty of the Secretary to invest in full the amounts appropriated to the fund. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the market place. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt; except that where such average rate is not a multiple of one-eighth of 1 per centum, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 per centum next lower than such average rate. Such special obligations shall be issued only if the Secretary determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States or original issue or at the market price, is not in the public interest.

(c) Any obligation acquired by the fund (except special obligations issued exclusively to the fund) may be sold by the Secretary at the market price, and such special obligations may be redeemed at par plus accrued interest.

(d) The interest on, and the proceeds from the sale or redemption of, any obligations held in the fund shall be credited to and form a part of the fund.

EXPENDITURES FROM THE FUND

SEC. 11. (a) The Secretary is authorized to pay to the Foundation from the interest and earnings of the fund such sums as the Board determines are necessary and appropriate to enable the Foundation to carry out the purposes of the Act.

(b) The activities of the Foundation under this Act may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, and files and all other papers, things, or property belonging to or in use by the Foundation, pertaining to such activities and necessary to facilitate the audit.

EXECUTIVE SECRETARY

SEC. 12. (a) There shall be an Executive Secretary of the Foundation who shall be appointed by the Board. The Executive Secretary shall be the chief executive officer of the Foundation and shall carry out the functions of the Foundation subject to the supervision and direction of the Board. The Executive Secretary shall carry out such other functions consistent with the provisions of this Act as the Board shall delegate.

(b) The Executive Secretary of the Foundation shall be compensated at the rate specified for employees placed in grade 18 of the General Schedule set forth in section 5332 of title 5, United States Code.

ADMINISTRATIVE PROVISIONS

SEC. 13. (a) In order to carry out the provisions of this Act, the Foundation is authorized to—

(1) appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this Act, except that in no case shall employees other than the Executive Secretary be compensated at a rate to exceed the rate provided for employees in grade 15 of the General Schedule set forth in section 5332 of title 5, United States Code;

(2) procure temporary and intermittent services of experts and consultants as are necessary to the extent authorized by section 3109 of title 5, United States Code, but at rates not to exceed the rate specified at the time of such service for grade GS-18 in section 5332 of such title;

(3) prescribe such regulations as it deems necessary governing the manner in which its functions shall be carried out;

(4) receive money and other property donated, bequeathed, or devised, without condition or restriction other than it be used for the purposes of the Foundation; and to use, sell, or otherwise dispose of such property for the purpose of carrying out its functions;

(5) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(6) enter into contracts, grants, or other arrangements, or modifications thereof, to carry out the provisions of this Act, and such contracts or modifications thereof may, with the concurrence of two-thirds of the members of the Board, be entered into without performance or other bonds, and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5);

(7) make advances, progress, and other payments which the Board deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529);

(8) rent office space in the District of Columbia; and

(9) make other necessary expenditures.

S. 3548—5

(b) The Foundation shall submit to the President and to the Congress an annual report of its operations under this Act.

APPROPRIATIONS AUTHORIZED

SEC. 14. There are authorized to be appropriated \$30,000,000 to the fund.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

JANUARY 4, 1975

Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

I have signed two bills that honor former Presidents Herbert Hoover and Harry S Truman.

S. 1418, the Herbert Hoover Memorial Bill, authorizes the Secretary of the Treasury to make available \$7 million in matching grants to the Hoover Institution at Stanford University for the construction and equipping of a new memorial building. This memorial building will complete the Hoover Institution's library and research complex. The addition of this building will make the dream of Herbert Hoover in 1919, when the Institution was founded, a reality. With expanded facilities, the Institution will be strengthened as a national and international center for advanced research on the problems of the 20th Century. It will make available to scholars and students from each of our states and every country in the world the research facilities essential to academic scholarship.

S. 3548, the Harry S Truman Memorial Scholarship Act, establishes a \$30 million fund in the United States Treasury. These proceeds will be used by the Truman Foundation to provide four-year college scholarships on a competitive basis to outstanding students interested in public service careers. There is no fixed number of scholarships, but at least one must be awarded in each state where there is a qualified applicant.

The Herbert Hoover Memorial Bill and the Harry S Truman Memorial Scholarship Act create living memorials to two Presidents and honor their many years of extraordinary and selfless public service. I am privileged to sign the Hoover and Truman Memorial legislation.

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December 24, 1974

Dear Mr. Director:

The following bills were received at the White House on December 24th:

S.J. Res. 40 ✓	S. 3481 ✓	H.R. 8958 ✓	H.R. 14600 ✓
S.J. Res. 133 ✓	S. 3548 ✓	H.R. 8981 ✓	H.R. 14689 ✓
S.J. Res. 262 ✓	S. 3934 ✓	H.R. 9182 ✓	H.R. 14718 ✓
S. 251 ✓	S. 3943 ✓	H.R. 9199 ✓	H.R. 15173 ✓
S. 356 ✓	S. 3976 ✓	H.R. 9588 ✓	H.R. 15223 ✓
S. 521 ✓	S. 4073 ✓	H.R. 9654 ✓	H.R. 15229 ✓
S. 544 ✓	S. 4206 ✓	H.R. 10212 ✓	H.R. 15322 ✓
S. 663 ✓	H.J. Res. 1178 ✓	H.R. 10701 ✓	H.R. 15977 ✓
S. 754 ✓	H.J. Res. 1180 ✓	H.R. 10710 ✓	H.R. 16045 ✓
S. 1017 ✓	H.R. 421 ✓	H.R. 10827 ✓	H.R. 16215 ✓
S. 1083 ✓	H.R. 1715 ✓	H.R. 11144 ✓	H.R. 16596 ✓
S. 1296 ✓	H.R. 1820 ✓	H.R. 11273 ✓	H.R. 16925 ✓
S. 1418 ✓	H.R. 2208 ✓	H.R. 11796 ✓	H.R. 17010 ✓
S. 2149 ✓	H.R. 2933 ✓	H.R. 11802 ✓	H.R. 17045 ✓
S. 2446 ✓	H.R. 3203 ✓	H.R. 11847 ✓	H.R. 17085 ✓
S. 2807 ✓	H.R. 3339 ✓	H.R. 11897 ✓	H.R. 17468 ✓
S. 2854 ✓	H.R. 5264 ✓	H.R. 12044 ✓	H.R. 17558 ✓
S. 2888 ✓	H.R. 5463 ✓	H.R. 12113 ✓	H.R. 17597 ✓
S. 2994 ✓	H.R. 5773 ✓	H.R. 12427 ✓	H.R. 17628 ✓
S. 3022 ✓	H.R. 7599 ✓	H.R. 12884 ✓	H.R. 17655 ✓
S. 3289 ✓	H.R. 7684 ✓	H.R. 13022 ✓	
S. 3358 ✓	H.R. 7767 ✓	H.R. 13296 ✓	
S. 3359 ✓	H.R. 8214 ✓	H.R. 13869 ✓	
S. 3394 ✓	H.R. 8322 ✓	H.R. 14449 ✓	
S. 3433 ✓	H.R. 8591 ✓	H.R. 14461 ✓	

Please let the President have reports and recommendations as to the approval of these bills as soon as possible.

Sincerely,

Robert D. Linder
Chief Executive Clerk

The Honorable Roy L. Ash
Director
Office of Management and Budget
Washington, D. C.