

§ 304. Investment of proceeds of sale of land or scrip

All moneys derived from the sale of lands as provided in section 302 of this title by the States to which lands are apportioned and from the sales of land scrip provided for in said section shall be invested in bonds of the United States or of the States or some other safe bonds; or the same may be invested by the States having no State bonds, in any manner after the legislatures of such States shall have assented thereto and engaged that such funds shall yield a fair and reasonable rate of return, to be fixed by the State legislatures, and that the principal thereof shall forever remain unimpaired: *Provided*, That the moneys so invested or loaned shall constitute a perpetual fund, the capital of which shall remain forever undiminished (except so far as may be provided in section 305 of this title), and the interest of which shall be inviolably appropriated, by each State which may take and claim the benefit of this subchapter, to the endowment, support, and maintenance of at least one college where the leading object shall be, without excluding other scientific and classical studies and including military tactics, to teach such branches of learning as are related to agriculture and the mechanic arts, in such manner as the legislatures of the States may respectively prescribe, in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions in life.

(July 2, 1862, ch. 130, § 4, 12 Stat. 504; Mar. 3, 1883, ch. 102, 22 Stat. 484; Apr. 13, 1926, ch. 130, 44 Stat. 247.)

AMENDMENTS

1926—Act Apr. 13, 1926, substituted “bonds” for “stocks” and “a fair and reasonable rate of return, to be fixed by the State Legislatures” for “not less than 5 per centum upon the amount so invested”, before proviso.

1883—Act Mar. 3, 1883, inserted “or the same may be invested by the States having no State stocks, in any other manner after the legislatures of such States shall have assented thereto, and engaged that such funds shall” after “other safe stocks” and substituted “yield” for “yielding”, “principal” for “capital” and “unimpaired” for “undiminished”.

§ 305. Conditions of grant

The grant of land and land scrip hereby authorized shall be made on the following conditions, to which, as well as to the provisions contained in said sections, the previous assent of the several States shall be signified by legislative acts:

First. If any portion of the fund invested, as provided by section 304 of this title, or any portion of the interest thereon, shall, by any action or contingency, be diminished or lost, it shall be replaced by the State to which it belongs, so that the capital of the fund shall remain forever undiminished; and the annual interest shall be regularly applied without diminution to the purposes mentioned in section 304 of this title, except that a sum, not exceeding 10 per centum upon the amount received by any State under the provisions of this subchapter, may be expended for the purchase of lands for sites or experimental farms, whenever authorized by the respective legislatures of said States.

Second. No portion of said fund, nor the interest thereon, shall be applied, directly or indirectly, under any pretense whatever, to the purchase, erection, preservation, or repair of any building or buildings.

Third. Any State which may take and claim the benefit of the provisions of this subchapter shall provide, within five years from the time of its acceptance as provided in subdivision seven of this section, at least not less than one college, as described in section 304 of this title, or the grant to such State shall cease; and said State shall be bound to pay the United States the amount received of any lands previously sold, and the title to purchasers under the State shall be valid.

Fourth. An annual report shall be made regarding the progress of each college, recording any improvements and experiments made, with their cost and results, and such other matters, including State industrial and economical statistics, as may be supposed useful; one copy of which shall be transmitted by mail, by each, to all the other colleges which may be endowed under the provisions of this subchapter, and also one copy to the Secretary of the Interior.

Fifth. When lands shall be selected from those which have been raised to double the minimum price, in consequence of railroad grants, they shall be computed to the States at the maximum price, and the number of acres proportionally diminished.

Sixth. No State while in a condition of rebellion or insurrection against the Government of the United States shall be entitled to the benefit of the provisions of this subchapter.

Seventh. No State shall be entitled to the benefits of the provisions of this subchapter unless it shall express its acceptance thereof by its legislature within three years from July 23, 1866: *Provided*, That when any Territory shall become a State and be admitted into the Union, such new State shall be entitled to the benefits of the provisions of said sections, by expressing the acceptance therein required within three years from the date of its admission into the Union, and providing the college or colleges within five years after such acceptance, as heretofore prescribed in this chapter.

(July 2, 1862, ch. 130, § 5, 12 Stat. 504; July 23, 1866, ch. 209, 14 Stat. 208; Mar. 3, 1873, ch. 231, § 3, 17 Stat. 559.)

REPEALS

Subd. fourth was repealed in part by act March 3, 1873, which provided in part: “That all laws and parts of laws permitting the transmission by mail of any free matter whatever be, and the same are hereby, repealed from and after June thirtieth, eighteen hundred and seventy-three.”

Subd. seventh formerly contained a proviso which read as follows: “*Provided further*, That any State which has prior to July 23, 1866, expressed its acceptance of the foregoing provisions of this chapter shall have the period of five years within which to provide at least one college, as described in the fourth section of said act, after the time for providing said college, according to the act of July second, eighteen hundred and sixty-two shall have expired.”

§ 306. Repealed. Dec. 16, 1930, ch. 14, § 1, 46 Stat. 1028

Section, act July 2, 1862, ch. 130, § 6, 12 Stat. 505, related to time of location of land scrip.

§ 307. Fees for locating land scrip

The land officers shall receive the same fees for locating land scrip issued under the provisions of this subchapter as was on July 2, 1862, allowed for the location of military bounty land warrants under laws existing at that time: *Provided*, That their maximum compensation shall not be thereby increased.

(July 2, 1862, ch. 130, § 7, 12 Stat. 505.)

§ 308. Reports by State governors of sale of scrip

The governors of the several States to which scrip shall be issued under the provisions of this subchapter shall be required to report annually to Congress all sales made of such scrip until the whole shall be disposed of, the amount received for the same, and what appropriation has been made of the proceeds.

(July 2, 1862, ch. 130, § 8, 12 Stat. 505.)

§ 309. Land grants in the State of North Dakota**(a) Expenses**

Notwithstanding section 303 of this title, the State of North Dakota shall manage the land granted to the State under section 301 of this title, including any proceeds from the land, in accordance with this section.

(b) Disposition of proceeds

Notwithstanding section 304 of this title, the State of North Dakota shall, with respect to any trust fund in which proceeds from the sale of land under this subchapter are deposited (referred to in this section as the “trust fund”)—

- (1) deposit all revenues earned by a trust fund into the trust fund;
- (2) deduct the costs of administering a trust fund from each trust fund; and
- (3) manage each trust fund to—
 - (A) preserve the purchasing power of the trust fund; and
 - (B) maintain stable distributions to trust fund beneficiaries.

(c) Distributions

Notwithstanding section 304 of this title, any distributions from trust funds in the State of North Dakota shall be made in accordance with section 2 of article IX of the Constitution of the State of North Dakota.

(d) Management

Notwithstanding section 305 of this title, the State of North Dakota shall manage the land granted under section 301 of this title, including any proceeds from the land, in accordance with this section.

(July 2, 1862, ch. 130, § 9, as added Pub. L. 111–11, title XIII, § 13001(b), Mar. 30, 2009, 123 Stat. 1446.)

SUBCHAPTER II—COLLEGE-AID ANNUAL
APPROPRIATION

§ 321. Secretary of Agriculture to administer annual college-aid appropriation

The Secretary of Agriculture is charged with the proper administration of this subchapter.

(Aug. 30, 1890, ch. 841, § 4, 26 Stat. 419; 1939 Reorg. Plan No. 1, §§ 201, 204, eff. July 1, 1939, 4 F.R. 2728,

53 Stat. 1424; 1953 Reorg. Plan No. 1, §§ 5, 8, eff. Apr. 11, 1953, 18 F.R. 2053, 67 Stat. 631; Pub. L. 96–88, title III, § 301(a)(2)(E), Oct. 17, 1979, 93 Stat. 677; Pub. L. 97–98, title XIV, § 1419, Dec. 22, 1981, 95 Stat. 1306.)

CODIFICATION

Section constitutes part of section 4 of act Aug. 30, 1890. Remainder of section 4 is classified to section 326 of this title.

SHORT TITLE

Act Aug. 30, 1890, as amended, which is classified to this subchapter, is popularly known as the “Agricultural College Act of 1890” and also as the “Second Morrill Act”.

TRANSFER OF FUNCTIONS

Functions and duties of Secretary of Education under this subchapter transferred to Secretary of Agriculture by section 1419 of Pub. L. 97–98.

Functions of Secretary of Health, Education, and Welfare under this subchapter transferred to Secretary of Education by section 301(a)(2)(E) of Pub. L. 96–88, which is classified to section 3441(a)(2)(E) of Title 20, Education.

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of 1953 Reorg. Plan No. 1, set out in the Appendix to Title 5, Government Organization and Employees. Federal Security Agency and office of Administrator abolished by section 8 of 1953 Reorg. Plan No. 1.

Prior to July 1, 1939, functions of Secretary of the Interior under this subchapter were carried out through Office of Education of Department of the Interior. Office of Education and its functions transferred to Federal Security Administrator by section 204 of 1939 Reorg. Plan No. 1, set out in the Appendix to Title 5.

DESIGNATION OF CENTRAL STATE UNIVERSITY AS 1890
INSTITUTION

Pub. L. 113–79, title VII, § 7129, Feb. 7, 2014, 128 Stat. 880, provided that:

“(a) DESIGNATION.—Any provision of a Federal law relating to colleges and universities eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321 et seq.), including Tuskegee University, shall apply to Central State University.

“(b) FUNDING RESTRICTION.—Notwithstanding the designation under subsection (a), for fiscal years 2014 and 2015, Central State University shall not be eligible to receive formula funds under—

“(1) section 1444 or 1445 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3221 and 3222);

“(2) section 3(d) of the Smith-Lever Act (7 U.S.C. 343(d)) to carry out the national education program established under section 1425 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3175);

“(3) the Renewable Resources Extension Act of 1978 (16 U.S.C. 1671 et seq.); or

“(4) Public Law 87–788 (commonly known as the McIntire-Stennis Cooperative Forestry Act; 16 U.S.C. 582a et seq.).”

WEST VIRGINIA STATE COLLEGE AT INSTITUTE, WEST
VIRGINIA

Pub. L. 107–76, title VII, § 753, Nov. 28, 2001, 115 Stat. 740, provided that: “Hereafter, any provision of any Act of Congress relating to colleges and universities eligible to receive funds under the Act of August 30, 1890 [7 U.S.C. 321 et seq.], including Tuskegee University, shall apply to West Virginia State College at Institute, West Virginia: *Provided*, That the Secretary may waive the