

Public Law 96-377
96th Congress

An Act

Oct. 3, 1980

[H.R. 7478]

To facilitate the management of the public debt by permitting an increase in the investment yield on United States savings bonds above the existing 7 per centum ceiling, and by increasing the amount of the bonds paying interest in excess of 4¼ per centum which may be outstanding.

U.S. savings
bonds, interest
rate increase.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, with respect to interest accrual periods beginning after the date of the enactment of this Act, paragraph (3) of section 22(b) of the Second Liberty Bond Act (31 U.S.C. 757c) is amended to read as follows:

“(3) The Secretary of the Treasury, with the approval of the President, may fix the investment yield on any United States savings bond at a yield which is above the 5½ per centum limitation contained in paragraph (1). The aggregate of the increases in investment yield which may take effect during any 6-month period pursuant to the preceding sentence for any United States savings bonds may not exceed 1 per centum per annum compounded semiannually.”

SEC. 2. (a) Effective on the date of the enactment of this Act, the last sentence of the second paragraph of the first section of the Second Liberty Bond Act (31 U.S.C. 752) is amended by striking out “\$50,000,000,000” and inserting in lieu thereof “\$54,000,000,000”.

(b) Effective on October 1, 1980, the last sentence of the second paragraph of the first section of such Act is amended by striking out “\$54,000,000,000” and inserting in lieu thereof “\$70,000,000,000”.

Approved October 3, 1980.

LEGISLATIVE HISTORY:

HOUSE REPORT No. 96-1180 (Comm. on Ways and Means).

SENATE REPORT No. 96-911 (Comm. on Finance).

CONGRESSIONAL RECORD, Vol. 126 (1980):

July 28, considered and passed House.

Sept. 26, considered and passed Senate.