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98TH CONGRESS
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H. R. 4145

[Report No. 98-685]

To aid State and local governments in strengthening and improving their judicial systems through the creation of a State Justice Institute.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 18, 1983

Mr. KASTENMEIER (for himself, Mr. RODINO, Mr. MOORHEAD, Mr. FISH, Mr. MAZZOLI, Mr. KINDNESS, Mr. FRANK, Mr. MORRISON of Connecticut, Mrs. SCHROEDER, Mr. SAWYER, Mr. SYNAR, Mr. GLICKMAN, Mr. CROCKETT, Mr. HUGHES, Mr. HYDE, Mr. SAM B. HALL, JR., Mr. SMITH of Florida, Mr. AKAKA, Mr. LOWRY of Washington, Mr. WON PAT, Mr. SOLARZ, Mr. EDGAR, Mr. LEHMAN of Florida, Mr. STOKES, Mr. SUNIA, Mr. LELAND, Mr. AU COIN, Mr. OBERSTAR, Mr. PRITCHARD, Mr. FEIGHAN, Mr. BONKER, Mr. MITCHELL, Mr. SIMON, Mr. BEVILL, Mr. GONZALEZ, Mr. FRANKLIN, Mr. MORRISON of Washington, Mr. REID, Mr. HAMMERSCHMIDT, Mr. WEISS, Mrs. VUCANOVICH, and Mr. HERTEL of Michigan) introduced the following bill; which was referred to the Committee on the Judiciary

APRIL 12, 1984

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

APRIL 12, 1984

Additional sponsor: Mr. BERMAN

A BILL

To aid State and local governments in strengthening and improving their judicial systems through the creation of a State Justice Institute.

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

3

SHORT TITLE

4 SECTION 1. This Act may be cited as the “State Justice
5 Institute Act of 1983”.

6

DEFINITIONS

7 SEC. 2. As used in this Act, the term—

8 (1) “Board” means the Board of Directors of the
9 State Justice Institute;

10 (2) “Director” means the Executive Director of
11 the State Justice Institute;

12 (3) “Governor” means the Chief Executive Officer
13 of a State;

14 (4) “Institute” means the State Justice Institute
15 established under section 3 of this Act;

16 (5) “recipient” means any grantee, contractor, or
17 recipient of financial assistance under this Act;

18 (6) “State” means any State of the United States,
19 the District of Columbia, the Commonwealth of Puerto
20 Rico, the Virgin Islands, Guam, American Samoa, the
21 Northern Mariana Islands, the Trust Territory of the

1 Pacific Islands, and any other territory or possession of
2 the United States; and

3 (7) "Supreme Court" means the highest appellate
4 court within a State unless, for the purposes of this
5 Act, a constitutionally or legislatively established judi-
6 cial council acts in place of that court.

7 ESTABLISHMENT OF INSTITUTE; DUTIES

8 SEC. 3. (a)(1) There is hereby established a private non-
9 profit corporation which shall be known as the State Justice
10 Institute. The purpose of the Institute shall be to further the
11 development and adoption of improved judicial administration
12 in State courts in the United States.

13 (2) The Institute may be incorporated in any State, pur-
14 suant to section 4(a)(5) of this Act. To the extent consistent
15 with the provisions of this Act, the Institute may exercise the
16 powers conferred upon a nonprofit corporation by the laws of
17 the State in which it is incorporated.

18 (b) The Institute shall, in accordance with this Act—

19 (1) direct a national program of assistance de-
20 signed to assure each person ready access to a fair and
21 effective system of justice by providing funds to—

22 (A) State courts;

23 (B) national organizations which support and
24 are supported by State courts; and

1 (C) any other nonprofit organization that will
2 support and achieve the purposes of this Act;

3 (2) foster coordination and cooperation with the
4 Federal judiciary in areas of mutual concern;

5 (3) promote recognition of the importance of the
6 separation of powers doctrine to an independent judi-
7 ary; and

8 (4) encourage education for judges and support
9 personnel of State court systems through national and
10 State organizations, including universities.

11 (c) The Institute shall not duplicate functions adequately
12 performed by existing nonprofit organizations and shall pro-
13 mote, on the part of agencies of State judicial administration,
14 responsibility for success and effectiveness of State court im-
15 provement programs supported by Federal funding.

16 (d) The Institute shall maintain its principal offices in
17 the State in which it is incorporated and shall maintain there-
18 in a designated agent to accept service of process for the
19 Institute. Notice to or service upon the agent shall be deemed
20 notice to or service upon the Institute.

21 (e) The Institute, and any program assisted by the Insti-
22 tute, shall be eligible to be treated as an organization de-
23 scribed in section 170(c)(2)(B) of the Internal Revenue Code
24 of 1954 and as an organization described in section 501(c)(3)
25 of the Internal Revenue Code of 1954 which is exempt from

1 taxation under section 501(a) of such Code. If such treat-
2 ments are conferred in accordance with the provisions of such
3 Code, the Institute, and programs assisted by the Institute,
4 shall be subject to all provisions of such Code relevant to the
5 conduct of organizations exempt from taxation.

6 (f) The Institute shall afford notice and reasonable op-
7 portunity for comment to interested parties prior to issuing
8 any rule, regulation, guideline, or instruction under this Act,
9 and it shall publish any such rule, regulation, guideline, or
10 instruction in the Federal Register at least thirty days prior
11 to its effective date.

12

BOARD OF DIRECTORS

13 SEC. 4. (a)(1) The Institute shall be supervised by a
14 Board of Directors, consisting of eleven voting members to be
15 appointed by the President, by and with the advice and con-
16 sent of the Senate. The Board shall have both judicial and
17 nonjudicial members, and shall, to the extent practicable,
18 have a membership representing a variety of backgrounds
19 and reflecting participation and interest in the administration
20 of justice.

21 (2) The Board shall consist of—

22 (A) six judges, to be appointed in the manner pro-
23 vided in paragraph (3);

24 (B) one State court administrator, to be appointed
25 in the manner provided in paragraph (3); and

1 (C) four members from the public sector, to be ap-
2 pointed by the President, no more than two of whom
3 shall be of the same political party.

4 (3) The President shall make the initial appointments
5 referred to in subparagraphs (A) and (B) from a list of candi-
6 dates submitted to the President by the Conference of Chief
7 Justices. Such list shall include at least fourteen individuals,
8 including judges and State court administrators, whom the
9 Conference considers best qualified to serve on the Board.
10 Whenever the term of any of the members of the Board de-
11 scribed in subparagraphs (A) and (B) terminates and that
12 member is not to be reappointed to a new term, and when-
13 ever a vacancy otherwise occurs among those members, the
14 President shall appoint a new member from a list of three
15 qualified individuals submitted to the President by the Con-
16 ference of Chief Justices. The President may reject any list
17 of individuals submitted by the Conference under this para-
18 graph and, if such a list is so rejected, the President shall
19 request the Conference to submit to him another list of quali-
20 fied individuals. Before consulting with or submitting any list
21 to the President under this paragraph, the Conference of
22 Chief Justices shall obtain and consider the recommendations
23 of all interested organizations and individuals concerned with
24 the administration of justice and the objectives of this Act.

1 (4) The President shall make the initial appointments of
2 members of the Board under this subsection within ninety
3 days after the date of the enactment of this Act. In the case
4 of any other appointment of a member, the President shall
5 make the appointment not later than ninety days after the
6 previous term expires or the vacancy occurs, as the case may
7 be. The Conference of Chief Justices shall submit lists of
8 candidates under paragraph (3) in a timely manner so that
9 the appointments can be made within the time periods speci-
10 fied in this paragraph.

11 (5) The initial members of the Board of Directors shall
12 be the incorporators of the Institute and shall determine the
13 State in which the Institute is to be incorporated.

14 (b)(1) Except as provided in paragraph (2), the term of
15 each voting member of the Board shall be three years. Each
16 member of the Board shall continue to serve until the succes-
17 sor to such member has been appointed and qualified.

18 (2) Five of the members first appointed by the President
19 shall serve for a term of two years. Any member appointed to
20 serve for an unexpired term resulting from the death, disabil-
21 ity, retirement, or resignation of a member shall be appointed
22 only for such unexpired term, but shall be eligible for reap-
23 pointment.

24 (3) The term of the initial members shall commence
25 from the date of the first meeting of the Board, and the term

1 of each member other than an initial member shall commence
2 from the date of termination of the preceding term.

3 (c) No member shall be reappointed to more than two
4 consecutive terms immediately following such member's ini-
5 tial term.

6 (d) Members of the Board shall serve without compensa-
7 tion, but shall be reimbursed for actual and necessary ex-
8 penses incurred in the performance of their official duties.

9 (e) The members of the Board shall not, by reason of
10 such membership, be considered officers or employees of the
11 United States.

12 (f) Each member of the Board shall be entitled to one
13 vote. A simple majority of the membership shall constitute a
14 quorum for the conduct of business. The Board shall act upon
15 the concurrence of a simple majority of the membership
16 present and voting.

17 (g) The Board shall select a chairman from among the
18 voting members of the Board. The first chairman shall serve
19 for a term of three years, and the Board shall thereafter an-
20 nually elect a chairman from among its voting members.

21 (h) A member of the Board may be removed by a vote of
22 seven members for malfeasance in office, persistent neglect of
23 or inability to discharge the duties of the office, or for any
24 offense involving moral turpitude, but for no other cause.

1 (i) Regular meetings of the Board shall be held quarter-
2 ly. Special meetings shall be held from time to time upon the
3 call of the chairman, acting at his discretion or pursuant to
4 the petition of any seven members.

5 (j) All meetings of the Board, any executive committee
6 of the Board, and any council established in connection with
7 this Act, shall be open and subject to the requirements and
8 provisions of section 552b of title 5, United States Code, re-
9 lating to open meetings.

10 (k) In its direction and supervision of the activities of the
11 Institute, the Board shall—

12 (1) establish such policies and develop such pro-
13 grams for the Institute as will further the achievement
14 of its purpose and the performance of its functions;

15 (2) establish policy and funding priorities and issue
16 rules, regulations, guidelines, and instructions pursuant
17 to such priorities;

18 (3) appoint and fix the duties of the Executive Di-
19 rector of the Institute, who shall serve at the pleasure
20 of the Board and shall be a nonvoting ex officio
21 member of the Board;

22 (4) present, to government departments, agencies,
23 and instrumentalities whose programs or activities
24 relate to the administration of justice in the State judi-
25 cial systems of the United States, the recommendations of

1 the Institute for the improvement of such programs or
2 activities;

3 (5) consider and recommend to both public and
4 private agencies aspects of the operation of the State
5 courts of the United States considered worthy of spe-
6 cial study; and

7 (6) award grants and enter into cooperative agree-
8 ments or contracts pursuant to section 6(a) of this Act.

9 OFFICERS AND EMPLOYEES

10 SEC. 5. (a)(1) The Director, subject to general policies
11 established by the Board, shall supervise the activities of per-
12 sons employed by the Institute and may appoint and remove
13 such employees as he determines necessary to carry out the
14 purposes of the Institute. The Director shall be responsible
15 for the executive and administrative operations of the Insti-
16 tute, and shall perform such duties as are delegated to such
17 Director by the Board and the Institute.

18 (2) No political test or political qualification shall be
19 used in selecting, appointing, promoting, or taking any other
20 personnel action with respect to any officer, agent, or em-
21 ployee of the Institute, or in selecting or monitoring any
22 grantee, contractor, person, or entity receiving financial as-
23 sistance under this Act.

24 (b) Officers and employees of the Institute shall be com-
25 pensated at rates determined by the Board, but not in excess

1 of the rate of level V of the Executive Schedule specified in
2 section 5316 of title 5, United States Code.

3 (c)(1) Except as otherwise specifically provided in this
4 Act, the Institute shall not be considered a department,
5 agency, or instrumentality of the Federal Government.

6 (2) This section does not limit the authority of the Office
7 of Management and Budget to review and submit comments
8 upon the Institute's annual budget request at the time it is
9 transmitted to the Congress.

10 (d)(1) Except as provided in paragraph (2), officers and
11 employees of the Institute shall not be considered officers or
12 employees of the United States.

13 (2) Officers and employees of the Institute shall be con-
14 sidered officers and employees of the United States solely for
15 the purposes of the following provisions of title 5, United
16 States Code: subchapter I of chapter 81 (relating to compen-
17 sation for work injuries); chapter 83 (relating to civil service
18 retirement); chapter 87 (relating to life insurance); and chap-
19 ter 89 (relating to health insurance). The Institute shall make
20 contributions under the provisions referred to in this subsec-
21 tion at the same rates applicable to agencies of the Federal
22 Government.

23 (e) The Institute and its officers and employees shall be
24 subject to the provisions of section 552 of title 5, United
25 States Code, relating to freedom of information.

GRANTS AND CONTRACTS

1
2 SEC. 6. (a) The Institute is authorized to award grants
3 and enter into cooperative agreements or contracts, in a
4 manner consistent with subsection (b), in order to—

5 (1) conduct research, demonstrations, or special
6 projects pertaining to the purposes described in this
7 Act, and provide technical assistance and training in
8 support of tests, demonstrations, and special projects;

9 (2) serve as a clearinghouse and information
10 center, where not otherwise adequately provided, for
11 the preparation, publication, and dissemination of infor-
12 mation with respect to State judicial systems;

13 (3) participate in joint projects with government
14 agencies, including the Federal Judicial Center, with
15 respect to the purposes of this Act;

16 (4) evaluate, when appropriate, the programs and
17 projects carried out under this Act to determine their
18 impact upon the quality of criminal, civil, and juvenile
19 justice and the extent to which they have met or failed
20 to meet the purposes and policies of this Act;

21 (5) encourage and assist in the furtherance of judi-
22 cial education;

23 (6) encourage, assist, and serve in a consulting ca-
24 pacity to State and local justice system agencies in the
25 development, maintenance, and coordination of crimi-

1 nal, civil, and juvenile justice programs and services;
2 and

3 (7) be responsible for the certification of national
4 programs that are intended to aid and improve State
5 judicial systems.

6 (b) The Institute is empowered to award grants and
7 enter into cooperative agreements or contracts as follows:

8 (1) The Institute shall give priority to grants, co-
9 operative agreements, or contracts with—

10 (A) State and local courts and their agencies,

11 (B) national nonprofit organizations con-
12 trolled by, operating in conjunction with, and
13 serving the judicial branches of State govern-
14 ments; and

15 (C) national nonprofit organizations for the
16 education and training of judges and support per-
17 sonnel of the judicial branch of State govern-
18 ments.

19 (2) The Institute may, if the objective can better
20 be served thereby, award grants or enter into coopera-
21 tive agreements or contracts with—

22 (A) other nonprofit organizations with exper-
23 tise in judicial administration;

24 (B) institutions of higher education;

1 (C) individuals, partnerships, firms, or corpo-
2 rations; and

3 (D) private agencies with expertise in judicial
4 administration.

5 (3) Upon application by an appropriate Federal,
6 State, or local agency or institution and if the arrange-
7 ments to be made by such agency or institution will
8 provide services which could not be provided adequate-
9 ly through nongovernmental arrangements, the Insti-
10 tute may award a grant or enter into a cooperative
11 agreement or contract with a unit of Federal, State, or
12 local government other than a court.

13 (4) Each application for funding by a State or
14 local court shall be approved, consistent with State
15 law, by the State's supreme court, or its designated
16 agency or council, which shall receive, administer, and
17 be accountable for all funds awarded by the Institute to
18 such State or local court.

19 (c) Funds available pursuant to grants, cooperative
20 agreements, or contracts awarded under this section may be
21 used—

22 (1) to assist State and local court systems in es-
23 tablishing appropriate procedures for the selection and
24 removal of judges and other court personnel and in de-
25 termining appropriate levels of compensation;

1 (2) to support education and training programs for
2 judges and other court personnel, for the performance
3 of their general duties and for specialized functions,
4 and to support national and regional conferences and
5 seminars for the dissemination of information on new
6 developments and innovative techniques;

7 (3) to conduct research on alternative means for
8 using nonjudicial personnel in court decisionmaking ac-
9 tivities, to implement demonstration programs to test
10 innovative approaches, and to conduct evaluations of
11 their effectiveness;

12 (4) to assist State and local courts in meeting re-
13 quirements of Federal law applicable to recipients of
14 Federal funds;

15 (5) to support studies of the appropriateness and
16 efficacy of court organizations and financing structures
17 in particular States, and to enable States to implement
18 plans for improved court organization and finance;

19 (6) to support State court planning and budgeting
20 staffs and to provide technical assistance in resource
21 allocation and service forecasting techniques;

22 (7) to support studies of the adequacy of court
23 management systems in State and local courts and to
24 implement and evaluate innovative responses to prob-
25 lems of record management, data processing, court per-

1 sonnel management, reporting and transcription of
2 court proceedings, and juror utilization and manage-
3 ment;

4 (8) to collect and compile statistical data and
5 other information on the work of the courts and on the
6 work of other agencies which relate to and effect the
7 work of the courts;

8 (9) to conduct studies of the causes of trial and
9 appellate court delay in resolving cases and to establish
10 and evaluate experimental programs for reducing case
11 processing time;

12 (10) to develop and test methods for measuring
13 the performance of judges and courts and to conduct
14 experiments in the use of such measures to improve
15 the functioning of such judges and courts;

16 (11) to support studies of court rules and proce-
17 dures, discovery devices, and evidentiary standards, to
18 identify problems with the operation of such rules, pro-
19 cedures, devices, and standards, to devise alternative
20 approaches to better reconcile the requirements of due
21 process with the needs for swift and certain justice,
22 and to test the utility of those alternative approaches;

23 (12) to support studies of the outcomes of cases in
24 selected subject matter areas to identify instances in
25 which the substance of justice meted out by the courts

1 diverges from public expectations of fairness, consistency,
2 cy, or equity, to propose alternative approaches to the
3 resolving of cases in problem areas, and to test and
4 evaluate those alternatives;

5 (13) to support programs to increase court responsiveness
6 siveness to the needs of citizens through citizen education,
7 tion, improvement of court treatment of witnesses, victims,
8 and jurors, and development of procedures for obtaining
9 and using measures of public satisfaction with
10 court processes to improve court performance;

11 (14) to test and evaluate experimental approaches
12 to providing increased access by citizens to justice, including
13 processes which reduce the cost of litigating common
14 grievances and alternative techniques and mechanisms for
15 resolving disputes between citizens;
16 and

17 (15) to carry out such other programs, consistent
18 with the purposes of this Act, as may be considered
19 appropriate by the Institute.

20 (d) The Institute shall incorporate, in any grant, cooperative
21 agreement, or contract awarded under this section in
22 which a State or local judicial system is the recipient, the
23 requirement that the recipient provide a matching amount,
24 from private or public sources, not less than 25 per centum of
25 the total cost of such grant, cooperative agreement, or con-

1 tract, except that such requirement may be waived in excep-
2 tionally rare circumstances upon the approval of the chief
3 justice of the highest court of the State and a majority of the
4 Board of Directors.

5 (e) The Institute shall monitor and evaluate, or provide
6 for independent evaluations of, programs supported in whole
7 or in part under this Act to insure that the provisions of this
8 Act, the bylaws of the Institute, and the applicable rules,
9 regulations, and guidelines promulgated pursuant to this Act,
10 are carried out.

11 (f) The Institute shall provide for an independent study
12 of the financial and technical assistance programs under this
13 Act.

14 LIMITATIONS ON GRANTS, COOPERATIVE AGREEMENTS,
15 AND CONTRACTS

16 SEC. 7. (a) With respect to grants made and contracts
17 or cooperative agreements entered into under this Act, the
18 Institute shall—

19 (1) insure that no funds made available by the In-
20 stitute to a recipient shall be used at any time, directly
21 or indirectly, to influence the issuance, amendment, or
22 revocation of any Executive order or similar promulga-
23 tion by any Federal, State, or local agency, or to un-
24 dertake to influence the passage or defeat of any legis-
25 lation or constitutional amendment by the Congress of

1 the United States, or by any State or local legislative
2 body, of any State proposal by initiative petition, or of
3 any referendum, unless a governmental agency, legisla-
4 tive body, a committee, or a member thereof—

5 (A) requests personnel of the recipient to tes-
6 tify, draft, or review measures or to make repre-
7 sentations to such agency, body, committee, or
8 member; or

9 (B) is considering a measure directly affect-
10 ing the activities under this Act of the recipient or
11 the Institute;

12 (2) insure all personnel engaged in grant, coopera-
13 tive agreement, or contract assistance activities sup-
14 ported in whole or part by the Institute refrain, while
15 so engaged, from any partisan political activity; and

16 (3) insure that each recipient that files with the
17 Institute a timely application for refunding is provided
18 interim funding necessary to maintain its current level
19 of activities until—

20 (A) the application for refunding has been
21 approved and funds pursuant thereto received; or

22 (B) the application for refunding has been fi-
23 nally denied in accordance with section 9 of this
24 Act.

1 (b) No funds made available by the Institute under this
2 Act, either by grant, cooperative agreement, or contract,
3 may be used to support or conduct training programs for the
4 purpose of advocating particular nonjudicial public policies or
5 encouraging nonjudicial political activities.

6 (c) The authority to enter into cooperative agreements,
7 contracts, or any other obligations under this Act shall be
8 effective only to such extent, and in such amounts, as are
9 provided in advance in appropriation Acts.

10 (d) To insure that funds made available under this Act
11 are used to supplement and improve the operation of State
12 courts, rather than to support basic court services, funds shall
13 not be used—

14 (1) to supplant State or local funds currently sup-
15 porting a program or activity; or

16 (2) to construct court facilities or structures,
17 except to remodel existing facilities to demonstrate
18 new architectural or technological techniques, or to
19 provide temporary facilities for new personnel or for
20 personnel involved in a demonstration or experimental
21 program.

22 **RESTRICTIONS ON ACTIVITIES OF THE INSTITUTE**

23 **SEC. 8. (a)** The Institute shall not—

1 (1) participate in litigation unless the Institute or
2 a recipient of the Institute is a party, and shall not
3 participate on behalf of any client other than itself;

4 (2) interfere with the independent nature of any
5 State judicial system or allow financial assistance to be
6 used for the funding of regular judicial and administra-
7 tive activities of any State judicial system other than
8 pursuant to the terms of any grant, cooperative agree-
9 ment, or contract with the Institute, consistent with
10 the requirements of this Act; or

11 (3) undertake to influence the passage or defeat of
12 any legislation by the Congress of the United States or
13 by any State or local legislative body, except that per-
14 sonnel of the Institute may testify or make other ap-
15 propriate communication—

16 (A) when formally requested to do so by a
17 legislative body, committee, or a member thereof;

18 (B) in connection with legislation or appro-
19 priations directly affecting the activities of the In-
20 stitute; or

21 (C) in connection with legislation or appro-
22 priations dealing with improvements in the State
23 judiciary, consistent with the provisions of this
24 Act.

1 entity receiving such financial assistance has been
2 given reasonable notice and opportunity to show cause
3 why such actions should not be taken; and

4 (2) financial assistance under this Act shall not be
5 terminated, an application for refunding shall not be
6 denied, and a suspension of financial assistance shall
7 not be continued for longer than thirty days, unless the
8 grantee, contractor, person, or entity receiving finan-
9 cial assistance has been afforded reasonable notice and
10 opportunity for a timely, full, and fair hearing. When
11 requested, such hearing shall be conducted by an inde-
12 pendent hearing examiner appointed by the Institute in
13 accordance with procedures established in regulations
14 promulgated by the Institute.

15 **PRESIDENTIAL COORDINATION**

16 **SEC. 10.** The President may, to the extent not incon-
17 sistent with any other applicable law, direct that appropriate
18 support functions of the Federal Government may be made
19 available to the Institute in carrying out its functions under
20 this Act.

21 **RECORDS AND REPORTS**

22 **SEC. 11. (a)** The Institute is authorized to require such
23 reports as it considers necessary from any recipient with re-
24 spect to activities carried out pursuant to this Act.

1 (b) The Institute is authorized to prescribe the keeping
2 of records with respect to funds provided under any grant,
3 cooperative agreement, or contract under this Act, and shall
4 have access to such records at all reasonable times for the
5 purpose of insuring compliance with such grant, cooperative
6 agreement, or contract or the terms and conditions upon
7 which the funds were provided.

8 (c) Copies of all reports pertinent to the evaluation, in-
9 spection, or monitoring of any recipient shall be submitted on
10 a timely basis to such recipient, and shall be maintained in
11 the principal office of the Institute for a period of at least five
12 years after such evaluation, inspection, or monitoring. Such
13 reports shall be available for public inspection during regular
14 business hours, and copies shall be furnished, upon request,
15 to interested parties upon payment of such reasonable fees as
16 the Institute may establish.

17 (d) Non-Federal funds received by the Institute, and
18 funds received for projects funded in part by the Institute or
19 by any recipient from a source other than the Institute, shall
20 be accounted for and reported as receipts and disbursements
21 separate and distinct from Federal funds.

22 AUDITS

23 SEC. 12. (a)(1) The accounts of the Institute shall be
24 audited annually. Such audits shall be conducted in accord-
25 ance with generally accepted auditing standards by independ-

1 ent certified public accountants who are certified by a regula-
2 tory authority of the jurisdiction in which the audit is under-
3 taken.

4 (2) Any audits under this subsection shall be conducted
5 at the place or places where the accounts of the Institute are
6 normally kept. The person conducting the audit shall have
7 access to all books, accounts, financial records, reports, files,
8 and other papers or property belonging to or in use by the
9 Institute and necessary to facilitate the audit. The full facili-
10 ties for verifying transactions with the balances and securities
11 held by depositories, fiscal agents, and custodians shall be
12 afforded to any such person.

13 (3) The report of the annual audit shall be filed with the
14 General Accounting Office and shall be available for public
15 inspection during business hours at the principal office of the
16 Institute.

17 (b)(1) In addition to the annual audit, the financial trans-
18 actions of the Institute for any fiscal year during which Fed-
19 eral funds are available to finance any portion of its oper-
20 ations may be audited by the General Accounting Office in
21 accordance with such rules and regulations as may be pre-
22 scribed by the Comptroller General of the United States.

23 (2) Any audit under this subsection shall be conducted at
24 the place or places where accounts of the Institute are nor-
25 mally kept. The representatives of the General Accounting

1 Office shall have access to all books, accounts, financial
2 records, reports, files, and other papers or property belonging
3 to or in use by the Institute and necessary to facilitate the
4 audit. The full facilities for verifying transactions with the
5 balances and securities held by depositories, fiscal agents,
6 and custodians shall be afforded to such representatives. All
7 such books, accounts, financial records, reports, files, and
8 other papers or property of the Institute shall remain in the
9 possession and custody of the Institute throughout the period
10 beginning on the date such possession or custody commences
11 and ending three years after such date, but the General Ac-
12 counting Office may require the retention of such books, ac-
13 counts, financial records, reports, files, and other papers or
14 property for a longer period under section 3523(c) of title 31,
15 United States Code.

16 (3) A report of each audit under this subsection shall be
17 made by the Comptroller General to the Congress and to the
18 Attorney General, together with such recommendations with
19 respect thereto as the Comptroller General considers advis-
20 able.

21 (c)(1) The Institute shall conduct, or require each recipi-
22 ent to provide for, an annual fiscal audit. The report of each
23 such audit shall be maintained for a period of at least five
24 years at the principal office of the Institute.

1 (2) The Institute shall submit to the Comptroller Gener-
2 al of the United States copies of audits conducted under this
3 subsection, and the Comptroller General may, in addition,
4 inspect the books, accounts, financial records, files, and other
5 papers or property belonging to or in use by such grantee,
6 contractor, person, or entity, which relate to the disposition
7 or use of funds received from the Institute. Such audit reports
8 shall be available for public inspection during regular busi-
9 ness hours, at the principal office of the Institute.

10 AUTHORIZATION OF APPROPRIATIONS

11 SEC. 13. There are authorized to be appropriated to
12 carry out the provisions of this Act not to exceed
13 \$20,000,000 for the fiscal year ending September 30, 1985,
14 \$25,000,000 for the fiscal year ending September 30, 1986,
15 and \$25,000,000 for the fiscal year ending September 30,
16 1987.

17 EFFECTIVE DATE

18 SEC. 14. The provisions of this Act shall take effect on
19 October 1, 1984.

Union Calendar No. 385

98TH CONGRESS
2D SESSION

H. R. 4145

[Report No. 98-685]

A BILL

To aid State and local governments in strengthening
and improving their judicial systems through the
creation of a State Justice Institute.

APRIL 12, 1984

Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed