

Calendar No. 923

98TH CONGRESS
2D SESSION**S. 384**

[Report No. 98-480]

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

IN THE SENATE OF THE UNITED STATES

FEBRUARY 2 (legislative day, JANUARY 25), 1983

Mr. HEFLIN introduced the following bill; which was read twice and referred to the Committee on the Judiciary

MAY 24 (legislative day, MAY 21), 1984

Reported by Mr. THURMOND, with amendments

[Omit the part struck through and insert the part printed in italic]

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 That this Act may be cited as the "State Justice Institute
- 4 Act of ~~1982~~. 1984".

DEFINITIONS

1
2 SEC. 2. As used in this Act, the term—

3 (1) “Board” means the Board of Directors of the
4 Institute;

5 (2) “Director” means the Executive Director of
6 the Institute;

7 (3) “Governor” means the Chief Executive Officer
8 of a State;

9 (4) “Institute” means the State Justice Institute;

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

12 (6) “State” means any State of the United States,
13 the District of Columbia, the Commonwealth of Puerto
14 Rico, the Virgin Islands, Guam, American Samoa, the
15 Northern Mariana Islands, the Trust Territory of the
16 Pacific Islands, and any other territory or possession of
17 the United States; and

18 (7) “Supreme Court” means the highest appellate
19 court within a State unless, for the purposes of this
20 Act, a constitutionally or legislatively established judi-
21 cial council acts in place of that court.

ESTABLISHMENT OF INSTITUTE; DUTIES

22
23 SEC. 3. (a) There is established a private nonprofit cor-
24 poration which shall be known as the State Justice Institute.
25 The purpose of the Institute shall be to further the develop-

1 ment and adoption of improved judicial administration in
2 State courts in the United States. The Institute may be in-
3 corporated in the District of Columbia or in any other State.
4 To the extent consistent with the provisions of this Act, the
5 Institute shall exercise the powers conferred upon a nonprofit
6 corporation by the laws of the State in which it is incorpo-
7 rated.

8 (b) The Institute shall—

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

12 (A) State courts;

13 (B) national organizations which support and
14 are supported by State courts; and

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

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

19 (3) make recommendations concerning the proper
20 allocation of responsibility between the State and Fed-
21 eral court systems;

22 (4) promote recognition of the importance of the
23 separation of powers doctrine to an independent judici-
24 ary; and

1 (5) encourage education for judges and support
2 personnel of State court systems through national and
3 State organizations, including universities.

4 (c) The Institute shall not duplicate functions adequately
5 performed by existing nonprofit organizations and shall pro-
6 mote, on the part of agencies of State judicial administration,
7 responsibility for the success and effectiveness of State court
8 improvement programs supported by Federal funding.

9 (d) The Institute shall maintain its principal offices in
10 the State in which it is incorporated and shall maintain there-
11 in a designated agent to accept service of process for the
12 Institute. Notice to or service upon the agent shall be deemed
13 notice to or service upon the Institute.

14 (e) The Institute, and any program assisted by the Insti-
15 tute, shall be eligible to be treated as an organization de-
16 scribed in section 170(c)(2)(B) of the Internal Revenue Code
17 of 1954 (26 U.S.C. 170(c)(2)(B)) and as an organization de-
18 scribed in section 501(c)(3) of the Internal Revenue Code of
19 1954 (26 U.S.C. 501(c)(3)) which is exempt from taxation
20 under section 501(a) of such Code (26 U.S.C. 501(a)). If such
21 treatments are conferred in accordance with the provisions of
22 such Code, the Institute, and programs assisted by the Insti-
23 tute, shall be subject to all provisions of such Code relevant
24 to the conduct of organizations exempt from taxation.

1 (f) The Institute shall afford notice and reasonable op-
2 portunity for comment to interested parties prior to issuing
3 rules, regulations, guidelines, and instructions under this Act,
4 and it shall publish in the Federal Register, at least thirty
5 days prior to their effective date, all rules, regulations, guide-
6 lines, and instructions.

7

BOARD OF DIRECTORS

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

16 (2) The Board shall consist of—

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

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

21 (C) four public members, no more than two of
22 whom shall be of the same political party, to be ap-
23 pointed in the manner provided in paragraph (4).

24 (3) The President shall appoint six judges and one State
25 court administrator from a list of candidates submitted by the

1 Conference of Chief Justices. The Conference of Chief Jus-
2 tices shall submit a list of at least fourteen individuals, in-
3 cluding judges and State court administrators, whom the con-
4 ference considers best qualified to serve on the Board. The
5 President may reject such list and request another list of indi-
6 viduals. Prior to consulting with or submitting a list to the
7 President, the Conference of Chief Justices shall obtain and
8 consider the recommendations of all interested organizations
9 and individuals concerned with the administration of justice
10 and the objectives of this Act.

11 (4) In addition to those members appointed under para-
12 graph (3), the President shall appoint four members from the
13 public sector to serve on the Board.

14 (5) The President shall appoint the members under this
15 subsection within sixty days after the date of enactment of
16 this Act.

17 (6) The members of the Board of Directors shall be the
18 incorporators of the Institute and shall determine the State in
19 which the Institute is to be incorporated.

20 (b)(1) Except as provided in paragraph (2), the term
21 office of each voting member of the Board shall be three
22 years. Each member of the Board shall continue to serve
23 until the successor to such member has been appointed and
24 qualified.

1 (2) Five of the members first appointed by the President
2 shall serve for a term of two years. Any member appointed to
3 serve an unexpired term which has arisen by virtue of the
4 death, disability, retirement, or resignation of a member shall
5 be appointed only for such unexpired term, but shall be eligi-
6 ble for reappointment.

7 (3) The term of initial members shall commence from
8 the date of the first meeting of the Board, and the term of
9 each member other than an initial member shall commence
10 from the date of termination of the preceding term.

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

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

17 (e) The members of the Board shall not, by reason of
18 such membership, be considered officers or employees of the
19 United States.

20 (f) Each member of the Board shall be entitled to one
21 vote. A simple majority of the membership shall constitute a
22 quorum for the conduct of business. The Board shall act upon
23 the concurrence of a simple majority of the membership
24 present and voting.

1 (g) The Board shall select from among the voting mem-
2 bers of the Board a chairman, the first of whom shall serve
3 for a term of three years. Thereafter, the Board shall annual-
4 ly elect a chairman from among its voting members.

5 (h) A member of the Board may be removed by a vote of
6 seven members for malfeasance in office, persistent neglect
7 of, or inability to discharge duties, or for any offense involv-
8 ing moral turpitude, but for no other cause.

9 (i) Regular meetings of the Board shall be held quarter-
10 ly. Special meetings shall be held from time to time upon the
11 call of the chairman, acting at his own discretion or pursuant
12 to the petition of any seven members.

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

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

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

23 (2) establish policy and funding priorities and issue
24 rules, regulations, guidelines, and instructions pursuant
25 to such priorities;

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

5 (4) present to other Government departments,
6 agencies, and instrumentalities whose programs or ac-
7 tivities relate to the administration of justice in the
8 State judiciaries of the United States, the recommenda-
9 tions of the Institute for the improvement of such pro-
10 grams or activities;

11 (5) consider and recommend to both public and
12 private agencies aspects of the operation of the State
13 courts of the United States considered worthy of spe-
14 cial study; and

15 (6) award grants and enter into cooperative agree-
16 ments or contracts pursuant to section 156(a).

17 OFFICERS AND EMPLOYEES

18 SEC. 5. (a)(1) The Director, subject to general policies
19 established by the Board, shall supervise the activities of per-
20 sons employed by the Institute and may appoint and remove
21 such employees as he determines necessary to carry out the
22 purposes of the Institute. The Director shall be responsible
23 for the executive and administrative operations of the Insti-
24 tute, and shall perform such duties as are delegated to such
25 Director by the Board and the Institute.

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

7 (b) Officers and employees of the Institute shall be com-
8 pensated at rates determined by the Board, but not in excess
9 of the rate of level V of the Executive Schedule specified in
10 section 5316 of title 5, United States Code.

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

14 (2) This Act does not limit the authority of the Office of
15 Management and Budget to review and submit comments
16 upon the Institute's annual budget request at the time it is
17 transmitted to the Congress.

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

21 (2) Officers and employees of the Institute shall be con-
22 sidered officers and employees of the United States solely for
23 the purposes of the following provisions of title 5, United
24 States Code: Subchapter I of chapter 81 (relating to compen-
25 sation for work injuries); chapter 83 (relating to civil service

1 retirement); chapter 87 (relating to life insurance); and chap-
2 ter 89 (relating to health insurance). The Institute shall make
3 contributions under the provisions referred to in this subsec-
4 tion at the same rates applicable to agencies of the Federal
5 Government.

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

9 GRANTS AND CONTRACTS

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

13 (1) conduct research, demonstrations, or special
14 projects pertaining to the purposes described in this
15 Act, and provide technical assistance and training in
16 support of tests, demonstrations, and special projects;

17 (2) serve as a clearinghouse and information
18 center, where not otherwise adequately provided, for
19 the preparation, publication, and dissemination of infor-
20 mation regarding State judicial systems;

21 (3) participate in joint projects with other agen-
22 cies, including the Federal Judicial Center, with re-
23 spect to the purposes of this Act;

24 (4) evaluate, when appropriate, the programs and
25 projects carried out under this Act to determine their

1 impact upon the quality of criminal, civil, and juvenile
2 justice and the extent to which they have met or failed
3 to meet the purposes and policies of this Act;

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

6 (6) encourage, assist, and serve in a consulting ca-
7 pacity to State and local justice system agencies in the
8 development, maintenance, and coordination of crimi-
9 nal, civil, and juvenile justice programs and services;
10 and

11 (7) be responsible for the certification of national
12 programs that are intended to aid and improve State
13 judicial systems.

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

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

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

19 (B) national nonprofit organizations con-
20 trolled by, operating in conjunction with, and
21 serving the judicial branches of State govern-
22 ments; and

23 (C) national nonprofit organizations for the
24 education and training of judges and support per-

1 sonnel of the judicial branch of State govern-
2 ments.

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

6 (A) other nonprofit organizations with exper-
7 tise in judicial administration;

8 (B) institutions of higher education;

9 (C) individuals, partnerships, firms, or corpo-
10 rations; and

11 (D) private agencies with expertise in judicial
12 administration.

13 (3) Upon application by an appropriate Federal,
14 State, or local agency or institution and if the arrange-
15 ments to be made by such agency or institution will
16 provide services which could not be provided adequate-
17 ly through nongovernmental arrangements, the Insti-
18 tute may award a grant or enter into a cooperative
19 agreement or contract with a unit of Federal, State, or
20 local government other than a court.

21 (4) Each application for funding by a State or
22 local court shall be approved by the State's supreme
23 court, or its designated agency or council, which shall
24 receive, administer, and be accountable for all funds
25 awarded by the Institute to such courts.

1 (c) Funds available pursuant to grants, cooperative
2 agreements, or contracts awarded under this section may be
3 used—

4 (1) to assist State and local court systems in es-
5 tablishing appropriate procedures for the selection and
6 removal of judges and other court personnel and in de-
7 termining appropriate levels of compensation;

8 (2) to support education and training programs for
9 judges and other court personnel, for the performance
10 of their general duties and for specialized functions,
11 and to support national and regional conferences and
12 seminars for the dissemination of information on new
13 developments and innovative techniques;

14 (3) to conduct research on alternative means for
15 using nonjudicial personnel in court decisionmaking ac-
16 tivities, to implement demonstration programs to test
17 innovative approaches, and to conduct evaluations of
18 their effectiveness;

19 (4) to assist State and local courts in meeting re-
20 quirements of Federal law applicable to recipients of
21 Federal funds;

22 (5) to support studies of the appropriateness and
23 efficacy of court organizations and financing structures
24 in particular States, and to enable States to implement
25 plans for improved court organization and finance;

1 (6) to support State court planning and budgeting
2 staffs and to provide technical assistance in resource
3 allocation and service forecasting techniques;

4 (7) to support studies of the adequacy of court
5 management systems in State and local courts and to
6 implement and evaluate innovative responses to prob-
7 lems of record management, data processing, court per-
8 sonnel management, reporting and transcription of
9 court proceedings, and juror utilization and manage-
10 ment;

11 (8) to collect and compile statistical data and
12 other information on the work of the courts and on the
13 work of other agencies which relate to and effect the
14 work of courts;

15 (9) to conduct studies of the causes of trial and
16 appellate court delay in resolving cases, and to estab-
17 lish and evaluate experimental programs for reducing
18 case processing time;

19 (10) to develop and test methods for measuring
20 the performance of judges and courts and to conduct
21 experiments in the use of such measures to improve
22 their functioning;

23 (11) to support studies of court rules and proce-
24 dures, discovery devices, and evidentiary standards, to
25 identify problems with their operation, to devise alter-

1 native approaches to better reconcile the requirements
2 of due process with the needs for swift and certain jus-
3 tice, and to test their utility;

4 (12) to support studies of the outcomes of cases in
5 selected subject matter areas to identify instances in
6 which the substance of justice meted out by the courts
7 diverges from public expectations of fairness, consist-
8 ency, or equity, to propose alternative approaches to
9 the resolving of cases in problem areas, and to test and
10 evaluate those alternatives;

11 (13) to support programs to increase court respon-
12 siveness to the needs of citizens through citizen educa-
13 tion, improvement of court treatment of witnesses, vic-
14 tims, and jurors, and development of procedures for ob-
15 taining and using measures of public satisfaction with
16 court processes to improve court performance;

17 (14) to test and evaluate experimental approaches
18 to providing increased citizen access to justice, includ-
19 ing processes which reduce the cost of litigating
20 common grievances and alternative techniques and
21 mechanisms for resolving disputes between citizens;
22 and

23 (15) to carry out such other programs, consistent
24 with the purposes of this Act, as may be deemed ap-
25 propriate by the Institute.

1 (d) The Institute shall incorporate in any grant, cooper-
2 ative agreement, or contract awarded under this section in
3 which a State or local judicial system is the recipient, the
4 requirement that the recipient provide a match, from private
5 or public sources, equal to 25 per centum of the total cost of
6 such grant, cooperative agreement, or contract, except that
7 such requirement may be waived in exceptionally rare cir-
8 cumstances upon the approval of the chief justice of the
9 highest court of the State and a majority of the Board of
10 Directors.

11 (e) The Institute shall monitor and evaluate, or provide
12 for independent evaluations of, programs supported in whole
13 or in part under this Act to insure that the provisions of this
14 Act, the bylaws of the Institute, and the applicable rules,
15 regulations, and guidelines promulgated pursuant to this Act,
16 are carried out.

17 (f) The Institute shall provide for an independent study
18 of the financial and technical assistance programs under this
19 Act.

20 **LIMITATIONS ON GRANTS AND CONTRACTS**

21 **SEC. 7.** (a) With respect to grants or contracts made
22 under this Act, the Institute shall—

23 (1) ensure that no funds made available to recipi-
24 ents by the Institute shall be used at any time, directly
25 or indirectly, to influence the issuance, amendment, or

1 revocation of any Executive order or similar promulga-
2 tion by any Federal, State, or local agency, or to un-
3 dertake to influence the passage or defeat of any legis-
4 lation by the Congress of the United States, or by any
5 State or local legislative body, or any State proposal
6 by initiative petition, unless a governmental agency,
7 legislative body, a committee, or a member thereof—

8 (A) requests personnel of the recipients to
9 testify, draft, or review measures or to make rep-
10 resentations to such agency, body, committee, or
11 member; or

12 (B) is considering a measure directly affect-
13 ing the activities under this Act of the recipient or
14 the Institute;

15 (2) ensure all personnel engaged in grant or con-
16 tract assistance activities supported in whole or part by
17 the Institute refrain, while so engaged, from any parti-
18 san political activity; and

19 (3) ensure that every grantee, contractor, person,
20 or entity receiving financial assistance under this Act
21 which files with the Institute a timely application for
22 refunding is provided interim funding necessary to
23 maintain its current level of activities until—

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

1 (B) the application for refunding has been fi-
2 nally denied in accordance with section 9 of this
3 Act.

4 (b) No funds made available by the Institute under this
5 Act, either by grant or contract, may be used to support or
6 conduct training programs for the purpose of advocating par-
7 ticular nonjudicial public policies or encouraging nonjudicial
8 political activities.

9 (c) The authorization to enter into contracts or any
10 other obligation under this Act shall be effective only to the
11 extent, and in such amounts, as are provided in appropriation
12 Acts.

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

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

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

1 RESTRICTIONS ON ACTIVITIES OF THE INSTITUTE

2 SEC. 8. (a) The Institute shall not—

3 (1) participate in litigation unless the Institute or
4 a recipient of the Institute is a party, and shall not
5 participate on behalf of any client other than itself;6 (2) interfere with the independent nature of any
7 State judicial system nor allow sums to be used for the
8 funding of regular judicial and administrative activities
9 of any State judicial system other than pursuant to the
10 terms of any grant, cooperative agreement, or contract
11 with the Institute, consistent with the requirements of
12 this Act; or13 (3) undertake to influence the passage or defeat of
14 any legislation by the Congress of the United States or
15 by any State or local legislative body, except that per-
16 sonnel of the Institute may testify or make other ap-
17 propriate communication—18 (A) when formally requested to do so by a
19 legislative body, committee, or a member thereof;20 (B) in connection with legislation or appro-
21 priations directly affecting the activities of the In-
22 stitute; or23 (C) in connection with legislation or appro-
24 priations dealing with improvements in the State

1 judiciary, consistent with the provisions of this
2 Act.

3 (b)(1) The Institute shall have no power to issue any
4 shares of stock, or to declare or pay any dividends.

5 (2) No part of the income or assets of the Institute shall
6 inure to the benefit of any director, officer, or employee,
7 except as reasonable compensation for services or reimburse-
8 ment for expenses.

9 (3) Neither the Institute nor any recipient shall contrib-
10 ute or make available Institute funds or program personnel or
11 equipment to any political party or association, or the cam-
12 paign of any candidate for public or party office.

13 (4) The Institute shall not contribute or make available
14 Institute funds or program personnel or equipment for use in
15 advocating or opposing any ballot measure, initiative, or ref-
16 erendum, except those dealing with improvement of the State
17 judiciary, consistent with the purposes of this Act.

18 (c) Officers and employees of the Institute or of recipi-
19 ents shall not at any time intentionally identify the Institute
20 or the recipient with any partisan or nonpartisan political ac-
21 tivity associated with a political party or association, or the
22 campaign of any candidate for public or party office.

23 SPECIAL PROCEDURES

24 SEC. 9. The Institute shall prescribe procedures to
25 insure that—

1 (1) financial assistance under this Act shall not be
2 suspended unless the grantee, contractor, person, or
3 entity receiving financial assistance under this Act has
4 been given reasonable notice and opportunity to show
5 cause why such actions should not be taken; and

6 (2) financial assistance under this Act shall not be
7 terminated, an application for refunding shall not be
8 denied, and a suspension of financial assistance shall
9 not be continued for longer than thirty days, unless the
10 grantee, contractor, person, or entity receiving finan-
11 cial assistance under this has been afforded reasonable
12 notice and opportunity for a timely, full, and fair hear-
13 ing, and, when requested, such hearing shall be con-
14 ducted by an independent hearing examiner. Such
15 hearing shall be held prior to any final decision by the
16 Institute to terminate financial assistance or suspend or
17 deny funding. Hearing examiners shall be appointed by
18 the Institute in accordance with procedures established
19 in regulations promulgated by the Institute.

20 PRESIDENTIAL COORDINATION

21 SEC. 10. The President may, to the extent not incon-
22 sistent with any other applicable law, direct that appropriate
23 support functions of the Federal Government may be made
24 available to the Institute in carrying out its functions under
25 this Act.

1 RECORDS AND REPORTS

2 SEC. 11. (a) The Institute is authorized to require such
3 reports as it deems necessary from any grantee, contractor,
4 person, or entity receiving financial assistance under this Act
5 regarding activities carried out pursuant to this Act.

6 (b) The Institute is authorized to prescribe the keeping
7 of records with respect to funds provided by grant or contract
8 and shall have access to such records at all reasonable times
9 for the purpose of insuring compliance with the grant or con-
10 tract or the terms and conditions upon which financial assist-
11 ance was provided.

12 (c) Copies of all reports pertinent to the evaluation, in-
13 spection, or monitoring of any grantee, contractor, person, or
14 entity receiving financial assistance under this Act shall be
15 submitted on a timely basis to such grantee, contractor, or
16 person or entity, and shall be maintained in the principal
17 office of the Institute for a period of at least five years after
18 such evaluation, inspection, or monitoring. Such reports shall
19 be available for public inspection during regular business
20 hours, and copies shall be furnished, upon request, to inter-
21 ested parties upon payment of such reasonable fees as the
22 Institute may establish.

23 (d) Non-Federal funds received by the Institute, and
24 funds received for projects funded in part by the Institute or
25 by any recipient from a source other than the Institute, shall

1 be accounted for and reported as receipts and disbursements
2 separate and distinct from Federal funds.

3
4 AUDITS

5 SEC. 12. (a)(1) The accounts of the Institute shall be
6 audited annually. Such audits shall be conducted in accord-
7 ance with generally accepted auditing standards by independ-
8 ent certified public accountants who are certified by a regula-
9 tory authority of the jurisdiction in which the audit is under-

10 (2) The audits shall be conducted at the place or places
11 where the accounts of the Institute are normally kept. All
12 books, accounts, financial records, reports, files, and other
13 papers or property belonging to or in use by the Institute and
14 necessary to facilitate the audits shall be made available to
15 the person or persons conducting the audits. The full facilities
16 for verifying transactions with the balances and securities
17 held by depositories, fiscal agents, and custodians shall be
18 afforded to any such person.

19 (3) The report of the annual audit shall be filed with the
20 General Accounting Office and shall be available for public
21 inspection during business hours at the principal office of the
22 Institute.

23 (b)(1) In addition to the annual audit, the financial trans-
24 actions of the Institute for any fiscal year during which Fed-
25 eral funds are available to finance any portion of its oper-

1 ations may be audited by the General Accounting Office in
2 accordance with such rules and regulations as may be pre-
3 scribed by the Comptroller General of the United States.

4 (2) Any such audit shall be conducted at the place or
5 places where accounts of the Institute are normally kept. The
6 representatives of the General Accounting Office 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 such representatives. All such books, accounts,
13 financial records, reports, files, and other papers or property
14 of the Institute shall remain in the possession and custody of
15 the Institute throughout the period beginning on the date
16 such possession or custody commences and ending three
17 years after such date, but the General Accounting Office may
18 require the retention of such books, accounts, financial
19 records, reports, files, and other papers or property for a
20 longer period under section 117(b) of the Accounting and Au-
21 diting Act of 1950 (31 U.S.C. 67(b)).

22 (3) A report of such audit shall be made by the Comp-
23 troller General to the Congress and to the Attorney General,
24 together with such recommendations with respect thereto as
25 the Comptroller General deems advisable.

1 (c)(1) The Institute shall conduct, or require each
 2 grantee, contractor, person, or entity receiving financial as-
 3 sistance under this Act to provide for, an annual fiscal audit.
 4 The report of each such audit shall be maintained for a period
 5 of at least five years at the principal office of the Institute.

6 (2) The Institute shall submit to the Comptroller Gener-
 7 al of the United States copies of such reports, and the Comp-
 8 troller General may, in addition, inspect the books, accounts,
 9 financial records, files, and other papers or property belong-
 10 ing to or in use by such grantee, contractor, person, or entity,
 11 which relate to the disposition or use of funds received from
 12 the Institute. Such audit reports shall be available for public
 13 inspection during regular business hours, at the principal
 14 office of the Institute.

15 AMENDMENTS TO OTHER LAWS

16 SEC. 13. Section 620(b) of title 28, United States Code,
 17 is amended by—

18 (1) striking out “and” at the end of paragraph (3);

19 (2) striking out the period at the end of paragraph

20 (4) and inserting in lieu thereof “; and”; and

21 (3) inserting the following new paragraph (5) at
 22 the end thereof:

23 “(5) Insofar as may be consistent with the performance
 24 of the other functions set forth in this section, to cooperate
 25 with the State Justice Institute in the establishment and co-

1 ordination of research and programs concerning the adminis-
2 tration of justice.”.

3

AUTHORIZATIONS

4 SEC. 14. There are authorized to be appropriated to
5 carry out the purposes of this Act, \$20,000,000 for fiscal
6 year ~~1984~~, 1985, \$25,000,000 for fiscal year ~~1985~~, 1986,
7 and \$25,000,000 for fiscal year ~~1986~~. 1987.

8

EFFECTIVE DATE

9 SEC. 15. The provisions of this Act shall take effect
10 upon the date of enactment of such Act.

Calendar No. 923

98TH CONGRESS
2D SESSION

S. 384

[Report No. 98-480]

A BILL

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

MAY 24 (legislative day, MAY 21), 1984

Reported with amendments