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APPROVED
SEP 21 1976

89/21/76

THE WHITE HOUSE
WASHINGTON
September 20, 1976

ACTION

Last Day: September 24

Posted
9/22/76
Archives
9/22/76

MEMORANDUM FOR THE PRESIDENT
FROM: JIM CANNON *J. Cannon*
SUBJECT: S. 3669 - Interest Adjustment on National
Gallery of Art loan fund

Attached for your consideration is S. 3669, sponsored by
Senator Pell.

The enrolled bill would permit adjustment of the interest
rate paid on funds deposited by the Board of Trustees of
the National Gallery of Art with the Treasury.

A detailed discussion of the provisions of the enrolled
bill is provided in OMB's enrolled bill report at Tab A.

OMB, Max Friedersdorf, Counsel's Office (Kilberg) and I
recommend approval of the enrolled bill.

RECOMMENDATION

That you sign S. 3669 at Tab B.





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

SEP 16 1976

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill S. 3669 - Interest adjustment on
National Gallery of Art loan fund
Sponsor - Sen. Pell (D) Rhode Island

Last Day for Action

September 24, 1976 - Friday

Purpose

Permits adjustment of the interest rate paid on funds deposited by the Board of Trustees of the National Gallery of Art with the Treasury.

Agency Recommendations

Office of Management and Budget	Approval
Department of the Treasury	Approval
National Gallery of Art	Approval

Discussion

A \$5,000,000 fund was given to the National Gallery of Art in 1942 by the Mellon Trust to be administered by the Board of Trustees of the Gallery, with the income to be used to pay the salaries of certain of the Gallery's executive officers and for other stated purposes. In accordance with the wishes of the donor, legislation was passed by Congress in 1943 which deposited the fund with the Treasury as a permanent loan to the United States, with interest payable to the Board at a rate of not less than 4 percent per annum.

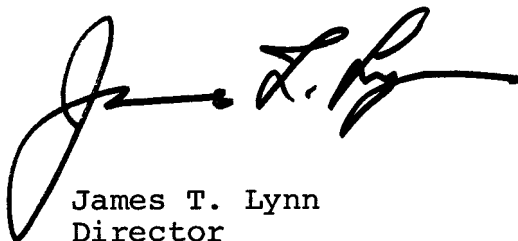
Since the Mellon funds were deposited with the Treasury, the return rate on securities has greatly increased. At the same time, increasing costs have made it difficult -- with income

generated at the 4 percent rate -- to accomplish the purposes for which this trust fund was originally established.

S. 3669 would change the interest rate on the loan fund to the greater of (1) a 4 percent annual rate or (2) a market-yield interest rate determined by the Secretary of the Treasury, based on long-term marketable obligations of the United States adjusted to the nearest 1/8 of a percent, -- less 0.25 percentage points as consideration for the guarantee of a 4 percent minimum. In its attached views letter, Treasury states that the "interest rate for the Gallery's permanent loan fund would have been 7 3/4% in July 1976" under the formula in this bill.

The market-yield basis for computing interest rates is used for a number of trust and other funds invested by the Treasury. The formula for the Gallery's loan fund in S. 3669 is identical to that recently enacted for the permanent loan fund of the Library of Congress in P.L. 94-289, which you approved on May 22, 1976.

Secretary Simon supported this legislation in letters to the House and Senate Committees. In his attached views letter, the Director of the National Gallery urges approval of the enrolled bill.

A handwritten signature in black ink, appearing to read "James T. Lynn". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

James T. Lynn
Director

Enclosures

National Gallery of Art

Washington, D.C. 20565

Office of the Director

September 13, 1976

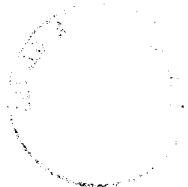
Dear Mr. Lynn:

In response to your Enrolled Bill memorandum on S.3669, "An Act to provide for adjusting the amount of interest paid on funds deposited with the Treasury of the United States as a permanent loan by the Board of Trustees of the National Gallery of Art," I wish to go on record as strongly urging that the President sign this bill into law.

S.3669 has one single purpose: authorizing and directing the Treasury to pay to the Trustees of the National Gallery of Art on the latter's \$5,000,000 Permanent Loan to the Treasury a rate of interest that comports with current economic realities. The original loan accepted by the Congress (20 U.S.C. 74a, approved April 10, 1943) called for a flat rate of 4%, barely half of what the Treasury for many years past has paid for long term money. The rate formula in the bill before the President calls for a rate of .25% less than "the current average market yield on outstanding long-term marketable obligations of the United States, adjusted to the nearest one-eighth of 1 per centum," or 4%, whichever is higher. The quarter-point discount is imposed as a consideration for retention of the 4% minimum or floor which is most unlikely to be invoked in the foreseeable future.

The Congress enacted S.3669 unanimously on the request of the President of the Board of Trustees of the National Gallery of Art made pursuant to the direction of the Board. It was strongly endorsed by the Secretary of the Treasury and cleared with your office.

The formula for computation of interest is identical to that for a similar permanent loan by the Trustees of the Library of Congress to the Treasury approved by



the President on May 22, 1976 (P.L. 94-289). Simple equity dictates that the National Gallery receive equivalent interest on its Permanent Loan.

The budgetary impact is estimated at between \$100,000 and \$200,000 per annum on the permanent appropriation to the Treasury for payment of interest on the Public Debt.

The Trustees of the National Gallery meet in the last week of September and their next regular meeting thereafter is in January. To facilitate their financial planning during Fiscal Year 1977, it would be most helpful if the President could act favorably on S.3669 by September 27, 1976.

Respectfully submitted,



J. Carter Brown
Director

The Honorable
James T. Lynn
Director
Office of Management and Budget
Washington, D.C. 20503

cc: Secretary of the Treasury



THE DEPUTY SECRETARY OF THE TREASURY

WASHINGTON, D.C. 20220

SEP 14 1976

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

Attention: Assistant Director for Legislative
Reference

Sir:

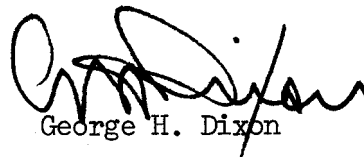
This report is in response to your request for the views of the Department of the Treasury on the enrolled enactment of S. 3669, "To provide for adjusting the amount of interest paid on funds deposited with the Treasury of the United States as a permanent loan by the Board of Trustees of the National Gallery of Art."

The enrolled enactment would change the interest rate on the National Gallery of Art's permanent loan fund of \$5 million, deposited with the United States Treasury by the Board of Trustees, from a statutory rate of 4 percent per annum to a market-yield interest rate based on long-term marketable obligations of the United States, reduced by 25 basis points as consideration for a guarantee of a 4 percent minimum. Interest on the loan fund is paid from a permanent appropriation available to the Treasury.

The market-yield basis for computing interest rates is in effect for a number of trust and other fund accounts invested by the Treasury, and provides interest yields that reflect the current levels of interest rates in the financial markets. For example, under the formula in the enrolled enactment the computed interest rate for the Gallery's permanent loan fund would have been 7-3/4 percent in July 1976. Similar authority was enacted for the Library of Congress permanent loan fund as Public Law 94-289.

The Department believes the fund should have the advantage of this increased return and therefore recommends that the enrolled enactment be approved by the President.

Sincerely yours,


George H. Dixon



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

SEP 16 1976

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill S. 3669 - Interest adjustment on
National Gallery of Art loan fund
Sponsor - Sen. Pell (D) Rhode Island

Last Day for Action

September 24, 1976 - Friday

Purpose

Permits adjustment of the interest rate paid on funds deposited by the Board of Trustees of the National Gallery of Art with the Treasury.


Agency Recommendations

Office of Management and Budget	Approval
Department of the Treasury	Approval
National Gallery of Art	Approval

Discussion

A \$5,000,000 fund was given to the National Gallery of Art in 1942 by the Mellon Trust to be administered by the Board of Trustees of the Gallery, with the income to be used to pay the salaries of certain of the Gallery's executive officers and for other stated purposes. In accordance with the wishes of the donor, legislation was passed by Congress in 1943 which deposited the fund with the Treasury as a permanent loan to the United States, with interest payable to the Board at a rate of not less than 4 percent per annum.

Since the Mellon funds were deposited with the Treasury, the return rate on securities has greatly increased. At the same time, increasing costs have made it difficult -- with income

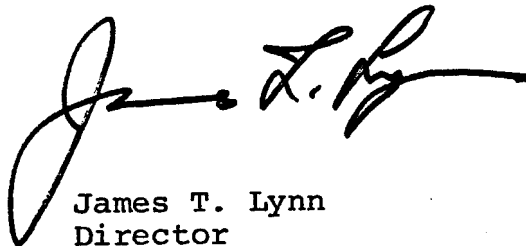
To: J. Johnston
9-17-76
4:45 p.m.


generated at the 4 percent rate -- to accomplish the purposes for which this trust fund was originally established.

S. 3669 would change the interest rate on the loan fund to the greater of (1) a 4 percent annual rate or (2) a market-yield interest rate determined by the Secretary of the Treasury, based on long-term marketable obligations of the United States adjusted to the nearest 1/8 of a percent, -- less 0.25 percentage points as consideration for the guarantee of a 4 percent minimum. In its attached views letter, Treasury states that the "interest rate for the Gallery's permanent loan fund would have been 7 3/4% in July 1976" under the formula in this bill.

The market-yield basis for computing interest rates is used for a number of trust and other funds invested by the Treasury. The formula for the Gallery's loan fund in S. 3669 is identical to that recently enacted for the permanent loan fund of the Library of Congress in P.L. 94-289, which you approved on May 22, 1976.

Secretary Simon supported this legislation in letters to the House and Senate Committees. In his attached views letter, the Director of the National Gallery urges approval of the enrolled bill.

A handwritten signature in black ink, appearing to read "James T. Lynn". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

James T. Lynn
Director

Enclosures

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG. NO.:

Date: September 17

Time: 500pm

FOR ACTION:

Sarah Massengale
Max Friedersdorf *etc* (for information):
Bobbie Kilberg

Jack Marsh
Jim Connor
Ed Schmults

FROM THE STAFF SECRETARY

DUE: Date: September 20

Time: 200pm

SUBJECT:

H. 3669-Interest adjustment on National Gallery
Of Art loan fund

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, groundffloor 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

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: September 17

Time: 500pm

FOR ACTION: Sarah Massengale
 Max Friedersdorf ~~cc (for information):~~ Jack Marsh
 Bobbie Kilberg Jim Connor
 Ed Schmults

FROM THE STAFF SECRETARY

DUE: Date: September 20

Time: 200pm

SUBJECT:

S. 3669-Interest adjustment on National Gallery
Of Art loan fund

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

*approved
Kilberg 9/20/76*



PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please

James M. Cannon
For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: September 17

Time:

500pm

FOR ACTION: Sarah Massengale
 Max Friedersdorf cc (for information): Jack Marsh
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FROM THE STAFF SECRETARY

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SUBJECT:

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Of Art loan fund

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

*Approval -
SM*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please

James M. Cannon
For the President

THE WHITE HOUSE

WASHINGTON

September 20, 1976

MEMORANDUM FOR:

JIM CAVANAUGH

FROM:

MAX L. FRIEDERSDORF *M. L. F.*

SUBJECT:

S.3669 - Interest adjustment on National
Gallery of Art loan fund

The Office of Legislative Affairs concurs with the agencies
that the subject bill be signed.

Attachments

INTEREST ON FUNDS DEPOSITED WITH THE TREASURY OF THE UNITED STATES UNDER THE ACT OF APRIL 10, 1943 (PERMANENT LOAN BY THE BOARD OF TRUSTEES OF THE NATIONAL GALLERY OF ART)

AUGUST 9, 1976.—Ordered to be printed

Mr. CANNON, from the Committee on Rules and Administration, submitted the following

REPORT

[To accompany S. 3669]

The Committee on Rules and Administration, to which was referred the bill (S. 3669) to provide for adjusting the amount of interest paid on funds deposited with the Treasury of the United States as a permanent loan by the Board of Trustees of the National Gallery of Art, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

S. 3669 would provide for adjusting the amount of interest paid on funds deposited with the Treasury of the United States as a permanent loan by the Board of Trustees of the National Gallery of Art under the Act of April 10, 1943.

HISTORY

The fund, totaling \$5,000,000 in cash, was created and given to the Gallery on December 1, 1942, by the Trustees of the A. W. Mellon Educational and Charitable Trust, to be administered by the Board of Trustees of the Gallery, with the income to be used to pay the salaries of certain of the Gallery's executive officers and for other stated Gallery purposes. It was the donor's wish that, if practicable, in order to assure sufficient income to meet these needs, the funds be deposited with the Treasury on a permanent loan to the United States with the United States to pay interest at the rate of not less than 4 percent per annum.

PURPOSE

Since the Mellon funds were deposited with the Treasury, the return rate on securities has greatly increased, averaging around 8 percent in 1974. The new rate authorized would be pegged to the current

average yield of the outstanding marketable securities of the U.S. government, less 25 basis points with the minimum rate of return set at 4 percent.

COST OF S. 3669

No cost is directly attributable to this legislation.

REPORTS AND CLEARANCES

A letter to the Honorable Claiborne Pell, Chairman of the Subcommittee on the Smithsonian Institution of the Senate Committee on Rules and Administration, requesting introduction of the bill, from Paul Mellon, President of the Board of Trustees of the National Gallery of Art, is as follows:

NATIONAL GALLERY OF ART,
Washington, D.C., June 30, 1976.

HON. CLAIBORNE PELL,
Chairman, Subcommittee on the Smithsonian Institution, Senate
Committee on Rules and Administration, Russell Building, Wash-
ington, D.C.

DEAR SENATOR PELL: In behalf of the Board of Trustees of the National Gallery of Art, I am writing to enlist your support in a matter relating to the Gallery's endowment fund, which is presently deposited in the Treasury on permanent loan to the United States at an interest rate of 4 percent per annum.

The fund, totaling \$5,000,000 in cash, was created and given to the Gallery on December 1, 1942, by the Trustees of the A. W. Mellon Educational and Charitable Trust, to be administered by the Board of Trustees of the Gallery, with the income to be used to pay the salaries of certain of the Gallery's executive officers and for other stated Gallery purposes. It was the donor's wish that, if practicable, in order to assure sufficient income to meet these needs, the fund be deposited with the Treasury as a permanent loan to the United States with the United States to pay interest at a rate of not less than 4 percent per annum.

At that time, the Library of Congress Trust Fund Board had the authority to deposit up to \$5,000,000 with the Treasury under a similar arrangement at a 4 percent per annum interest rate, and the Smithsonian Regents had \$1,000,000, including the original bequest of James Smithson, on loan to the Treasury at the rate of 6 percent per annum. Both loans were specifically authorized by statute. These precedents provided the basis for the donor's hope that similar treatment be accorded to the Gallery's endowment fund.

That wish became law on April 10, 1943 with the enactment of P.L. 32, which authorized and directed the Secretary of the Treasury "to receive into the Treasury from time to time as a permanent loan by the Board of Trustees of the National Gallery of Art to the United States sums in cash of not to exceed \$5,000,000 in the aggregate, and to pay interest on the principal amount of such loan at the rate of 4 per centum per annum, payable semiannually." The Act went on to appropriate such interest permanently "for payment to the Board of Trustees of the National Gallery of Art." (57 Stat. 62, 20 U.S.C. § 74a.)

On May 22, 1976, the rate of interest on the Library of Congress Trust Fund (authorized amount was increased to \$10,000,000 in 1962) on loan to the United States was modified by the enactment of P.L. 94-289, which substituted for the 4 percent "a rate which is the higher of the rate of 4 per centum per annum or a rate which is 0.25 percentage points less than a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding long-term marketable obligations of the United States, adjusted to the nearest one-eighth of 1 per centum." This legislation was sought by the Library of Congress because of the substantial increase in interest rates since the 1925 Library of Congress Trust Fund Board Act, when interest of 4 percent was a premium rate, and in costs of providing the services for which the income from the Library's endowment fund is to be used.

This same reasoning is applicable to the endowment fund of the National Gallery of Art. Accordingly, the Gallery Board of Trustees, at its meeting on January 29, 1976, upon learning that the legislation relating to the Library of Congress Trust Fund was pending, directed that, upon enactment into law of that legislation, comparably beneficial legislation be sought for the National Gallery of Art with respect to its \$5,000,000 loan to the United States. Officers of the Gallery have discussed this matter with the Fiscal Assistant Secretary of the Treasury, and he informed them that the Secretary has indicated his full support of such legislation.

I am, therefore, forwarding for your consideration the enclosed draft legislation, which is in all material respects identical to P.L. 94-289, in the hope that you will introduce and sponsor it on behalf of the National Gallery of Art.

Sincerely,

PAUL MELLON, *President.*

A supporting letter from the Honorable William E. Simon, Secretary of the Treasury, to Senator Pell, follows:

THE SECRETARY OF THE TREASURY,
Washington, July 23, 1976.

HON. CLAIBORNE PELL,
Chairman, Subcommittee on the Smithsonian Institution, Committee
on Rules and Administration, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I would like to take this opportunity to indicate my support of proposed legislation recently submitted to your Committee by the Board of Trustees of the National Gallery of Art, of which I am a member.

The proposed legislation would change the interest rate of the Gallery's permanent loan fund of \$5 million, deposited with the United States Treasury, from the present statutory rate of 4% per annum to a market-yield interest rate based on long-term marketable obligations of the Treasury—less 25 basis points as consideration for a guarantee of the 4% minimum. The market-yield basis for computing interest rates is used for a number of trust and other funds invested by the Treasury, and provides interest yields that reflect current conditions in the financial markets. As you know, the Depart-

ment supported recent legislation, Pub. L. 94-289, providing for interest computations on this basis for the Library of Congress permanent loan fund. The formula in the National Gallery's proposed legislation is identical.

I urge favorable consideration of the bill by the Congress as soon as possible.

Sincerely yours,

WILLIAM E. SIMON.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, S. 3669, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, and new matter is shown in *italic*):

Section 74a of Title 20, United States Code

(Approved April 10, 1943: 57 Stat. 62)

§ 74a. Permanent loan of funds by Board of Trustees to Treasury; semi-annual interest payments to Board

The Secretary of the Treasury is authorized and directed to receive into the Treasury from time to time as a permanent loan by the Board of Trustees of the National Gallery of Art to the United States sums in cash of not to exceed \$5,000,000 in the aggregate, and to pay interest on the principal amount of such loan at [the rate of 4 per centum per annum,] *a rate which is the higher of the rate of 4 per centum per annum or a rate which is 0.25 percentage points less than a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding long-term marketable obligations of the United States, adjusted to the nearest one-eighth of 1 per centum, payable semiannually.* Such interest is permanently appropriated for payment to the Board of Trustees of the National Gallery of Art.

○

PROVIDING FOR ADJUSTING THE AMOUNT OF INTEREST PAID ON FUNDS DEPOSITED WITH THE TREASURY OF THE UNITED STATES AS A PERMANENT LOAN BY THE BOARD OF TRUSTEES OF THE NATIONAL GALLERY OF ART

August 9, 1976.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. NEDZI, from the Committee on House Administration, submitted the following

REPORT

[To accompany H.R. 14803]

The Committee on House Administration, to whom was referred the bill (H.R. 14803) having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

COMPLIANCE WITH CLAUSE 2(1) OF RULE XI OF THE RULES

(1) With reference to clause 2(1)(3)(A) of rule XI of the Rules of the House of Representatives, separate hearings were held on the subject matter of this legislation by the Subcommittee on Library and Memorials, and the Committee on House Administration which resulted in the reported bill.

(2) With reference to clause 2(1)(3)(C) of rule XI of the Rules of the House of Representatives, the Committee on House Administration has not received an estimated and comparison prepared by the Director of the Congressional Budget Office under section 403 of the Congressional Budget Act.

(3) With reference to clause 2(1)(3)(D) of rule XI of the Rules of the House of Representatives, the committee has not received a report from the Committee on Government Operations pertaining to this subject matter.

(4) With reference to clause 2(1)(4) of rule XI of the Rules of the House of Representatives, the following information is provided:

Since the purpose of this legislation is to increase the rate of interest being paid by the Treasury on certain trust funds of the National

Gallery of Art, the enactment of H.R. 14803 is not expected to have any inflationary impact with respect to prices and goods.

On August 4, 1976, a quorum being present, the committee, by voice vote, adopted a motion to report H.R. 14803.

HISTORY

On December 1, 1942, the Trustees of the A. W. Mellon Educational and Charitable Trust created a \$5 million fund, to serve as an endowment for the National Gallery of Art. The income from this fund has been used by the Trustees of the National Gallery to pay the salaries of certain of the Gallery's executive officers and for other stated Gallery purposes. At the time of the gift, the funds were deposited as a permanent loan with the United States Treasury, with interest being paid at the rate of 4 percent per annum. Due to inflationary pressures and because 4 percent is no longer a competitive rate of return, the Gallery Trustees have requested that the Congress authorize the Secretary of the Treasury to readjust the rate of return being paid on the trust funds,

PURPOSE

Since the Gallery deposited the Mellon funds with the Treasury, the rate of return on securities has greatly increased and in 1974 averaged around 8 percent. The new rate authorized by this legislation would be pegged to the current averaged yield of the outstanding marketable securities of the U.S. Government, less 25 basis points. A minimum rate of return would be set at 4 percent.

COSTS OF H.R. 14803

There is no cost directly attributable to this legislation.

REPORTS AND CLEARANCES

A report in further clarification of H.R. 14803, addressed to the Honorable Frank Thompson, Jr., Chairman of the Committee on House Administration, by the Honorable William E. Simon, Secretary of the Treasury, follows:

THE SECRETARY OF THE TREASURY,
Washington, July 28, 1976.

HON. FRANK THOMPSON, JR.,
Chairman, Committee on House Administration, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I would like to take this opportunity to indicate my support of proposed legislation recently submitted to your Committee by the Board of Trustees of the National Gallery of Art, of which I am a member.

The proposed legislation would change the interest rate on the Gallery's permanent loan fund of \$5 million, deposited with the United States Treasury, from the present statutory rate of 4 percent per

annum to a market-yield interest rate based on long-term marketable obligations of the Treasury—less 25 basis points as consideration for a guarantee of the 4 percent minimum. The market-yield basis of computing interest rates is used for a number of trust and other funds invested by the Treasury, and provides interest yields that reflect current conditions in the financial markets. As you know, the Department supported recent legislation, Pub. L. 94-289, providing for interest computations on this basis for the Library of Congress permanent loan fund. The formula in the National Gallery's proposed legislation is identical.

I urge favorable consideration of the bill by the Congress as soon as possible.

Sincerely yours,

WILLIAM E. SIMON.

S. 3669

Ninety-fourth Congress of the United States of America

AT THE SECOND SESSION

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

An Act

To provide for adjusting the amount of interest paid on funds deposited with the Treasury of the United States as a permanent loan by the Board of Trustees of the National Gallery of Art.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to authorize the acceptance of a permanent loan to the United States by the Board of Trustees of the National Gallery of Art, and for other purposes", approved April 10, 1943 (20 U.S.C. 74a), is amended by striking out "the rate of 4 per centum per annum," and inserting in lieu thereof "a rate which is the higher of the rate of 4 per centum per annum or a rate which is .25 percentage points less than a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding long-term marketable obligations of the United States, adjusted to the nearest one-eighth of 1 per centum,".

Speaker of the House of Representatives.

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