

116TH CONGRESS
1ST SESSION

H. R. 1663

IN THE SENATE OF THE UNITED STATES

NOVEMBER 14, 2019

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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Foundation of the Fed-
3 eral Bar Association Charter Amendments Act of 2019”.

4 **SEC. 2. ORGANIZATION.**

5 Section 70501 of title 36, United States Code, is
6 amended by striking subsection (b) and redesignating sub-
7 section (c) as subsection (b).

8 **SEC. 3. MEMBERSHIP.**

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

11 (1) by striking subsections (a) and (b) and in-
12 serting the following:

13 “(a) **ELIGIBILITY.**—Except as provided in this chap-
14 ter, eligibility for membership in the corporation and the
15 rights and privileges of members are as provided in the
16 bylaws.”; and

17 (2) by redesignating subsection (c) as sub-
18 section (b).

19 **SEC. 4. GOVERNING BODY.**

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

22 **“§ 70504. Governing body**

23 “(a) **BOARD OF DIRECTORS.**—The board of directors
24 is the governing body of the corporation. The board may
25 exercise, or provide for the exercise of, the powers of the

1 corporation. The board of directors and the responsibilities
2 of the board are as provided in the bylaws.

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

5 **SEC. 5. RESTRICTIONS.**

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

8 **“§ 70507. Restrictions**

9 “(a) STOCK AND DIVIDENDS.—The corporation may
10 not issue stock or declare or pay a dividend.

11 “(b) POLITICAL ACTIVITIES.—The corporation or a
12 director or officer in his or her corporate capacity may
13 not contribute to, support, or participate in any political
14 activity or in any manner attempt to influence legislation.

15 “(c) DISTRIBUTION OF INCOME OR ASSETS.—The in-
16 come or assets of the corporation may not inure to the
17 benefit of, or be distributed to, a director, officer, or mem-
18 ber during the life of the charter granted by this chapter.
19 This subsection does not prevent the payment, in amounts
20 approved by the board of directors, of—

21 “(1) reasonable compensation; or

22 “(2) reimbursement for expenses incurred in
23 undertaking the corporation’s business, to officers,
24 directors, or members.

1 This subsection does not prevent the award of a grant to
2 a Federal Bar Association chapter of which an officer, di-
3 rector, or member may be a member. This subsection also
4 does not prevent the payment of reasonable compensation
5 to the corporation's employees for services undertaken on
6 behalf of the corporation.

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

9 “(e) IMMUNITY FROM LIABILITY.—Members and pri-
10 vate individuals are not liable for the obligations of the
11 corporation.

12 “(f) CLAIM OF GOVERNMENTAL APPROVAL OR AU-
13 THORITY.—The corporation may not claim congressional
14 approval or the authority of the United States Govern-
15 ment for any of its activities; it may, however, acknowl-
16 edge this charter.”.

17 **SEC. 6. PRINCIPAL OFFICE.**

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

22 **SEC. 7. SERVICE OF PROCESS.**

23 Section 70510 of title 36, United States Code, is
24 amended to read as follows:

1 **“§ 70510. Service of process**

2 “The corporation shall comply with the law on service
3 of process of the State or District in which it is incor-
4 porated.”.

5 **SEC. 8. DEPOSIT OF ASSETS ON DISSOLUTION OR FINAL**
6 **LIQUIDATION.**

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

9 **“§ 70512. Deposit of assets on dissolution or final liq-**
10 **uidation**

11 “On dissolution or final liquidation of the corpora-
12 tion, any assets of the corporation remaining after the dis-
13 charge of all liabilities shall be distributed as provided by
14 the board of directors, but in compliance with the charter
15 and bylaws.”.

Passed the House of Representatives November 13,
2019.

Attest: CHERYL L. JOHNSON,
Clerk.