IN THE SENATE OF THE UNITED STATES

JUNE 24, 2021

Received; read twice and referred to the Committee on the Judiciary

AN ACT

To amend title 36, United States Code, to revise the Federal charter for the Foundation of the Federal Bar Association.

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

This Act may be cited as the “Foundation of the Federal Bar Association Charter Amendments Act of 2021”.

SEC. 2. ORGANIZATION.

Section 70501 of title 36, United States Code, is amended by striking subsection (b) and redesignating subsection (c) as subsection (b).

SEC. 3. MEMBERSHIP.

Section 70503 of title 36, United States Code, is amended—

(1) by striking subsections (a) and (b) and inserting the following:

“(a) ELIGIBILITY.—Except as provided in this chapter, eligibility for membership in the corporation and the rights and privileges of members are as provided in the bylaws.”; and

(2) by redesignating subsection (c) as subsection (b).

SEC. 4. GOVERNING BODY.

Section 70504 of title 36, United States Code, is amended to read as follows:

“§ 70504. Governing body

“(a) BOARD OF DIRECTORS.—The board of directors is the governing body of the corporation. The board may exercise, or provide for the exercise of, the powers of the
corporation. The board of directors and the responsibilities
of the board are as provided in the bylaws.

“(b) Officers.—The officers and the election of the
officers are as provided for in the bylaws.”.

SEC. 5. RESTRICTIONS.

Section 70507 of title 36, United States Code, is
amended to read as follows:

“§ 70507. Restrictions

“(a) Stock and Dividends.—The corporation may
not issue stock or declare or pay a dividend.

“(b) Political Activities.—The corporation or a
director or officer in his or her corporate capacity may
not contribute to, support, or participate in any political
activity or in any manner attempt to influence legislation.

“(c) Distribution of Income or Assets.—The in-
come or assets of the corporation may not inure to the
benefit of, or be distributed to, a director, officer, or mem-
ber during the life of the charter granted by this chapter.
This subsection does not prevent the payment, in amounts
approved by the board of directors, of—

“(1) reasonable compensation; or

“(2) reimbursement for expenses incurred in
undertaking the corporation’s business, to officers,
directors, or members.
This subsection does not prevent the award of a grant to a Federal Bar Association chapter of which an officer, director, or member may be a member. This subsection also does not prevent the payment of reasonable compensation to the corporation’s employees for services undertaken on behalf of the corporation.

“(d) LOANS.—The corporation may not make a loan to a director, officer, member, or employee.

“(e) IMMUNITY FROM LIABILITY.—Members and private individuals are not liable for the obligations of the corporation.

“(f) CLAIM OF GOVERNMENTAL APPROVAL OR AUTHORITY.—The corporation may not claim congressional approval or the authority of the United States Government for any of its activities; it may, however, acknowledge this charter.”.

SEC. 6. PRINCIPAL OFFICE.

Section 70508 of title 36, United States Code, is amended by striking “the District of Columbia,” and inserting “a United States location decided by the board of directors and specified in the bylaws,”.

SEC. 7. SERVICE OF PROCESS.

Section 70510 of title 36, United States Code, is amended to read as follows:
"§ 70510. Service of process

“The corporation shall comply with the law on service of process of the State or District in which it is incorporated.”.

SEC. 8. DEPOSIT OF ASSETS ON DISSOLUTION OR FINAL LIQUIDATION.

Section 70512 of title 36, United States Code, is amended to read as follows:

“§ 70512. Deposit of assets on dissolution or final liquidation

“On dissolution or final liquidation of the corporation, any assets of the corporation remaining after the discharge of all liabilities shall be distributed as provided by the board of directors, but in compliance with the charter and bylaws.”.

SEC. 9. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, pro-
vided that such statement has been submitted prior to the
vote on passage.

Passed the House of Representatives June 23, 2021.

Attest: CHERYL L. JOHNSON,

\textit{Clerk}. 