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98TH CONGRESS H. R. 4145

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. AuCoin, 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

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".

1	DEFINITIONS
2	SEC. 2. As used in this Act, the term—
3	(1) "Board" means the Board of Directors of the
4	State Justice Institute;
5	(2) "Director" means the Executive Director of
6	the State Justice Institute;
7	(3) "Governor" means the Chief Executive Officer
8	of a State;
9	(4) "Institute" means the State Justice Institute
10	established under section 3 of this Act;
11	(5) "recipient" means any grantee, contractor, or
12	recipient of financial assistance under this Act;
13	(6) "State" means any State of the United States,
14	the District of Columbia, the Commonwealth of Puerto
15	Rico, the Virgin Islands, Guam, American Samoa, the
16	Northern Mariana Islands, the Trust Territory of the
17	Pacific Islands, and any other territory or possession of
18	the United States; and
19	(7) "Supreme Court" means the highest appellate
20	court within a State unless, for the purposes of this
21	Act, a constitutionally or legislatively established judi-
22	cial council acts in place of that court.
23	ESTABLISHMENT OF INSTITUTE; DUTIES
24	SEC. 3. (a)(1) There is hereby established a private non-
25	profit corporation which shall be known as the State Justice

1	Institute. The purpose of the Institute shall be to further the		
2	development and adoption of improved judicial administration		
3	in State courts in the United States.		
4	(2) The Institute may be incorporated in any State, pur-		
5	suant to section 4(a)(5) of this Act. To the extent consistent		
6	with the provisions of this Act, the Institute may exercise the		
7	powers conferred upon a nonprofit corporation by the laws of		
8	the State in which it is incorporated.		
9	(b) The Institute shall, in accordance with this Act—		
10	(1) direct a national program of assistance de-		
11	signed to assure each person ready access to a fair and		
12	effective system of justice by providing funds to-		
13	(A) State courts;		
14	(B) national organizations which support and		
15	are supported by State courts; and		
16	(C) any other nonprofit organization that will		
17	support and achieve the purposes of this Act;		
18	(2) foster coordination and cooperation with the		
19	Federal judiciary in areas of mutual concern;		
20	(3) promote recognition of the importance of the		
21	separation of powers doctrine to an independent judici-		
22	ary; and		
23	(4) encourage education for judges and support		
24	personnel of State court systems through national and		
25	State organizations, including universities.		

- 1 (c) The Institute shall not duplicate functions adequately
- 2 performed by existing nonprofit organizations and shall pro-
- 3 mote, on the part of agencies of State judicial administration,
- 4 responsibility for success and effectiveness of State court im-
- 5 provement programs supported by Federal funding.
- 6 (d) The Institute shall maintain its principal offices in
- 7 the State in which it is incorporated and shall maintain there-
- 8 in a designated agent to accept service of process for the
- 9 Institute. Notice to or service upon the agent shall be deemed
- 10 notice to or service upon the Institute.
- 11 (e) The Institute, and any program assisted by the Insti-
- 12 tute, shall be eligible to be treated as an organization de-
- 13 scribed in section 170(c)(2)(B) of the Internal Revenue Code
- 14 of 1954 and as an organization described in section 501(c)(3)
- 15 of the Internal Revenue Code of 1954 which is exempt from
- 16 taxation under section 501(a) of such Code. If such treat-
- 17 ments are conferred in accordance with the provisions of such
- 18 Code, the Institute, and programs assisted by the Institute,
- 19 shall be subject to all provisions of such Code relevant to the
- 20 conduct of organizations exempt from taxation.
- 21 (f) The Institute shall afford notice and reasonable op-
- 22 portunity for comment to interested parties prior to issuing
- 23 any rule, regulation, guideline, or instruction under this Act,
- 24 and it shall publish any such rule, regulation, guideline, or

1	instruction in the Federal Register at least thirty days prior
2	to its effective date.
3	BOARD OF DIRECTORS
4	SEC. 4. (a)(1) The Institute shall be supervised by a
5	Board of Directors, consisting of eleven voting members to be
6	appointed by the President, by and with the advice and con-
7	sent of the Senate. The Board shall have both judicial and
8	nonjudicial members, and shall, to the extent practicable,
9	have a membership representing a variety of backgrounds
10	and reflecting participation and interest in the administration
11	of justice.
12	(2) The Board shall consist of—
13	(A) six judges, to be appointed in the manner pro-
14	vided in paragraph (3);
15	(B) one State court administrator, to be appointed
16	in the manner provided in paragraph (3); and
17	(C) four members from the public sector, to be ap-
18	pointed by the President, no more than two of whom
19	shall be of the same political party.
20	(3) The President shall make the initial appointments
21	referred to in subparagraphs (A) and (B) from a list of candi-
22	dates submitted to the President by the Conference of Chief
23	Justices. Such list shall include at least fourteen individuals,
24	including judges and State court administrators, whom the

25 Conference considers best qualified to serve on the Board.

Whenever the term of any of the members of the Board described in subparagraphs (A) and (B) terminates and that member is not to be reappointed to a new term, and whenever a vacancy otherwise occurs among those members, the President shall appoint a new member from a list of three qualified individuals submitted to the President by the Conference of Chief Justices. The President may reject any list of individuals submitted by the Conference under this paragraph and, if such a list is so rejected, the President shall request the Conference to submit to him another list of qualified individuals. Before consulting with or submitting any list to the President under this paragraph, the Conference of 12 Chief Justices shall obtain and consider the recommendations 13 of all interested organizations and individuals concerned with the administration of justice and the objectives of this Act. 15 16 (4) The President shall make the initial appointments of members of the Board under this subsection within ninety 18 days after the date of the enactment of this Act. In the case of any other appointment of a member, the President shall make the appointment not later than ninety days after the 20 previous term expires or the vacancy occurs, as the case may 22 be. The Conference of Chief Justices shall submit lists of 23candidates under paragraph (3) in a timely manner so that 24the appointments can be made within the time periods specified in this paragraph.

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- 1 (5) The initial members of the Board of Directors shall
- 2 be the incorporators of the Institute and shall determine the
- 3 State in which the Institute is to be incorporated.
- 4 (b)(1) Except as provided in paragraph (2), the term of
- 5 each voting member of the Board shall be three years. Each
- 6 member of the Board shall continue to serve until the succes-
- 7 sor to such member has been appointed and qualified.
- 8 (2) Five of the members first appointed by the President
- 9 shall serve for a term of two years. Any member appointed to
- 10 serve for an unexpired term resulting from the death, disabil-
- 11 ity, retirement, or resignation of a member shall be appointed
- 12 only for such unexpired term, but shall be eligible for reap-
- 13 pointment.
- 14 (3) The term of the initial members shall commence
- 15 from the date of the first meeting of the Board, and the term
- 16 of each member other than an initial member shall commence
- 17 from the date of termination of the preceding term.
- 18 (c) No member shall be reappointed to more than two
- 19 consecutive terms immediately following such member's ini-
- 20 tial term.
- 21 (d) Members of the Board shall serve without compensa-
- 22 tion, but shall be reimbursed for actual and necessary ex-
- 23 penses incurred in the performance of their official duties.

- 1. (e) The members of the Board shall not, by reason of
- 2 such membership, be considered officers or employees of the
- 3 United States.
- 4 (f) Each member of the Board shall be entitled to one
- 5 vote. A simple majority of the membership shall constitute a
- 6 quorum for the conduct of business. The Board shall act upon
- 7 the concurrence of a simple majority of the membership
- 8 present and voting.
- 9 (g) The Board shall select a chairman from among the
- 10 voting members of the Board. The first chairman shall serve
- 11 for a term of three years, and the Board shall thereafter an-
- 12 nually elect a chairman from among its voting members.
- 13 (h) A member of the Board may be removed by a vote of
- 14 seven members for malfeasance in office, persistent neglect of
- 15 or inability to discharge the duties of the office, or for any
- 16 offense involving moral turpitude, but for no other cause.
- 17 (i) Regular meetings of the Board shall be held quarter-
- 18 ly. Special meetings shall be held from time to time upon the
- 19 call of the chairman, acting at his discretion or pursuant to
- 20 the petition of any seven members.
- 21 (j) All meetings of the Board, any executive committee
- 22 of the Board, and any council established in connection with
- 23 this Act, shall be open and subject to the requirements and
- 24 provisions of section 552b of title 5, United States Code, re-
- 25 lating to open meetings.

1	(k) In its direction and supervision of the activities of the	
2	Institute, the Board shall—	
3	(1) establish such policies and develop such pro-	
4	grams for the Institute as will further the achievement	
5	of its purpose and the performance of its functions;	
6	(2) establish policy and funding priorities and issue	
7	rules, regulations, guidelines, and instructions pursuant	
8	to such priorities;	
9	(3) appoint and fix the duties of the Executive Di-	
10	rector of the Institute, who shall serve at the pleasure	
11	of the Board and shall be a nonvoting ex officio	
12	member of the Board;	
13	(4) present, to government departments, agencies,	
14	and instrumentalities whose programs or activities	
15	relate to the administration of justice in the State judi-	
16	ciaries of the United States, the recommendations of	
17	the Institute for the improvement of such programs or	
18	activities;	
19	(5) consider and recommend to both public and	
20	private agencies aspects of the operation of the State	
21	courts of the United States considered worthy of spe-	
22	cial study; and	
23	(6) award grants and enter into cooperative agree-	
24	ments or contracts pursuant to section 6(a) of this Act.	

1	OFFICERS AND EMPLOYEES	
2	SEC. 5. (a)(1) The Director, subject to general policies	
3	established by the Board, shall supervise the activities of per-	
4	sons employed by the Institute and may appoint and remove	
5	such employees as he determines necessary to carry out the	
6	purposes of the Institute. The Director shall be responsible	
7	for the executive and administrative operations of the Insti-	
8	tute, and shall perform such duties as are delegated to such	
9	Director by the Board and the Institute.	
10	(2) No political test or political qualification shall be	
11	used in selecting, appointing, promoting, or taking any other	
12	personnel action with respect to any officer, agent, or em-	
13	ployee of the Institute, or in selecting or monitoring any	
14	grantee, contractor, person, or entity receiving financial as-	
15	sistance under this Act.	
16	(b) Officers and employees of the Institute shall be com-	
17	pensated at rates determined by the Board, but not in excess	
18	of the rate of level V of the Executive Schedule specified in	
19	section 5316 of title 5, United States Code.	
20	(c)(1) Except as otherwise specifically provided in this	
21	Act, the Institute shall not be considered a department,	
22	agency, or instrumentality of the Federal Government.	
23	(2) This section does not limit the authority of the Office	

24 of Management and Budget to review and submit comments

- 1 upon the Institute's annual budget request at the time it is
- 2 transmitted to the Congress.
- 3 (d)(1) Except as provided in paragraph (2), officers and
- 4 employees of the Institute shall not be considered officers or
- 5 employees of the United States.
- 6 (2) Officers and employees of the Institute shall be con-
- 7 sidered officers and employees of the United States solely for
- 8 the purposes of the following provisions of title 5, United
- 9 States Code: subchapter I of chapter 81 (relating to compen-
- 10 sation for work injuries); chapter 83 (relating to civil service
- 11 retirement); chapter 87 (relating to life insurance); and chap-
- 12 ter 89 (relating to health insurance). The Institute shall make
- 13 contributions under the provisions referred to in this subsec-
- 14 tion at the same rates applicable to agencies of the Federal
- 15 Government.
- 16 (e) The Institute and its officers and employees shall be
- 17 subject to the provisions of section 552 of title 5, United
- 18 States Code, relating to freedom of information.
- 19 GRANTS AND CONTRACTS
- SEC. 6. (a) The Institute is authorized to award grants
- 21 and enter into cooperative agreements or contracts, in a
- 22 manner consistent with subsection (b), in order to—
- 23 (1) conduct research, demonstrations, or special
- 24 projects pertaining to the purposes described in this

- 1 Act, and provide technical assistance and training in 2 support of tests, demonstrations, and special projects;
 - (2) serve as a clearinghouse and information center, where not otherwise adequately provided, for the preparation, publication, and dissemination of information with respect to State judicial systems;
 - (3) participate in joint projects with government agencies, including the Federal Judicial Center, with respect to the purposes of this Act;
 - (4) evaluate, when appropriate, the programs and projects carried out under this Act to determine their impact upon the quality of criminal, civil, and juvenile justice and the extent to which they have met or failed to meet the purposes and policies of this Act;
 - (5) encourage and assist in the furtherance of judicial education;
 - (6) encourage, assist, and serve in a consulting capacity to State and local justice system agencies in the development, maintenance, and coordination of criminal, civil, and juvenile justice programs and services; and
 - (7) be responsible for the certification of national programs that are intended to aid and improve State judicial systems.

1	(b) The Institute is empowered to award grants and	
2	enter into cooperative agreements or contracts as follows:	
3	(1) The Institute shall give priority to grants, co-	
4	operative agreements, or contracts with—	
5	(A) State and local courts and their agencies,	
6	(B) national nonprofit organizations con-	
7	trolled by, operating in conjunction with, and	
8	serving the judicial branches of State govern-	
9	ments; and	
10	(C) national nonprofit organizations for the	
11	education and training of judges and support per-	
12	sonnel of the judicial branch of State govern-	
13	ments.	
14	(2) The Institute may, if the objective can better	
15	be served thereby, award grants or enter into coopera-	
16	tive agreements or contracts with—	
17	(A) other nonprofit organizations with exper-	
18	tise in judicial administration;	
19	(B) institutions of higher education;	
20	(C) individuals, partnerships, firms, or corpo-	
21	rations; and	
22	(D) private agencies with expertise in judicial	
23	administration.	
24	(3) Upon application by an appropriate Federal,	
25	State, or local agency or institution and if the arrange-	

- ments to be made by such agency or institution will
 provide services which could not be provided adequately through nongovernmental arrangements, the Institute may award a grant or enter into a cooperative
 agreement or contract with a unit of Federal, State, or
 local government other than a court.
 - (4) Each application for funding by a State or local court shall be approved, consistent with State law, by the State's supreme court, or its designated agency or council, which shall receive, administer, and be accountable for all funds awarded by the Institute to such State or local court.
- 13 (c) Funds available pursuant to grants, cooperative 14 agreements, or contracts awarded under this section may be 15 used—
 - (1) to assist State and local court systems in establishing appropriate procedures for the selection and removal of judges and other court personnel and in determining appropriate levels of compensation;
 - (2) to support education and training programs for judges and other court personnel, for the performance of their general duties and for specialized functions, and to support national and regional conferences and seminars for the dissemination of information on new developments and innovative techniques;

- 1 (3) to conduct research on alternative means for 2 using nonjudicial personnel in court decisionmaking ac-3 tivities, to implement demonstration programs to test 4 innovative approaches, and to conduct evaluations of 5 their effectiveness:
 - (4) to assist State and local courts in meeting requirements of Federal law applicable to recipients of Federal funds;
 - (5) to support studies of the appropriateness and efficacy of court organizations and financing structures in particular States, and to enable States to implement plans for improved court organization and finance;
 - (6) to support State court planning and budgeting staffs and to provide technical assistance in resource allocation and service forecasting techniques;
 - (7) to support studies of the adequacy of court management systems in State and local courts and to implement and evaluate innovative responses to problems of record management, data processing, court personnel management, reporting and transcription of court proceedings, and juror utilization and management;
 - (8) to collect and compile statistical data and other information on the work of the courts and on the

- work of other agencies which relate to and effect the work of the courts;
 - (9) to conduct studies of the causes of trial and appellate court delay in resolving cases and to establish and evaluate experimental programs for reducing case processing time;
 - (10) to develop and test methods for measuring the performance of judges and courts and to conduct experiments in the use of such measures to improve the functioning of such judges and courts;
 - (11) to support studies of court rules and procedures, discovery devices, and evidentiary standards, to identify problems with the operation of such rules, procedures, devices, and standards, to devise alternative approaches to better reconcile the requirements of due process with the needs for swift and certain justice, and to test the utility of those alternative approaches;
 - (12) to support studies of the outcomes of cases in selected subject matter areas to identify instances in which the substance of justice meted out by the courts diverges from public expectations of fairness, consistency, or equity, to propose alternative approaches to the resolving of cases in problem areas, and to test and evaluate those alternatives;

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

- (14) to test and evaluate experimental approaches to providing increased access by citizens to justice, including processes which reduce the cost of litigating common grievances and alternative techniques and mechanisms for resolving disputes between citizens; and
- 13 (15) to carry out such other programs, consistent 14 with the purposes of this Act, as may be considered 15 appropriate by the Institute.
- 16 (d) The Institute shall incorporate, in any grant, cooper-17 ative agreement, or contract awarded under this section in which a State or local judicial system is the recipient, the requirement that the recipient provide a matching amount, from private or public sources, not less than 25 per centum of the total cost of such grant, cooperative agreement, or con-21 22 tract, except that such requirement may be waived in exceptionally rare circumstances upon the approval of the chief 23 justice of the highest court of the State and a majority of the Board of Directors. 25

1	(e) The Institute shall monitor and evaluate, or provide	
2	for independent evaluations of, programs supported in whole	
3	or in part under this Act to insure that the provisions of this	
4	Act, the bylaws of the Institute, and the applicable rules,	
5	regulations, and guidelines promulgated pursuant to this Act,	
6	are carried out.	
7	(f) The Institute shall provide for an independent study	
8	of the financial and technical assistance programs under this	
9	Act.	
10	LIMITATIONS ON GRANTS, COOPERATIVE AGREEMENTS,	
11	AND CONTRACTS	
12	SEC. 7. (a) With respect to grants made and contracts	
13	or cooperative agreements entered into under this Act, the	
14	Institute shall—	
15	(1) insure that no funds made available by the In-	
16	stitute to a recipient shall be used at any time, directly	
17	or indirectly, to influence the issuance, amendment, or	
18	revocation of any Executive order or similar promulga-	
19	tion by any Federal, State, or local agency, or to un-	
20	dertake to influence the passage or defeat of any legis-	
21	lation or constitutional amendment by the Congress of	
22	the United States, or by any State or local legislative	
23	body, of any State proposal by initiative petition, or of	
24	any referendum, unless a governmental agency, legisla-	

tive body, a committee, or a member thereof-

1	(A) requests personnel of the recipient to tes-
2	tify, draft, or review measures or to make repre-
3	sentations to such agency, body, committee, or
4	member; or
5	(B) is considering a measure directly affect-
6	ing the activities under this Act of the recipient or
7	the Institute;
8	(2) insure all personnel engaged in grant, coopera-
9	tive agreement, or contract assistance activities sup-
10	ported in whole or part by the Institute refrain, while
11	so engaged, from any partisan political activity; and
12	(3) insure that each recipient that files with the
13	Institute a timely application for refunding is provided
14	interim funding necessary to maintain its current level
15	of activities until—
16	(A) the application for refunding has been
17	approved and funds pursuant thereto received; or
18	(B) the application for refunding has been fi-
19	nally denied in accordance with section 9 of this
20	Act.
21	(b) No funds made available by the Institute under this
22	Act, either by grant, cooperative agreement, or contract,
23	may be used to support or conduct training programs for the
24	purpose of advocating particular nonjudicial public policies or
25	encouraging nonjudicial political activities.

1	(c) The authority to enter into cooperative agreements,
2	contracts, or any other obligations under this Act shall be
3	effective only to such extent, and in such amounts, as are
4	provided in advance in appropriation Acts.
5	(d) To insure that funds made available under this Act
6	are used to supplement and improve the operation of State
7	courts, rather than to support basic court services, funds shall
8	not be used—
9	(1) to supplant State or local funds currently sup-
10	porting a program or activity; or
11	(2) to construct court facilities or structures,
12	except to remodel existing facilities to demonstrate
13	new architectural or technological techniques, or to
14	provide temporary facilities for new personnel or for
15	personnel involved in a demonstration or experimental
16	program.
17	RESTRICTIONS ON ACTIVITIES OF THE INSTITUTE
18	SEC. 8. (a) The Institute shall not—
19	(1) participate in litigation unless the Institute or
20	a recipient of the Institute is a party, and shall not
21	participate on behalf of any client other than itself;
22	(2) interfere with the independent nature of any
23	State judicial system or allow financial assistance to be
24	used for the funding of regular judicial and administra-
25	tive activities of any State judicial system other than

1	pursuant to the terms of any grant, cooperative agree-
2	ment, or contract with the Institute, consistent with
3	the requirements of this Act; or
4	(3) undertake to influence the passage or defeat of

- (3) undertake to influence the passage or defeat of any legislation by the Congress of the United States or by any State or local legislative body, except that personnel of the Institute may testify or make other appropriate communication—
 - (A) when formally requested to do so by a legislative body, committee, or a member thereof;
 - (B) in connection with legislation or appropriations directly affecting the activities of the Institute; or
- '(C) in connection with legislation or appropriations dealing with improvements in the State judiciary, consistent with the provisions of this Act.
- 18 (b)(1) The Institute shall have no power to issue any 19 shares of stock, or to declare or pay any dividends.
- 20 (2) No part of the income or assets of the Institute shall 21 inure to the benefit of any director, officer, or employee, 22 except as reasonable compensation for services or reimburse-23 ment for expenses.
- (3) Neither the Institute nor any recipient shall contrib-ute or make available Institute funds or program personnel or

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1	equipment to any political party or association, or to the cam-	
2	paign of any candidate for public or party office.	
3	(4) The Institute shall not contribute or make available	
4	Institute funds or program personnel or equipment for use in	
5	advocating or opposing any ballot measure, initiative, or ref-	
6	erendum, except that which deals with improvement of the	
7	State judiciary, consistent with the purposes of this Act.	
8	(c) Officers and employees of the Institute or of recipi-	
9	ents shall not at any time intentionally identify the Institut	
10	or the recipient with any partisan or nonpartisan political ac	
11	tivity associated with a political party or association, or wit	
12	the campaign of any candidate for public or party office.	
13	SPECIAL PROCEDURES	
14	SEC. 9. The Institute shall prescribe procedures to	
15	insure that—	
16	(1) financial assistance under this Act shall not be	
17	suspended unless the grantee, contractor, person, or	
18	entity receiving such financial assistance has been	
19	given reasonable notice and opportunity to show cause	
20	why such actions should not be taken; and	
21	(2) financial assistance under this Act shall not be	
22	terminated, an application for refunding shall not be	

denied, and a suspension of financial assistance shall

not be continued for longer than thirty days, unless the

grantee, contractor, person, or entity receiving finan-

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- cial assistance has been afforded reasonable notice and opportunity for a timely, full, and fair hearing. When requested, such hearing shall be conducted by an independent hearing examiner appointed by the Institute in accordance with procedures established in regulations promulgated by the Institute.
- 7 PRESIDENTIAL COORDINATION
- SEC. 10. The President may, to the extent not incon-9 sistent with any other applicable law, direct that appropriate 10 support functions of the Federal Government may be made 11 available to the Institute in carrying out its functions under 12 this Act.
- 13 RECORDS AND REPORTS
- SEC. 11. (a) The Institute is authorized to require such reports as it considers necessary from any recipient with respect to activities carried out pursuant to this Act.
- 17 (b) The Institute is authorized to prescribe the keeping
 18 of records with respect to funds provided under any grant,
 19 cooperative agreement, or contract under this Act, and shall
 20 have access to such records at all reasonable times for the
 21 purpose of insuring compliance with such grant, cooperative
 22 agreement, or contract or the terms and conditions upon
 23 which the funds were provided.
- (c) Copies of all reports pertinent to the evaluation, in-spection, or monitoring of any recipient shall be submitted on

- 1 a timely basis to such recipient, and shall be maintained in
- 2 the principal office of the Institute for a period of at least five
- 3 years after such evaluation, inspection, or monitoring. Such
- 4 reports shall be available for public inspection during regular
- 5 business hours, and copies shall be furnished, upon request,
- 6 to interested parties upon payment of such reasonable fees as
- 7 the Institute may establish.
- 8 (d) Non-Federal funds received by the Institute, and
- 9 funds received for projects funded in part by the Institute or
- 10 by any recipient from a source other than the Institute, shall
- 11 be accounted for and reported as receipts and disbursements
- 12 separate and distinct from Federal funds.
- 13 AUDITS
- 14 Sec. 12. (a)(1) The accounts of the Institute shall be
- 15 audited annually. Such audits shall be conducted in accord-
- 16 ance with generally accepted auditing standards by independ-
- 17 ent certified public accountants who are certified by a regula-
- 18 tory authority of the jurisdiction in which the audit is under-
- 19 taken.
- 20 (2) Any audits under this subsection shall be conducted
- 21 at the place or places where the accounts of the Institute are
- 22 normally kept. The person conducting the audit shall have
- 23 access to all books, accounts, financial records, reports, files,
- 24 and other papers or property belonging to or in use by the
- 25 Institute and necessary to facilitate the audit. The full facili-

- 1 ties for verifying transactions with the balances and securities
- 2 held by depositories, fiscal agents, and custodians shall be
- 3 afforded to any such person.
- 4 (3) The report of the annual audit shall be filed with the
- 5 General Accounting Office and shall be available for public
- 6 inspection during business hours at the principal office of the
- 7 Institute.
- 8 (b)(1) In addition to the annual audit, the financial trans-
- 9 actions of the Institute for any fiscal year during which Fed-
- 10 eral funds are available to finance any portion of its oper-
- 11 ations may be audited by the General Accounting Office in
- 12 accordance with such rules and regulations as may be pre-
- 13 scribed by the Comptroller General of the United States.
- 14 (2) Any audit under this subsection shall be conducted at
- 15 the place or places where accounts of the Institute are nor-
- 16 mally kept. The representatives of the General Accounting
- 17 Office shall have access to all books, accounts, financial
- 18 records, reports, files, and other papers or property belonging
- 19 to or in use by the Institute and necessary to facilitate the
- 20 audit. The full facilities for verifying transactions with the
- 21 balances and securities held by depositories, fiscal agents,
- 22 and custodians shall be afforded to such representatives. All
- 23 such books, accounts, financial records, reports, files, and
- 24 other papers or property of the Institute shall remain in the
- 25 possession and custody of the Institute throughout the period

- 1 beginning on the date such possession or custody commences
- 2 and ending three years after such date, but the General Ac-
- 3 counting Office may require the retention of such books, ac-
- 4 counts, financial records, reports, files, and other papers or
- 5 property for a longer period under section 3523(c) of title 31,
- 6 United States Code.
- 7 (3) A report of each audit under this subsection shall be
- 8 made by the Comptroller General to the Congress and to the
- 9 Attorney General, together with such recommendations with
- 10 respect thereto as the Comptroller General considers advis-
- 11 able.
- 12 (c)(1) The Institute shall conduct, or require each recipi-
- 13 ent to provide for, an annual fiscal audit. The report of each
- 14 such audit shall be maintained for a period of at least five
- 15 years at the principal office of the Institute.
- 16 (2) The Institute shall submit to the Comptroller Gener-
- 17 al of the United States copies of audits conducted under this
- 18 subsection, and the Comptroller General may, in addition,
- 19 inspect the books, accounts, financial records, files, and other
- 20 papers or property belonging to or in use by such grantee,
- 21 contractor, person, or entity, which relate to the disposition
- 22 or use of funds received from the Institute. Such audit reports
- 23 shall be available for public inspection during regular busi-
- 24 ness hours, at the principal office of the Institute.

1	AUTHORIZATION OF	ADDDADDIAMIANO
	ALL THURST ATTUM UR	APPRIJPRIATIONS

- 2 SEC. 13. There are authorized to be appropriated to
- 3 carry out the provisions of this Act not to exceed
- 4 \$20,000,000 for the fiscal year ending September 30, 1985,
- 5 \$25,000,000 for the fiscal year ending September 30, 1986,
- 6 and \$25,000,000 for the fiscal year ending September 30,
- 7 1987.
- 8 EFFECTIVE DATE
- 9 SEC. 14. The provisions of this Act shall take effect on 10 October 1, 1984.