The Acting Chairman, Mr. SLATTERY, assumed the Chair; and after some time spent therein,

¶52.13 RECORDED VOTE

A recorded vote by electronic device was ordered in the Committee of the Whole on the following amendments en bloc submitted by Mr. GEKAS:

Page 36, insert the following after line 16 and redesignate succeeding sections, and references thereto, accordingly:

SEC. 18. ABORTION.

(a) PROHIBITION.—Section 1007 (42 U.S.C. 2996f) is amended by adding at the end the following:

''(n) No funds made available to any recipient or other grantee or contractor of the Corporation from any source, including funds derived from Interest on Lawyer Trust Accounts (IOLTA), may be used to participate in any proceeding or litigation pertaining to abortion, or for any activity to influence the passage or defeat of any legislative or regulatory measure pertaining to abortion.''.

(b) CONFORMING AMENDMENT.—Section 1007(b) (42 U.S.C. 2996f(b)) is amended by striking paragraph (8).

Page 36, line 21, strike ''(9) and (10)'' and insert ''(8) and (9)''.

It was decided in the negative ..... { Yeas ..... 188; Nays ..... 216; Answered present 1

¶52.14 [Roll No. 115]

AYES—188

Allard
Allen
Annunzio
Applegate
Archer
Baker
Ballenger
Barrett
Barton
Bateman
Bennett
Bentley
Bilbray
Bilirakis
Bliley
Boehner
Borski
Broomfield
Bruce
Bunning
Burton
Callahan
Camp
Clement
Clinger
Coble
Coleman (MO)
Combest
Cooper
Costello
Cox (CA)
Crane
Cunningham
Davis
de la Garza
DeLay
Dickinson
Donnelly
Doolittle
Dornan (CA)
Dreier
Duncan
Early
Edwards (OK)
Edwards (TX)
Emerson
English
Ewing
Fields
Fish
Gallegly
Gaydos
Gekas
Geren
Gillmor
Gingrich
Goodling
Goss
Grandy
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Johnson (SD)
Johnson (TX)
Kanjorski
Kaptur
Kasich
Kildee
Kyl
LaFalce
Lagomarsino
Laughlin
Lent
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lowery (CA)
Luken
Manton
Marlenee
Martin
Mavroules
Mazzoli
McCollum
McCrery
McDade
McGrath
McMillan (NC)
McNulty
Michel
Miller (OH)
Mollohan
Montgomery
Moorhead
Murphy
Murtha
Myers
Natcher
Neal (MA)
Nowak
Nussle
Ortiz
Orton
Oxley
Packard
Parker
Paxon
Penny
Perkins
Peterson (MN)
Petri
Poshard
Quillen
Rahall
Ray
Regula
Rhodes
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Russo
Sangmeister
Santorum
Sarpalius
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shuster
Skeen
Skelton
Slattery
Smith (NJ)
Smith (OR)
Smith (TX)
Solomon
Spence
Stearns
Stenholm
Stump
Sundquist
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Upton
Valentine
Vander Jagt
Volkmer
Vucanovich
Walker
Walsh
Weldon
Wolf
Wylie
Yatron
Young (AK)
Young (FL)
Zeliff

NOES—216

Abercrombie
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Anthony
Aspin
Atkins
Bacchus
Beilenson
Berman
Bevill
Blackwell
Boehlert
Bonior
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bustamante
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Coleman (TX)
Collins (MI)
Condit
Conyers
Coughlin
Cox (IL)
Coyne
Cramer
Darden
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Eckart
Edwards (CA)
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallo
Gejdenson
Gephardt
Gibbons
Gilchrest
Gilman
Glickman
Gonzalez
Gordon
Gradison
Green
Hamilton
Harris
Hatcher
Hayes (IL)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Hughes
Jacobs
Johnson (CT)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kennedy
Kennelly
Kleczka
Klug
Kolbe
Kopetski
Kostmayer
Lancaster
Lantos
LaRocco
Leach
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lloyd
Long
Lowey (NY)
Machtley
Markey
Martinez
Matsui
McCandless
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
Meyers
Mfume
Miller (CA)
Miller (WA)
Mineta
Mink
Molinari
Moody
Moran
Morella
Morrison
Nagle
Neal (NC)
Nichols
Oberstar
Obey
Olin
Olver
Owens (NY)
Owens (UT)
Pallone
Panetta
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Peterson (FL)
Pickett
Pickle
Porter
Price
Pursell
Ramstad
Rangel
Ravenel
Reed
Richardson
Ridge
Riggs
Rose
Rostenkowski
Roukema
Rowland
Roybal
Sabo
Sanders
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Shays
Sikorski
Sisisky
Skaggs
Slaughter
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
Stallings
Stark
Stokes
Studds
Swett
Swift
Synar
Tanner
Torres
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Washington
Waxman
Weiss
Wheat
Williams
Wilson
Wolpe
Wyden
Yates
Zimmer

ANSWERED ''PRESENT''—1

James

NOT VOTING—29

Ackerman
Alexander
Armey
AuCoin
Barnard
Bereuter
Bryant
Byron
Collins (IL)
Dannemeyer
Dymally
Engel
Hayes (LA)
Jefferson
Jenkins
Kolter
Levine (CA)
Lightfoot
McEwen
Moakley
Mrazek
Oakar
Staggers
Tallon
Torricelli
Waters
Weber
Whitten
Wise

So the amendments en bloc were not agreed to.

After some further time,

¶52.15 RECORDED VOTE

A recorded vote by electronic device was ordered in the Committee of the Whole on the following amendment submitted by Mr. STENHOLM:

Page 21, strike lines 14 through 16 and insert the following:

that is intended to or has the effect of altering, revising, or reapportioning a legislative, judicial, or elective district at any level of government, including influencing the timing or manner of the taking of a census.''.

It was decided in the affirmative ..... { Yeas ..... 286; Nays ..... 123; Answered present 1

¶52.16 [Roll No. 116]

AYES—286

Allard
Allen
Anderson
Andrews (NJ)
Andrews (TX)
Anthony
Applegate
Archer
Armey
Aspin
Baker
Ballenger
Barnard
Barrett
Bateman
Bennett
Bentley
Bevill
Bilbray
Bilirakis
Bliley
Boehner
Borski
Boucher
Brewster
Brooks
Broomfield
Browder
Bruce
Bunning
Burton
Callahan
Camp
Campbell (CA)
Campbell (CO)
Carper
Carr
Chandler
Chapman
Clement
Clinger
Coble
Coleman (MO)
Combest
Condit
Cooper
Coughlin
Cox (CA)
Cramer
Crane
Cunningham
Darden
Davis
DeLay
Derrick
Dicks
Dingell
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Dreier
Duncan
Early
Eckart
Edwards (OK)
Edwards (TX)
Emerson
English
Erdreich
Ewing
Fascell
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gaydos
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Goodling
Gordon
Goss
Gradison
Grandy
Guarini
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hobson
Holloway
Hopkins
Horn
Houghton
Hubbard
Huckaby
Hughes
Hunter
Hutto
Inhofe
Ireland
Jacobs
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Jones (NC)
Kanjorski
Kasich
Kleczka
Klug
Kolbe
Kyl
LaFalce
Lagomarsino
Lancaster
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Luken
Machtley
Manton
Marlenee
Martin
Martinez
Mavroules
McCandless
McCollum
McCrery
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Michel
Miller (OH)
Miller (WA)
Mink
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Morrison
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Obey
Olin
Orton
Oxley
Packard
Parker
Patterson
Paxon
Payne (VA)
Penny
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Ravenel
Ray
Regula
Rhodes

Richardson	Shuster	Thomas (CA)
Ridge	Sisisky	Thomas (GA)
Riggs	Skeen	Thomas (WY)
Rinaldo	Skelton	Thornton
Ritter	Slaughter	Traficant
Roberts	Smith (FL)	Upton
Roemer	Smith (IA)	Valentine
Rogers	Smith (NJ)	Vander Jagt
Rohrabacher	Smith (OR)	Visclosky
Ros-Lehtinen	Smith (TX)	Volkmer
Rose	Snowe	Vucanovich
Roth	Solarz	Walker
Roukema	Solomon	Walsh
Rowland	Spence	Weber
Russo	Spratt	Weldon
Sangmeister	Stallings	Wilson
Santorum	Stearns	Wolf
Sarpalius	Stenholm	Wylie
Saxton	Stump	Yatron
Schaefer	Sundquist	Young (AK)
Schiff	Swift	Young (FL)
Schulze	Tanner	Zeliff
Sensenbrenner	Tauzin	Zimmer
Shaw	Taylor (MS)	
Shays	Taylor (NC)	

NOES—123

Abercrombie	Gejdenson	Payne (NJ)
Andrews (ME)	Gephardt	Pease
Annunzio	Gonzalez	Pelosi
Atkins	Green	Perkins
Bacchus	Hall (OH)	Rangel
Barton	Hayes (IL)	Reed
Beilenson	Hertel	Roe
Berman	Hoagland	Rostenkowski
Blackwell	Hochbrueckner	Roybal
Boehlert	Horton	Sabo
Bonior	Hoyer	Sanders
Boxer	Johnston	Savage
Brown	Jones (GA)	Sawyer
Bustamante	Jontz	Scheuer
Cardin	Kaptur	Schroeder
Clay	Kennedy	Schumer
Coleman (TX)	Kennelly	Serrano
Collins (MI)	Kildee	Sharp
Conyers	Kopetski	Sikorski
Costello	Kostmayer	Skaggs
Cox (IL)	Lantos	Slattery
Coyne	Leach	Stark
de la Garza	Lewis (GA)	Stokes
DeFazio	Lowey (NY)	Studds
DeLauro	Markey	Swett
Dellums	Matsui	Synar
Dixon	Mazzoli	Torres
Downey	McCloskey	Torricelli
Durbin	McDermott	Towns
Dwyer	Mfume	Traxler
Edwards (CA)	Miller (CA)	Unsoeld
Espy	Mineta	Vento
Evans	Moody	Washington
Fazio	Oberstar	Waters
Feighan	Olver	Waxman
Flake	Ortiz	Weiss
Foglietta	Owens (NY)	Wheat
Ford (MI)	Owens (UT)	Williams
Ford (TN)	Pallone	Wolpe
Frank (MA)	Panetta	Wyden
Frost	Pastor	Yates

ANSWERED ''PRESENT''—1

James

NOT VOTING—24

Ackerman	Dickinson	McEwen
Alexander	Dymally	Moakley
AuCoin	Engel	Mrazek
Bereuter	Hyde	Oakar
Bryant	Jefferson	Staggers
Byron	Kolter	Tallon
Collins (IL)	Levine (CA)	Whitten
Dannemeyer	Lightfoot	Wise

So the amendment was agreed to.

After some further time,

The SPEAKER pro tempore, Mr. SKAGGS, assumed the Chair.

When Mr. MFUME, Chairman, pursuant to House Resolution 444, reported the bill back to the House with an amendment adopted by the Committee.

The previous question having been ordered by said resolution.

The following amendment, reported from the Committee of the Whole House on the state of the Union, was agreed to:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Legal Services Reauthorization Act of 1992''.

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title.
Sec. 2. Reference to the Legal Services Corporation Act.
Sec. 3. Authorization of appropriations.
Sec. 4. Protection against theft and fraud.
Sec. 5. Prohibitions on lobbying.
Sec. 6. Enforcement, sanctions, and monitoring.
Sec. 7. Class actions.
Sec. 8. Negotiation requirement.
Sec. 9. Prohibition on use of funds for redistricting.
Sec. 10. Restrictions on use of funds for legal assistance to aliens.
Sec. 11. Governing bodies of recipients.
Sec. 12. Professional responsibilities.
Sec. 13. Solicitation.
Sec. 14. Certain eviction proceedings.
Sec. 15. Procedural safeguards for litigation.
Sec. 16. Competition study.
Sec. 17. Training.
Sec. 18. Limitation on use amendments.
Sec. 19. Recordkeeping and noncorporation funds.
Sec. 20. Evasion.
Sec. 21. Fee-generating case provisions.
Sec. 22. Attorneys' fees provisions.
Sec. 23. Corporation board control over policy.
Sec. 24. Reprogramming provisions.
Sec. 25. 12-month grants.
Sec. 26. Establishment of local priorities.
Sec. 27. Staff attorneys.
Sec. 28. Study on legal assistance to older Americans.

SEC. 2. REFERENCE TO THE LEGAL SERVICES CORPORATION ACT.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment or repeal of a section or other provision, the reference shall be considered to be made to a section or other provision of the Legal Services Corporation Act (42 U.S.C. 2996 and following).

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

Section 1010(a) (42 U.S.C. 2996i(a)) is amended by striking the first three sentences and inserting the following: ''There are authorized to be appropriated for the purpose of carrying out the activities of the Corporation such sums as may be necessary for each of fiscal years 1992, 1993, 1994, 1995, and 1996.''.

SEC. 4. PROTECTION AGAINST THEFT AND FRAUD.

Section 1005 (42 U.S.C. 2996d) is amended by adding at the end the following:

''(h) For purposes of sections 286, 287, 641, 1001, and 1002 of title 18, United States Code, the Corporation shall be considered to be a department or agency of the United States Government.

''(i) For purposes of sections 3729 through 3733 of title 31, United States Code, the term 'United States Government' shall include the Corporation, except that actions that are authorized by section 3730(b) of such title to be brought by persons may not be brought against the Corporation, any recipient, other grantee or contractor of the Corporation, subgrantee or subcontractor of any such entity, or employee thereof.

''(j) For purposes of section 1516 of title 18, United States Code—

''(1) the term 'Federal auditor' shall include any auditor employed or retained on a contractual basis by the Corporation,

''(2) the term 'contract' shall include any grant or contract made by the Corporation, and

''(3) the term 'person', as used in subsection (a) of such section, shall include any recipient or other grantee or contractor receiving financial assistance under section 1006(a)(1) or 1006(a)(3).

''(k) Funds provided by the Corporation under section 1006 shall be deemed to be Federal appropriations for the purpose of all Federal criminal laws when used by a recipient, another grantee or contractor of the Corporation, or any subgrantee or subcontractor of any such entity.

''(l) For purposes of section 666 of title 18, United States Code, funds provided by the Corporation shall be deemed to be benefits under a Federal program involving a grant or contract.''.

SEC. 5. PROHIBITIONS ON LOBBYING.

Section 1007(a)(5) (42 U.S.C. 2996f(a)(5)) is amended to read as follows:

''(5) ensure that no funds made available by the Corporation to any recipient or other grantee or contractor are used to pay for any personal service, advertisement, telegram, telephone communication, letter, printed or written matter, or other device, or to pay for any publicity or propaganda, intended or designed—

''(A) to influence any decision by a Federal, State, or local agency, except when legal assistance is provided by an employee of a recipient or other grantee or contractor of the Corporation to an eligible client on a particular application, claim, case, or other matter, which directly involves the client's legal rights or responsibilities, or

''(B) to influence any Member of Congress or any other Federal, State, or local elected official to favor or oppose any Act, bill, resolution, or similar legislation, or any referendum, initiative, constitutional amendment, or any similar procedure of the Congress, any State legislature, any local council, or any similar governing body,

except that this paragraph shall not preclude such funds from being used in connection with—

''(i) any communication made in response to any Federal, State, or local agency or elected official,

''(ii) any communication to a Federal, State, or local elected official pertaining to the authorization or appropriation of funds or any other measure affecting the authority, functions, or funding of the recipient, grantee, or contractor, or the Corporation or pertaining to oversight measures directly affecting the recipient, grantee, or contractor, or the Corporation, if the project director or designee of the recipient, grantee, or contractor has expressly determined that the legislative body involved is considering such authorization, appropriation, or other measure, or is conducting oversight of the recipient, grantee, or contractor, or the Corporation, or

''(iii) any communication on behalf of an eligible client in the course of representation of that client before a legislative body, if the project director or designee of the recipient, grantee, or contractor has expressly approved such representation in accordance with policy established by the governing or policy body of the recipient, grantee, or contractor, and if such project director or designee has determined, before approving the undertaking of such representation, that—

''(I) the client seeks representation to protect the client's existing legal rights or interests or is in need of relief which can be provided by the legislative body involved, and

''(II) documentation specifically authorizing such representation has been secured from the eligible client by a recipient or other grantee or contractor,

but nothing in this paragraph shall be construed to permit an attorney or an employee

of a recipient or other grantee or contractor of the Corporation to engage in any publicity or propaganda intended or designed to support or defeat legislation pending before the Congress or State or local legislative bodies or intended or designed to influence any decision by a Federal, State, or local agency or to solicit a client, in violation of professional responsibilities, for the purpose of making possible any activity permitted by this paragraph;''.

SEC. 6. ENFORCEMENT, SANCTIONS, AND MONITORING.

(a) ENFORCEMENT.—Section 1006(b)(1)(A) (42 U.S.C. 2996e(b)(1)(A)) is amended to read as follows:

''(b)(1)(A)(i) The Corporation shall have the authority to ensure the compliance of recipients, other grantees and contractors of the Corporation, and their respective employees with the provisions of this title. The Corporation may issue rules, regulations, guidelines, and instructions to interpret the provisions of this title, but may not impose, by regulation or otherwise, restrictions or limitations on types of cases or forms of representation of clients unless such restrictions or limitations are explicitly authorized by this title or other applicable law, and may not impose, by regulation or otherwise, restrictions or requirements on such recipients, grantees, or contractors that are in addition to or inconsistent with the provisions of this title and other applicable law.

''(ii) The Corporation shall have the authority to enforce the rules, regulations, guidelines, and instructions issued under this title, and to terminate, in accordance with the standards described in paragraph (5) of this subsection, financial support to a recipient or other grantee or contractor of the Corporation. Pursuant to regulations adopted by the Corporation under section 1008(e), the Corporation shall—

''(I) arrange for independent evaluations to determine whether recipients and other grantees and contractors of the Corporation are providing comprehensive, economical, and effective legal assistance of high quality to eligible clients, and

''(II) conduct reasonable monitoring and investigations into allegations that a recipient or other grantee or contractor has violated this title, the rules, regulations, guidelines, or instructions issued under this title, or other laws.

''(iii) Not later than 30 days after receiving a written request alleging that a recipient, other grantee, or contractor has violated the provisions of this title, or any rule, regulation, guideline, or instruction issued under this title, or any other law, the Corporation may initiate an investigation. A recipient, grantee, or contractor that is the subject of such investigation shall be notified by the Corporation and, prior to the completion of the investigation, provided with a reasonable opportunity to respond to the allegations either in writing or in person, as determined by the Corporation. Unless required by law, the Corporation shall not make the findings of its investigation public until a final report is issued or unless such disclosure is made with the consent of such recipient, grantee, or contractor. If, at the conclusion of the investigation, the Corporation determines that it will take action under paragraph (5) of this subsection, it shall notify the recipient, grantee, or contractor of its right to request a hearing. A hearing must be requested not later than 30 days after receiving the notification.''.

(b) REGULATIONS FOR ENFORCEMENT.—Section 1006(b)(5) (42 U.S.C. 2996e(b)(5)) is amended to read as follows:

''(5)(A) The Board shall issue regulations to provide for the enforcement of this title. Such regulations may include, among available remedies, provisions for the immediate suspension of financial assistance under this title, suspension or termination of an employee of the Corporation, or of any employee of a recipient or other grantee or contractor by such recipient, grantee, or contractor, the reduction or termination of such financial assistance or employment, and denial of an application for refunding. Any such employee may be terminated only after consideration of other remedial measures and only after the employee 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. The Corporation may suspend, reduce, or terminate financial assistance under this title, or deny an application for refunding under this title—

''(i) when there has been a substantial failure to comply with the provisions of this title, or rules, regulations, guidelines, or instructions issued under this title, or of other laws, and after notice and an opportunity to correct such failure has been provided to the recipient, grantee, or contractor involved; or

''(ii) when independent evaluations demonstrate that a recipient or other grantee or contractor has consistently failed to use its resources to provide economical and effective legal assistance of high quality as measured by generally accepted professional standards, and after notice and an opportunity to correct such failure has been provided to such recipient, grantee, or contractor.

The Corporation may deny an application for refunding of a recipient or other grantee or contractor when the Corporation has identified an applicant for financial assistance under this title that is better able to provide high quality, comprehensive, economical, and effective legal assistance for the geographic area served by such recipient, grantee, or contractor, consistent with the provisions of sections 1007(a)(2) and 1007(c) of this title.

''(B) Financial assistance under this title may not be terminated or suspended, an application for refunding under this title may not be denied, and the annual level of financial assistance under this title may not be reduced by more than 5 percent or $20,000, whichever is less, unless the recipient or other grantee or contractor involved has been afforded reasonable notice and, at the request of the recipient, grantee, or contractor, a timely and fair hearing before an independent hearing examiner pursuant to regulations issued by the Corporation. Such regulations shall provide for commencement of the hearing before an independent hearing examiner at the earliest appropriate date, but in no case more than 45 days after a request for such a hearing is received. As soon as practical after the hearing, but in no case more than 60 days after its conclusion, the independent hearing examiner shall make a recommended decision on the matter involved. A copy of the recommended decision shall be sent to the Corporation and the recipient, grantee, or contractor involved. If neither the Corporation nor the recipient, grantee, or contractor involved requests review by the president of the Corporation of that recommended decision within 10 days after the date the recipient, grantee, or contractor receives a copy of the decision, that decision shall become final. Within 30 days after receipt of a request for a review of a recommended decision, the president of the Corporation shall make a final decision with respect to that recommended decision. In addition to other remedies provided by law, the recipient, grantee, or contractor may appeal the final decision to the Board.''.

(c) MONITORING AND INDEPENDENT EVALUATIONS OF PROGRAMS.—Section 1007(d) (42 U.S.C. 2996f(d)) is amended to read as follows:

''(d)(1) The Corporation shall monitor recipients and other grantees and contractors of the Corporation in order to ensure that the provisions of this title, the rules, regulations, guidelines, and instructions issued under this title, and other laws are carried out by such recipients, grantees, and contractors, and shall provide for independent evaluations to determine whether such recipients, grantees, and contractors are providing economical and effective legal assistance of high quality to eligible clients. The Corporation shall adopt standards and procedures to implement the provisions of section 1006(b)(1)(A) and this subsection as regulations under section 1008(e).

''(2) The standards and procedures adopted under paragraph (1) shall take into account—

''(A) that the responsibility of the Corporation with regard to monitoring and evaluation is to ensure compliance with this title, the rules, regulations, guidelines, and instructions issued under this title, and any other laws and to provide for independent evaluations to assess the extent to which the overall delivery of legal assistance by a recipient or other grantee or contractor is economical, effective, and of high quality and not to manage the day-to-day operations of recipients and other grantees and contractors;

''(B) that each recipient or other grantee or contractor has the responsibility to manage its day-to-day operations and to assure that its employees comply with all applicable law and deliver high quality legal assistance in an effective and economical manner;

''(C) that the personal privacy of eligible clients could be adversely affected by the public disclosure of records or documents obtained in connection with monitoring under paragraph (1) or an investigation pursuant to section 1006(b)(1)(A); and

''(D) the rules of ethics and professional responsibility that are applicable in the jurisdiction where a recipient or other grantee or contractor delivers legal assistance.

The Corporation may not require disclosure of records described in subparagraph (C) except to the extent such records can be expected to contain information directly pertinent and necessary to an audit, or to an investigation of a likely pattern of discrimination, lack of compliance with the law, or poor performance by a recipient or other grantee or contractor which is indicated by other external evidence.

''(3) The Corporation shall ensure that the monitoring process is fair and conducted in a manner that does not cause more than necessary disruption to the provision of legal services provided by the recipient or other grantee or contractor being monitored, and provides—

''(A) sufficient notice before monitoring is conducted;

''(B) flexibility to negotiate with the Corporation when disagreements arise over the timing and conduct of monitoring;

''(C) reasonable opportunity to respond and comment on draft reports on monitoring;

''(D) protection from disclosure to third parties of the results of monitoring and the contents of any draft reports on monitoring before a final report on the monitoring is issued; and

''(E) protection from disclosure to third parties of any documents obtained during monitoring except to the extent necessary to carry out the monitoring, consistent with the laws and the rules of ethics and professional responsibility applicable to the jurisdiction where such documents are maintained, except that the Corporation shall at all times have the authority to make evi-

dence of criminal conduct available to the appropriate legal authority.

The Corporation shall ensure that the monitoring process is reasonably related to the purposes which the monitoring is intended to accomplish.

''(4) The Corporation, in cooperation with recipients and other appropriate groups, shall develop criteria for evaluating the capability and performance of recipients and other grantees and contractors of the Corporation. Such criteria shall provide for the assessment of—

''(A) the degree to which any such recipient, grantee, or contractor provides a comprehensive range of legal assistance to eligible clients, including, in the case of support entities, a comprehensive range of appropriate support services;

''(B) the past demonstrated record of any such recipient, grantee, or contractor in providing effective, economical, and high quality legal services to poor individuals and in developing additional resources, including pro bono services from the private bar;

''(C) the ability of any such recipient, grantee, or contractor to determine and address the needs of eligible clients for particular services, including, in the case of support entities, the range of support services needed in the geographical or subject matter area served;

''(D) the adherence by any such recipient, grantee, or contractor to accepted norms of performance to guide the provision of legal assistance to poor individuals; and

''(E) the adherence by any such recipient, grantee, or contractor to applicable rules of professional responsibility for attorneys providing legal assistance to poor individuals.

''(5) Notwithstanding the preceding provisions of this subsection, the Inspector General of the Corporation shall not, in carrying out his or her functions, be subject to any restriction that—

''(A) is contained in the standards and procedures adopted by the Corporation under this subsection; and

''(B) limits access by the Corporation to documents or other information.''.

(d) TECHNICAL AMENDMENTS.—

(1) Section 1006(b) (42 U.S.C. 2996e(b)) is amended by adding at the end the following:

''(7) The Corporation shall ensure that—

''(A) no employee of the Corporation or of any recipient or other grantee or contractor of the Corporation (except as permitted by law in connection with such employee's own employment situation), while carrying out legal assistance activities supported under this title, engages in, or encourages others to engage in, any public demonstration or picketing, boycott, or strike; and

''(B) no such employee, at any time, engages in, or encourages others to engage in—

''(i) any rioting or civil disturbance,

''(ii) any activity which is in violation of an outstanding injunction of any court of competent jurisdiction,

''(iii) any other illegal activity, or

''(iv) any intentional identification of the Corporation or any recipient or other grantee or contractor of the Corporation with any political activity prohibited by section 1007(a)(6).''.

(2) Section 1006(b)(2) (42 U.S.C. 2996e(b)(2)) is amended by striking ''provisions of section 1011'' and inserting ''regulations issued under paragraph (5) of this subsection''.

(3) Section 1007(a)(9) (42 U.S.C. 2996f(a)(9)) is amended by striking ''1011'' and inserting ''1006(b)(5)''.

(4) Section 1011 (42 U.S.C. 2996j) is repealed.

SEC. 7. CLASS ACTIONS.

Section 1006(d)(5) (42 U.S.C. 2996e(d)(5)) is amended—

(1) by striking ''No'' and inserting ''(A) Subject to subparagraph (B), no''; and

(2) by adding at the end the following:

''(B) No recipient, other grantee or contractor of the Corporation, or employee of any such recipient, grantee, or contractor may bring a class action suit against the Federal Government or any State or local government unless—

''(i) the project director of the recipient, grantee, or contractor has expressly approved the filing of such an action in accordance with policies established by the governing or policy body of the recipient, grantee, or contractor and the filing of such action has not been expressly disapproved by such governing or policy body;

''(ii) the class relief which is the subject of such an action is sought for the primary benefit of individuals who are eligible for legal assistance under this title; and

''(iii) before filing such an action, the project director of the recipient, grantee, or contractor determines that the government entity is not likely to change the policy or practice in question, that the policy or practice will continue to adversely affect eligible clients, that the recipient, grantee, or contractor has given notice of its intention to seek class relief, and that responsible efforts to resolve without litigation the adverse effects of the policy or practice have not been successful or would be adverse to the interest of the clients.''.

SEC. 8. NEGOTIATION REQUIREMENT.

Section 1007(a) (42 U.S.C. 2996f(a)) is amended—

(1) in paragraph (9) by striking ''and'' after the semicolon; and

(2) by adding at the end the following:

''(11) require recipients and other grantees and contractors of the Corporation to adopt policies, consistent with the rules of ethics and professional responsibility that apply in the jurisdiction in which legal assistance is to be provided, which require employees of the recipients, grantees, and contractors to attempt to negotiate settlements and to use alternative dispute resolution mechanisms, where appropriate and available, before filing suit, except that nothing in this paragraph shall be construed to permit the Corporation—

''(A) to require policies which restrict representation of clients to matters where the clients agree to such negotiation or use of alternative dispute resolution mechanisms; or

''(B) to preclude an attorney from filing suit where the attorney's professional responsibility to the client requires that litigation be commenced without notice to or negotiations with the opposing parties.''.

SEC. 9. PROHIBITION ON USE OF FUNDS FOR REDISTRICTING.

Section 1007(b) (42 U.S.C. 2996f(b)) is amended—

(1) in paragraph (10) by striking the period and inserting ''; or''; and

(2) by adding at the end the following:

''(11) to—

''(A) advocate or oppose, or contribute or make available any funds, personnel, or equipment for use in advocating or opposing, any plan or proposal, or

''(B) represent any party or participate in any other way in litigation,

that is intended to or has the effect of altering, revising, or reapportioning a legislative, judicial, or elective district at any level of government, including influencing the timing or manner of the taking of a census.''.

SEC. 10. RESTRICTIONS ON USE OF FUNDS FOR LEGAL ASSISTANCE TO ALIENS.

Section 1007 (42 U.S.C. 2996f) is amended by adding at the end the following:

''(i) No funds appropriated to the Legal Services Corporation may be used to provide legal assistance for or on behalf of any alien unless the alien is present in the United States and is—

''(1) an alien lawfully admitted for permanent residence as defined in section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20)), including aliens who acquire the status of lawful permanent resident aliens under the provisions of section 216 or 245A of that Act (8 U.S.C. 1186a, 1255a);

''(2) an alien who is either married to a United States citizen or is a parent or an unmarried child under 21 years of age of such citizen and who has filed an application to adjust status to lawful permanent resident under the Immigration and Nationality Act, and such application has not been finally adjudicated;

''(3)(A) an alien who is lawfully present in the United States pursuant to an admission under section 207 of the Immigration and Nationality Act (8 U.S.C. 1157), who has been granted suspension of deportation under section 244 of the Immigration and Nationality Act, or who has been granted asylum by the Attorney General under such Act, or

''(B) an alien who is lawfully present in the United States as a result of being granted conditional entry pursuant to section 203(a)(7) of the Immigration and Nationality Act before April 1, 1980, because of persecution or fear of persecution on account of race, religion, or political opinion or because of being uprooted by catastrophic natural calamity;

''(4) an alien who is lawfully present in the United States as a result of the Attorney General's withholding of deportation pursuant to section 243(h) of the Immigration and Nationality Act (8 U.S.C. 1253(h));

''(5) an alien whose employment to perform temporary agricultural labor or services is authorized by the Immigration and Naturalization Service;

''(6) an alien who has been provided a record of permanent residence under section 249 of the Immigration and Nationality Act;

''(7) an alien who is an eligible immigrant (as defined in section 301(b)(1) of the Immigration Act of 1990), was physically present in the United States on May 5, 1988, and is seeking admission as an immediate relative under the Immigration and Nationality Act or under section 203(a)(2) of such Act (including under section 112 of the Immigration Act of 1990) or is seeking (or is being provided) benefits under section 301(a) of the Immigration Act of 1990; or

''(8) an alien who is eligible for medical assistance for treatment of an emergency medical condition under title XIX of the Social Security Act, if the legal assistance to be provided is needed in order to help obtain such medical assistance.''.

SEC. 11. GOVERNING BODIES OF RECIPIENTS.

Section 1007(c) (42 U.S.C. 2996f(c)) is amended to read as follows:

''(c)(1) In making grants or entering into contracts for legal assistance, the Corporation shall ensure that—

''(A) any recipient which has as one of its purposes the provision of legal assistance to eligible clients is governed by a body—

''(i) the majority of which is comprised of attorneys who are appointed by the governing bodies of State, county, or local bar associations the memberships of which represent a majority of the attorneys practicing law in the locality in which the recipient is to provide legal assistance or, in the case of programs providing service in more than one State, in the State or locality in which the principal office of the recipient is located;

''(ii) at least 60 percent of which consists of attorneys who are members of the bar of a State in which the legal assistance is to be provided except that the Corporation—

''(I) shall, upon application, grant waivers of the requirements of this clause for a legal services program, supported under section 222(a)(3) of the Economic Opportunity Act of

1964, which on the date of the enactment of this title has a majority of persons who are not attorneys on its policymaking board, and

''(II) may grant, pursuant to regulations issued by the Corporation, a waiver of the requirements of this clause for recipients which, because of the nature of the population they serve, are unable to comply with such requirements; and

''(iii) at least one-third of which consists of persons who are, when selected, eligible clients who may also be representatives of associations or organizations of eligible clients; and

''(B) any other recipient, grantee, or contractor of the Corporation is governed by a body that meets the requirements of subparagraph (A) or has established a policy body, whose membership is selected consistent with such requirements, to establish policy with respect to the administration of any grant or contract under this title.

Any attorney serving on a governing body or policy body of a recipient, grantee, or contractor described in this paragraph may not, while so serving, receive compensation from such recipient, grantee, or contractor. Subparagraph (A)(i) shall not be construed to prevent the governing body of a bar association from appointing members of the governing or policy bodies of more than one recipient or other grantee or contractor of the Corporation.

''(2) Consistent with the provisions of this title, the rules, regulations, guidelines, and instructions issued under this title, and any other laws, each recipient or other grantee or contractor of the Corporation, pursuant to the direction and control of its governing or policy body, and not the Corporation, shall determine all broad policies concerning its provision of legal assistance and other activities of the recipient, grantee, or contractor, including—

''(A) financial eligibility criteria of clients represented, consistent with the guidelines established pursuant to section 1007(a)(2);

''(B) the services that the recipient, grantee, or contractor will make available;

''(C) the policies that will govern the fiscal, administrative, and representational activities of the recipient, grantee, or contractor, in compliance with the provisions of this title and regulations issued under this title, other applicable law, or requirements imposed by grantors of resources to the recipient, grantee, or contractor;

''(D) subject to the prohibitions contained in this title, the priorities of the recipient, grantee, or contractor for the use of all available resources, including the policies regarding the types of cases or matters attorneys, paralegal staff, and other staff may undertake using such resources; and

''(E) significant policy decisions concerning the use of staff attorneys and other available and appropriate staff and nonstaff resources, including private attorneys and others, to provide legal assistance to eligible clients and to carry out activities relating to the delivery of legal assistance.

''(3) The governing or policy body of a recipient or other grantee or contractor of the Corporation shall—

''(A) not interfere with the lawyer-client relationship in the representation of specific clients by the recipient, grantee, or contractor;

''(B) comply with the legal and ethical requirements on conflicts of interest that apply in the jurisdiction where the recipient, grantee, or contractor is located;

''(C) not act on a case-by-case basis in setting priorities, except that the governing or policy body may reconsider priorities at any time for future applications for services in light of changing legal needs of clients or in light of an emergency; and

''(D) ensure that activities under this title are carried out in a manner consistent with attorneys' professional responsibilities to a client as established in the rules of ethics and professional responsibility that apply in the jurisdiction where the legal assistance is provided.

''(4) The Corporation shall not—

''(A) interfere with the governing or policy bodies described in paragraph (1) in their determinations of the broad policy matters described in paragraph (2);

''(B) impose requirements or limitations on the types of cases or representation of clients unless those requirements or limitations are explicitly authorized by this title or other applicable law; or

''(C) impose requirements or limitations on the governing or policy bodies of recipients and other grantees or contractors of the Corporation that are additional to, or more restrictive than, the provisions of this subsection, including requirements or limitations with respect to—

''(i) the procedures of appointment, the political affiliations, or the length of terms of board members,

''(ii) the size, quorum requirements, and committee operations of such governing or policy bodies;

''(iii) the content of the bylaws of such recipients, grantees, or contractors; or

''(iv) the communications between governing or policy bodies and appointing authorities specified in paragraph (1).''.

SEC. 12. PROFESSIONAL RESPONSIBILITIES.

(a) STATEMENT OF FINDINGS.—Section 1001(6) (42 U.S.C. 2996(6)) is amended to read as follows:

''(6) attorneys providing legal assistance must have full freedom to protect the best interests of their clients in keeping with the rules of ethics and professional responsibility that apply in the jurisdiction where the legal assistance is provided and the high standards of the legal profession.''.

(b) RESPONSIBILITIES OF THE CORPORATION.—Section 1006(b)(3) (42 U.S.C. 2996e(b)(3)) is amended to read as follows:

''(3) The Corporation shall not, under any provision of this title, interfere with any attorney in carrying out his or her ethical or professional responsibilities to a client as established in the rules of ethics and professional responsibility that apply in the jurisdiction where the legal assistance is provided or abrogate as to attorneys in programs assisted under this title the authority of a State or other jurisdiction to enforce the standards of professional responsibility generally applicable to attorneys in such jurisdiction.''.

(c) GRANTS AND CONTRACTS.—Section 1007(a)(10) (42 U.S.C. 2996f(a)(10)) is amended to read as follows:

''(10) ensure that all attorneys, while engaged in legal assistance activities supported, in whole or in part, by the Corporation, refrain from the persistent incitement of litigation and any other activity prohibited by the rules of ethics or professional responsibility that apply in the jurisdiction where the legal assistance is provided, and ensure that such attorneys refrain from personal representation for a private fee in any cases in which they were involved while engaged in such legal assistance activities; and''.

(d) ACCESS TO RECORDS.—Section 1009(d) (42 U.S.C. 2996h(d)) is amended by inserting before the period at the end the following: ''or protected from disclosure by the laws or the rules of ethics or professional responsibility that apply in the jurisdiction where such reports or records are maintained''.

SEC. 13. SOLICITATION.

Section 1007 (42 U.S.C. 2996f) is amended by adding at the end the following:

''(j) Any recipient or other grantee or contractor of the Corporation, and any employee of any such recipient, grantee, or contractor, who has given in-person unsolicited advice to a nonattorney that such nonattorney should obtain counsel or take legal action shall not accept employment resulting from that advice, or refer that nonattorney to another such recipient, grantee, contractor, or employee, except that—

''(1) a recipient or other grantee or contractor of the Corporation, or an employee of any such recipient, grantee, or contractor may accept employment by a close friend, relative, former client (if the advice given is germane to the previous employment by the client), or person whom the recipient, grantee, contractor, or employee reasonably believes to be a client because the recipient, grantee, contractor, or employee is currently handling an active legal matter or case for that specific person;

''(2) a recipient or other grantee or contractor of the Corporation, or an employee of any such recipient, grantee, or contractor may accept employment or refer a nonattorney to another such recipient, grantee, contractor, or employee when the employment or referral (as the case may be) results from the participation of the recipient, grantee, contractor, or employee in activities designed to educate nonattorneys about their legal rights, to recognize legal problems, to make intelligent selection of counsel, or to utilize available legal services if such outreach activities are conducted or sponsored by the recipient, grantee, contractor, or other legal assistance or church organization; and

''(3) without affecting the right of a recipient, other grantee or contractor of the Corporation, or employee of any such recipient, grantee, or contractor to accept employment, any such recipient, grantee, contractor, or employee may speak publicly or write for publication on legal topics so long as such recipient, grantee, contractor, or employee does not emphasize his, her, or its own professional experience or reputation and does not undertake to give individual advice in such speech or publication.''.

SEC. 14. CERTAIN EVICTION PROCEEDINGS.

Section 1007 (42 U.S.C. 2996f) is amended by adding at the end the following:

''(k)(1) No funds made available by or through the Corporation may be used for initiating the defense of a person in a proceeding to evict that person from a public housing project if the person has been convicted of the illegal sale or distribution of a controlled substance and if the eviction proceeding is brought by a public housing agency because the illegal drug activity of that person threatens the health or safety of other tenants residing in the public housing project or employees of the public housing agency.

''(2) As used in this subsection—

''(A) the term 'controlled substance' has the meaning given that term in section 102 of the Controlled Substances Act (21 U.S.C. 802); and

''(B) the terms 'public housing project' and 'public housing agency' have the meanings given those terms in section 3 of the United States Housing Act of 1937 (42 U.S.C. 1437a).''.

SEC. 15. PROCEDURAL SAFEGUARDS FOR LITIGATION.

Section 1007 (42 U.S.C. 2996f) is amended by adding at the end the following:

''(l) No recipient, other grantee or contractor of the Corporation, or employee of such recipient, grantee, or contractor may engage in precomplaint settlement negotiations, file a complaint, or otherwise pursue litigation against a defendant unless a written retainer agreement which enumerates the particular facts on which the claim or controversy is

initially based has been signed by the plaintiffs (including named plaintiffs in a class action). Such retainer agreement shall be executed when representation commences or, if not possible at that time because of an emergency situation, then as soon thereafter as is practicable. Such retainer agreement—

''(1) shall be kept on file by the recipient, grantee, or contractor, in a manner that does not disclose information protected by the attorney-client privilege or by the rules of ethics or professional responsibility that apply in the jurisdiction in which the legal assistance is provided, and

''(2) shall be made available—

''(A) to any Federal department or agency that is auditing the activities of the Corporation or of any such recipient, grantee, or contractor, and

''(B) to any auditor receiving Federal funds to conduct such auditing, including any auditor or monitor of the Corporation.

Other parties shall have access to such agreement only through the applicable rules of discovery after litigation has begun. Claims of attorney-client privilege shall not protect information contained in such agreement which, after the agreement is signed, is disclosed by the plaintiff or the plaintiff's counsel to third parties during precomplaint settlement negotiations or litigation. The recipient, grantee, or contractor is not required to execute a written retainer agreement under this subsection when the only service to be provided is brief advice and consultation. Unless authorized by a court of competent jurisdiction, no recipient, grantee, or contractor of the Corporation or employee of such recipient, grantee, or contractor may file a complaint or petition in a court until all plaintiffs known to plaintiff's counsel at the time have been specifically identified in the complaint or petition.''.

SEC. 16. COMPETITION STUDY.

Section 1007 (42 U.S.C. 2996f) is amended by adding at the end the following:

''(m)(1) The Corporation shall study the feasibility of a system of competition in the awarding of some or all grants or contracts for legal assistance and related activities under section 1006 (a)(1) and (a)(3) of this title. The Corporation shall, within 3 years after the date of the enactment of the Legal Services Reauthorization Act of 1992, report to the Congress the results of this study, based on independent evaluation. Such study shall be conducted in conjunction with an advisory committee which includes project directors, attorneys providing legal assistance, the organized bar, and eligible clients, who are selected by appropriate representatives of these groups.

''(2) The study under paragraph (1) shall examine how a system of competition would—

''(A) ensure access to, and the continued provision of, high-quality, economical, and effective legal services to resolve problems of clients, consistent with section 1001,

''(B) take into account locally determined needs for particular kinds of cases or services,

''(C) take into account the ongoing ethical and professional responsibilities of recipients, other grantees or contractors of the Corporation, and their attorneys for existing cases, the potential disruption in client services, and loss of experienced staff, pro bono services, funds from sources other than the Corporation, and other resources if an existing recipient or other grantee or contractor were replaced,

''(D) ensure that every recipient or other grantee or contractor seeking a grant or contract through a competitive bidding process will comply with all provisions of this title and the rules, regulations, guidelines, and instructions issued under this title that are applicable to those recipients and other grantees and contractors organized for the purpose of providing legal services to eligible clients; and

''(E) ensure that a new recipient or other grantee or contractor selected would provide a sufficient level of quality, economy, and effectiveness to justify the burdens of replacing the current recipient, grantee, or contractor, using the criteria set forth in this paragraph and those developed by the Corporation in accordance with section 1007(d)(4).''.

SEC. 17. TRAINING.

Section 1007(b)(6) (42 U.S.C. 2996f(b)(6)) is amended to read as follows:

''(6) to support or conduct training programs for the purpose of advocating particular public policies or encouraging political activities, labor or antilabor activities, boycotts, picketing, strikes, or demonstrations, except that this paragraph shall not be construed to prohibit the training of attorneys or paralegal personnel necessary to prepare them to provide adequate legal assistance to eligible clients, to advise any eligible client as to the nature of the legislative process, or to inform any eligible client of his or her rights under any statute, order, or regulation;''.

SEC. 18. LIMITATION ON USE AMENDMENTS.

Section 1007(b) (42 U.S.C. 2996f(b)) is amended by striking paragraph (9) and redesignating paragraph (10) and paragraph (11) (as added by section 9 of this Act) as paragraphs (9) and (10), respectively.

SEC. 19. RECORDKEEPING AND NONCORPORATION FUNDS.

(a) NON-CORPORATION FUNDS.—Section 1010(c) (42 U.S.C. 2996i(c)) is amended by adding at the end the following: ''Public funds received by any recipient or other grantee or contractor of the Corporation, including funds from Interest on Lawyer Trust Account (IOLTA) programs, shall not be used to engage in publicity or propaganda as restricted by section 1007(a)(5).''.

(b) TIMEKEEPING.—Section 1008(b) (42 U.S.C. 2996g(b)) is amended—

(1) by inserting ''(1)'' after ''(b)''; and

(2) by adding at the end the following:

''(2) The Corporation, by regulation adopted pursuant to section 1008(e), shall require each recipient or other grantee or contractor of the Corporation to maintain records of time spent on the cases or matters with respect to which that recipient, grantee, or contractor is engaged in activities and to maintain a recordkeeping system that discloses the source of funds to be charged for each such case or matter. The specific time and recordkeeping system to be employed shall be determined by the recipient or other grantee or contractor in a manner that meets the requirements of a recordkeeping system as set forth in the preceding sentence and meets obligations that are imposed by other funding sources. Pursuant to regulations adopted under this paragraph, each employee of such recipient, grantee, or contractor, who is an attorney or paralegal, shall be required to keep contemporaneous records of the time spent by case or matter and the type of case or matter.''.

SEC. 20. EVASION.

The Legal Services Corporation Act is amended—

(1) by redesignating sections 1013 and 1014 as sections 1014 and 1015, respectively; and

(2) by inserting after section 1012 the following new section:

''EVASION

''SEC. 1013. The use of 'alternative corporations' to avoid or otherwise evade the provisions of this title or the Legal Services Reauthorization Act of 1992 is prohibited. The term 'alternative corporation' means any corporation, law firm, business association, group, entity, or enterprise which, through shared staff or control over workload or interlocking boards of directors, has a single identity of interest with a recipient or other grantee or contractor of the Corporation. Any recipient or other grantee or contractor of the Corporation which shares employees with any other corporation, law firm, business association, group, entity, or enterprise shall specify with particularity the use of any funds by such employees in accordance with the timekeeping and recordkeeping requirements established under section 1008(b).''.

SEC. 21. FEE-GENERATING CASE PROVISIONS.

Section 1007(b)(1) (42 U.S.C. 2996f(b)(1)) is amended by striking ''(which guidelines'' and all that follows through the end of the paragraph and inserting the following: '', except that—

''(A) such guidelines shall not preclude the provision of legal assistance in cases in which a client seeks only statutory benefits and appropriate private representation is not available; and

''(B) the Corporation may not—

''(i) prevent recipients or other grantees or contractors of the Corporation from seeking, receiving, or retaining attorneys' fees awarded or approved by a court or administrative body or included in a settlement in any matter that may be appropriately undertaken under the guidelines promulgated under this paragraph, or

''(ii) offset attorneys' fees against grant amounts or take into account the amount of any such attorneys' fees in establishing funding levels, fund balances, or distributing funds appropriated under this title;''.

SEC. 22. ATTORNEYS' FEES PROVISIONS.

Section 1006(f) (42 U.S.C. 2996e(f)) is amended to read as follows:

''(f) If any court finds, based on substantial evidence, that a recipient or other grantee or contractor of the Corporation commenced an action for the purpose of harassment or retaliation or maliciously abused legal process, or that the plaintiff's action was frivolous, unreasonable, or without foundation, the court may award reasonable costs and attorneys' fees incurred by the defendant in defending the action. Any such costs and fees shall be paid directly by the Corporation. The Corporation may recover the amount of any costs and fees paid by the Corporation from the recipient, grantee, or contractor against whom the award was made by offsetting that amount against future grant awards made by the Corporation to such recipient, grantee, or contractor. Unless otherwise agreed by the Corporation and the recipient, grantee, or contractor, the Corporation, in any one grant year, may not deduct more than 5 percent of a grant for purposes of recoupment of such costs and fees.''.

SEC. 23. CORPORATION BOARD CONTROL OVER POLICY.

Section 1006 (42 U.S.C. 2996e) is amended by adding at the end the following:

''(g) All rules, regulations, guidelines, instructions, and grant conditions under this title, and all policies or changes in policy directly affecting recipients or other grantees or contractors of the Corporation, shall be adopted by the Board of the Corporation after notice and comment. For purposes of this subsection, policies or changes in policies include, but are not limited to, increasing or decreasing funding to, imposing new terms and conditions on, or making changes in the classes of recipients or other grantees or contractors which provide and support the delivery of legal assistance. This subsection shall not preclude the staff of the Corporation from imposing, without notice and comment, specific conditions on a grant to an individual recipient or other grantee, or on a

contract with a recipient or other contractor, that are not applicable to other such recipients, grantees, or contractors if the conditions relate specifically to a prior determination that the recipient, grantee, or contractor has not complied with the provisions of this title or the rules, regulations, guidelines, or instructions issued under this title.''.

SEC. 24. REPROGRAMMING PROVISIONS.

Section 1008 (42 U.S.C. 2996h) is amended by adding at the end the following:

''(f) The Corporation may not promulgate rules, regulations, guidelines, or instructions under this title unless the Corporation has so notified the Committees on Appropriations and on the Judiciary of the House of Representatives and the Committees on Appropriations and on Labor and Human Resources of the Senate at least 15 days before final publication of the rules, regulations, guidelines, or instructions, and has given such committees an opportunity to comment on such rules, regulations, guidelines, or instructions.''.

SEC. 25. 12-MONTH GRANTS.

Section 1010 (42 U.S.C. 2996i) is amended by adding to the end the following:

''(e) All grants and contracts made pursuant to sections 1006(a) (1) and (3) for calendar years 1992, 1993, 1994, 1995, and 1996 shall be made for a period of at least 12 months, except for any grant to a new program commencing operations after the beginning of the applicable calendar year.''.

SEC. 26. ESTABLISHMENT OF LOCAL PRIORITIES.

Section 1007(a) (42 U.S.C. 2996f(a)) is amended—

(1) in paragraph (2)(C)(i) by striking ''goals established by the Corporation'' and inserting ''the principles of section 1001 of this title and any goals established by law''; and

(2) by adding after paragraph (11) (as added by section 8(2) of this Act) the following:

''The procedures adopted pursuant to paragraph (2)(C)(i) shall require the governing or policy bodies of recipients and other grantees and contractors of the Corporation to review annually the priorities that are determined in accordance with such procedures, and periodically analyze the legal needs of clients in the area served by each such recipient, grantee, or contractor to take into account new or changing circumstances of such clients. As part of such analysis, each such recipient, grantee, or contractor shall seek comments and information from clients, the organized bar, and program staff, as well as other parties with relevant information concerning client needs, including community groups, private attorneys participating in the private attorney involvement plans of the recipient, grantee, or contractor, and human services agencies. In the case of support entities, their governing or policy bodies shall also periodically analyze the advocacy, support, and coordination needs of recipients served by the support entity.''.

SEC. 27. STAFF ATTORNEYS.

Section 1002(7) (42 U.S.C. 2996a(7)) is amended to read as follows:

''(7) 'staff attorney' means an attorney who—

''(A) is employed by a recipient organized in whole or in part for the provision of legal assistance to eligible clients under this title, and

''(B) receives more than one-half of his or her annual professional salary from the proceeds of a grant or contract from the Corporation to such recipient.''.

SEC. 28. STUDY ON LEGAL ASSISTANCE TO OLDER AMERICANS.

The Legal Services Corporation shall conduct a study to determine the extent and effectiveness of legal assistance provided to older Americans by recipients and other grantees and contractors under the Legal Services Corporation Act. The Corporation shall submit to the Congress, not later than 6 months after the date of the enactment of this Act, a report on the study, together with any recommendations that the Corporation has on ways to improve the provision of such legal assistance to older Americans.

The bill, as amended, was ordered to be engrossed and read a third time, was read a third time by title.

Mr. MCCOLLUM moved to recommit the bill to the Committee on the Judiciary with instructions to report the bill back to the House forthwith with the following amendment:

Strike everything that follows the enacting clause and insert the following:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Legal Services Reauthorization Act of 1992''.

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title.
Sec. 2. Reference to the Legal Services Corporation Act.
Sec. 3. Authorization of appropriations.
Sec. 4. Protection against theft and fraud.
Sec. 5. Prohibitions on lobbying.
Sec. 6. Enforcement and monitoring.
Sec. 7. Class actions.
Sec. 8. Prohibition on use of funds for redistricting.
Sec. 9. Restrictions on use of funds for legal assistance to aliens.
Sec. 10. Governing bodies of recipients.
Sec. 11. Solicitation.
Sec. 12. Certain eviction proceedings.
Sec. 13. Procedural safeguards for litigation.
Sec. 14. Procedural implementation of competition; distribution of grants and contracts.
Sec. 15. Training.
Sec. 16. Abortion.
Sec. 17. Limitation on use amendments.
Sec. 18. Recordkeeping and noncorporation funds.
Sec. 19. Evasion.
Sec. 20. Attorneys' fee provisions.
Sec. 21. Reprogramming provisions.
Sec. 22. Authorities of Inspector General.
Sec. 23. Staff attorneys.
Sec. 24. Study on legal assistance to older Americans.

SEC. 2. REFERENCE TO THE LEGAL SERVICES CORPORATION ACT.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment or repeal of a section or other provision, the reference shall be considered to be made to a section or other provision of the Legal Services Corporation Act (42 U.S.C. 2996 and following).

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

Section 1010(a) (42 U.S.C. 2996i(a)) is amended by striking the first three sentences and inserting the following: ''There are authorized to be appropriated for the purpose of carrying out the activities of the Corporation such sums as may be necessary for each of fiscal years 1992, 1993, 1994, 1995, and 1996.''.

SEC. 4. PROTECTION AGAINST THEFT AND FRAUD.

Section 1005 (42 U.S.C. 2996d) is amended by adding at the end the following:

''(h) For purposes of sections 286, 287, 641, 1001, and 1002 of title 18, United States Code, the Corporation shall be considered to be a department or agency of the United States Government.

''(i) For purposes of sections 3729 through 3733 of title 31, United States Code, the term 'United States Government' shall include the Corporation, except that actions that are authorized by section 3730(b) of such title to be brought by persons may not be brought against the Corporation, any recipient, other grantee or contractor of the Corporation, subgrantee or subcontractor of any such entity, or employee thereof.

''(j) For purposes of section 1516 of title 18, United States Code—

''(1) the term 'Federal auditor' shall include any auditor employed or retained on a contractual basis by the Corporation,

''(2) the term 'contract' shall include any grant or contract made by the Corporation, and

''(3) the term 'person', as used in subsection (a) of such section, shall include any recipient or other grantee or contractor receiving financial assistance under section 1006(a)(1) or 1006(a)(3).

''(k) Funds provided by the Corporation under section 1006 shall be deemed to be Federal appropriations for the purpose of all Federal criminal laws when used by a recipient, another grantee or contractor of the Corporation, or any subgrantee or subcontractor of any such entity.

''(1) For purposes of section 666 of title 18, United States Code, funds provided by the Corporation shall be deemed to be benefits under a Federal program involving a grant or contract.''.

SEC. 5. PROHIBITIONS ON LOBBYING.

Section 1007(a)(5) (42 U.S.C. 2996f(a)(5)) is amended to read as follows:

''(5) ensure that no funds made available to any recipient or other grantee or contractor of the Corporation are used at any time, directly or indirectly—

''(A) to pay for any publicity or propaganda intended or designed—

''(i) to support or defeat legislation pending before the Congress or State or local legislative bodies,

''(ii) to influence any decision by a Federal, State, or local agency, or

''(iii) to influence the passage or defeat of any State proposal made by initiative petition or referendum;

''(B) to pay for any oral or written communication, personal service, advertisement, telegram, telephone communication, letter, printed or written matter, or other device, intended or designed to influence any decision by a Federal, State, or local agency, except when legal assistance is provided by an employee of a recipient or other grantee or contractor to an eligible client on a particular application, claim, or case, which directly involves the client's legal rights or responsibilities and which does not involve the issuance, amendment or revocation of any executive order or similar promulgation by any Federal, State, or local agency; or

''(C) to pay for any oral or written communication, personal service, advertisement, telegram, telephone communication, letter, printed or written matter, or any other device intended or designed to influence the passage or defeat of any legislation by the Congress of the United States or by any State or local legislative body, or intended or designed to influence any Member of Congress or any other Federal, State, or local elected official—

''(i) to favor or oppose any referendum, initiative, constitutional amendment, or any similar procedures of the Congress, any State legislature, any local council, or any similar governing body acting in a legislative capacity,

''(ii) to favor or oppose an authorization or appropriation directly affecting the authority, function, or funding of a recipient, other grantee or contractor, or the Corporation,

''(iii) to influence the conduct of oversight proceedings of a recipient, other grantee or contractor, or the Corporation, or

''(iv) to favor or oppose any Act, bill, resolution, or similar legislation; and ensure that no funds made available to recipients or other grantees or contractors are used to pay for any administrative or related costs associated with an activity prohibited in subparagraph (A), (B), or (C);''.

SEC. 6. ENFORCEMENT AND MONITORING

(a) ENFORCEMENT.—Section 1006(b)(1)(A) (42 U.S.C. 29963(b)(1)(A)) is amended—

(1) by inserting ''(i)'' after ''(b)(1)(A)'', and

(2) by adding at the end the following:

''(ii) Unless required by law, the Corporation shall not make the findings of an investigation public until a final report is issued or unless such disclosure is made with the consent of the recipient or other grantee or contractor involved. If, at the conclusion of the investigation, the Corporation determines that it will take action under section 1011, it shall notify the recipient, grantee, or contractor of the right to request a hearing. A hearing must be requested not later than 30 days after receiving the notification.''

(b) MONITORING AND EVALUATIONS OF PROGRAMS.—At the end of section 1007(d) (42 U.S.C. 2996f(d)), add the following: ''The Corporation may require disclosure of such records as are pertinent and necessary to effectively monitor and evaluate recipients and other grantees and contractors of the Corporation.''.

SEC. 7. CLASS ACTIONS.

Section 1006(d)(5) is amended——

(1) by striking ''No'' and inserting ''(A) Subject to subparagraph (B), no''; and

(2) by adding at the end the following:

''(B) No recipient, other grantee or contractor of the Corporation, or employee of any such recipient, grantee, or contractor may bring a class action suit against the Federal Government or any State or local government unless—

''(i) the project director of the recipient, grantee, or contractor has expressly approved the filing of such an action in accordance with policies established by the governing or policy body of the recipient, grantee, or contractor and the filing of such action has not been expressly disapproved by such governing or policy body;

''(ii) the class relief which is the subject of such an action is sought for the primary benefit of individuals who are eligible for legal assistance under this title; and

''(iii) before filing such an action, the project director of the recipient, grantee, or contractor determines that the government entity is not likely to change the policy or practice in question, that the policy or practice will continue to adversely affect eligible clients, that the recipient, grantee, or contractor has given notice of its intention to seek class relief, and that responsible efforts to resolve without litigation the adverse effects of the policy or practice have not been successful or would be adverse to the interest of the clients.''.

SEC. 8. PROHIBITION ON USE OF FUNDS FOR REDISTRICTING.

Section 1007(b) (42 U.S.C. 2996f(b)) is amended—

(1) in paragraph (10) by striking the period and inserting ''; or ''; and

(2) by adding at the end the following:

''(11) to—

''(A) advocate or oppose, or contribute or make available any funds, personnel, or equipment for use in advocating or opposing, any plan or proposal, or

''(B) represent any party or participate in any other way in litigation,

that is intended to or has the effect of altering, revising, or reapportioning a legislative, judicial, or elective district at any level of government, including influencing the timing or manner of the taking of a census.''.

SEC. 9. RESTRICTIONS ON USE OF FUNDS FOR LEGAL ASSISTANCE TO ALIENS

Section 1007 (42 U.S.C. 2996(f)) is amended by adding at the end the following:

''(i) No funds appropriated to the Legal Services Corporation may be used to provide legal assistance for or on behalf of any alien unless the alien is present in the United States and is—

''(1) an alien lawfully admitted for permanent residence as defined in section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20)), including aliens who acquire the status of lawful permanent resident aliens under the provisions of section 210, 210A, 216 or 245A of that Act (8 U.S.C. 1160, 1161, 1186a, 1255a);

''(2) an alien who is either married to a United States citizen or is a parent or an unmarried child under 21 years of age of such citizen and who has filed an application to adjust status to lawful permanent resident under the Immigration and Nationality Act, and such application has not been finally adjudicated;

''(3)(A) an alien who is lawfully present in the United States pursuant to an admission as a refugee under section 207 of the Immigration and Nationality Act (8 U.S.C. 1157), who has been granted suspension of deportation under section 244 of the Immigration and Nationality Act (8 U.S.C. 1254), or who has been granted asylum under section 208 of the Immigration and Nationality Act (8 U.S.C. 1158), or

''(B) an alien who is lawfully present in the United States as a result of being granted conditional entry pursuant to section 203(a)(7) of the Immigration and Nationality Act as in effect immediately before April 1, 1980, because of persecution or fear of persecution on account of race, religion, or political opinion or because of being uprooted by catastrophic natural calamity;

''(4) an alien who is lawfully present in the United States as a result of the Attorney General's withholding of deportation pursuant to section 243(h) of the Immigration and Nationality Act (8 U.S.C. 1253(h));

''(5)(A) a nonimmigrant agricultural worker to whom section 305 of the Immigration Reform and Control Act of 1986 applies, but only to the extent that the legal assistance provided is that described in that section,

''(B) an alien who is in the status of an alien lawfully admitted to the United States for temporary residence under section 210 or 210A of the Immigration and Nationality Act (8 U.S.C. 1160, 1161);

''(6) an alien who has been provided a record of permanent residence under section 249 of the Immigration and Nationality Act (8 U.S.C. 1259); or

''(7) an alien who is eligible for medical assistance for treatment of an emergency medical condition under title XIX of the Social Security Act, if the legal assistance to be provided is needed in order to help obtain such medical assistance.''.

SEC. 10. GOVERNING BODIES OF RECIPIENTS.

Section 1007(c) (42 U.S.C. 2996f(c)) is amended—

(1) by striking ''(1)'' and ''(2)'' and inserting ''(A)'' and ''(B)'', respectively;

(2) by inserting ''(1)'' after ''(c)''; and

(3) by adding at the end the following:

''(2) Funds appropriated for the Corporation may not be used by the Corporation in making grants or entering into contracts for legal assistance unless the Corporation ensures that the recipient or other grantee or contractor is either—

''(A) a private attorney or attorneys, or

''(B) a qualified nonprofit organization chartered under the laws of one of the States—

''(i) a purpose of which is furnishing legal assistance to eligible clients, and

''(ii) the majority of the board of directors or other governing body of which is comprised of attorneys who are admitted to practice in one of the States and are approved to serve on such board or body by the governing bodies of State, county, or municipal bar associations the membership of which represents a majority of the attorneys practicing law in—

''(I) the locality in which the organization is to provide legal assistance, or

''(II) in the case of national support centers, the locality where the organization maintains its principal headquarters.

The approval described in subparagraph (B)(ii) may be given to more than one board of directors or other governing body.''.

SEC. 11. SOLICITATION.

Section 1007 (42 U.S.C. 2996f) is amended by adding at the end the following:

''(j) Any recipient or other grantee or contractor of the Corporation, and any employee of any such recipient, grantee, or contractor, who has given in-person unsolicited advice to a nonattorney that such nonattorney should obtain counsel or take legal action shall not accept employment resulting from that advice, or refer that nonattorney to another such recipient, grantee, contractor, or employee, except that—

''(1) a recipient or other grantee or contractor of the Corporation, or an employee of any such recipient, grantee, or contractor, may accept employment by a close friend, relative, former client (if the advice given is germane to the previous employment by the client), or person whom the recipient, grantee, contractor, or employee reasonably believes to be a client because the recipient, grantee, contractor, or employee currently is handling an active legal matter or case for that specific person;

''(2) a recipient or other grantee or contractor of the Corporation, or an employee of any such recipient, grantee, or contractor may, accept employment or refer a nonattorney to another such recipient, grantee, contractor, or employee when the employment or referral (as the case may be) results from the participation of the recipient, grantee, contractor, or employee in activities designed to educate nonattorneys about their legal rights, to recognize legal problems, to make intelligent selection of counsel, or to utilize available legal services if such outreach activities are conducted or sponsored by the recipient, grantee, contractor, or other legal assistance organization; and

''(3) without affecting the right of a recipient or other grantee or contractor of the Corporation or an employee of any such recipient, grantee, or contractor to accept employment, any such recipient, grantee, contractor, or employee may speak publicly or write for publication on legal topics so long as such recipient, grantee, contractor, or employee does not emphasize his, her, or its own professional experience or reputation and does not undertake to give individual advice in such speech or publication.''.

SEC. 12. CERTAIN EVICTION PROCEEDINGS.

Section 1007 (42 U.S.C. 2996f) is amended by adding at the end the following:

''(k)(1) No funds made available by or through the Corporation may be used for initiating the defense of a person in a proceeding to evict that person from a public housing project if the person has been convicted of the illegal sale or distribution of a controlled substance and if the eviction proceeding is brought by a public housing agency because the illegal drug activity of that person threatens the health or safety of other tenants residing in the public housing project or employees of the public housing agency.

''(2) As used in this subsection—

''(A) the term 'controlled substance' has the meaning given that term in section 102 of the Controlled Substances Act (21 U.S.C. 802); and

''(B) the terms 'public housing project' and 'public housing agency' have the meanings given those terms in section 3 of the United States Housing Act of 1937 (42 U.S.C. 1437a).''.

SEC. 13. PROCEDURAL SAFEGUARDS.

Section 1007 (42 U.S.C. 2997f) is amended by adding at the end the following:

''(i)(1) No recipient or other grantee or contractor of the Corporation, or employee of such recipient, grantee, or contractor, may engage in precomplaint settlement negotiations, file a complaint, or otherwise pursue litigation against a defendant unless a written retainer agreement which enumerates the particular facts on which the claim or controversy is initially based has been signed by the plaintiffs (including named plaintiffs in a class action). Such retainer agreement shall be executed when representation commences, or, if not possible at that time because of an emergency situation, then as soon thereafter as is practicable. Such retainer agreement—

''(A) shall be kept on file by the recipient, grantee, or contractor in a manner that does not disclose information protected by the attorney-client privilege, and

''(B) shall be made available—

''(i) to any Federal department or agency that is auditing the activities of the Corporation or of any such recipient, grantee, or contractor, and

''(ii) to any auditor receiving Federal funds to conduct such auditing, including any auditor or monitor of the Corporation.

Other parties shall have access to such agreement only through the applicable rules of discovery after litigation has begun. Claims of attorney-client privilege shall not protect information contained in such agreement which, after the agreement is signed, is disclosed by the plaintiffs or the plaintiff's counsel to third parties during precomplaint settlement negotiations or litigation. The recipient, grantee, or contractor is not required to execute a written retainer agreement under this subsection when the only service to be provided is brief advice and consultation.

''(2) No recipient or other grantee or contractor of the Corporation, or employee of such recipient, grantee, or contractor may engage in precomplaint settlement negotiations, file a complaint, or otherwise pursue litigation against a defendant unless all plaintiffs have been specifically identified, by name, for purposes of such negotiations or litigation, except to the extent that a court of competent jurisdiction has granted leave to protect the identify of any plaintiff.

''(3)(A) Subject to subparagraph (B), any Federal district court of competent jurisdiction, after notice to potential parties to negotiations or litigation referred to in paragraph (1) and after an opportunity for a hearing, may enjoin the disclosure of the identify of any potential plaintiff pending the outcome of such negotiations or litigation, upon the establishment of reasonable cause to believe that such an injunction is necessary to prevent probable, serious harm to such potential plaintiff.

''(B) Notwithstanding subparagraph (A), the court shall, in a case in which subparagraph (A) applies, order the disclosure of the identity of any potential plaintiff to counsel for potential defendants upon the condition that counsel for potential defendants not disclose the identity of such potential plaintiff (other than to investigators or paralegals hired by such counsel), unless authorized in writing by such potential plaintiff's counsel or the court.

''(C) Counsel for potential defendants and the recipient, grantee, contractor, or employee counsel of the recipient, grantee, or contractor may execute an agreement, in lieu of seeking a court order under subparagraph (A), governing disclosure of the identity of any potential plaintiff.

''(D) The court may punish as a contempt of court any violation of an order of the court under subparagraph (A) or (B) or of an agreement under subparagraph (C).''.

SEC. 14. PHASED IMPLEMENTATION OF COMPETITION; DISTRIBUTION OF GRANTS AND CONTRACTS.

Section 1007 (42 U.S.C. 2996f) is amended by adding at the end the following:

''(m)(1)(A) Ten percent of all grants and contracts awarded by the Corporation for the provision or support of legal assistance to eligible clients under this title shall be awarded under a competitive bidding system developed by the Corporation to test the use of competition in providing effective and efficient legal services of high quality. This competitive system shall—

''(i) ensure access to high-quality, economical, and effective legal services for eligible clients, consistent with section 1001.

''(ii) minimize disruption of client services, and

''(iii) ensure that every recipient or other grantee or contractor seeking a grant or contract through this competitive bidding process complies with all provisions of this title and the applicable rules, guidelines, and instructions issued under this title.

''(B) The competitive bidding system developed under subparagraph (A) shall be implemented in fiscal years 1993 and 1994.

''(C) The Corporation shall, not later than 18 months after implementation of the competitive bidding system under subparagraph (A), report to the Congress on the effectiveness of the system.

''(D) If at the end of fiscal year 1994 the Corporation determines that the competitive bidding system has met the requirements of subparagraph (A), the Corporation shall so notify the Congress and shall proceed to phase in, during the next 3 fiscal years, the implementation, for all grants and contracts awarded by the Corporation for the provision or support of legal assistance to eligible clients under this title, of a competitive bidding system that meets the requirements of subparagraph (A).

''(2) Rights under section 1007(a)(9) and 1011 shall not apply to the termination or denial of financial assistance under this title as a result of the competitive award of any grant or contract under paragraph (1), and the expiration of any grant or contract under this title as a result of such competitive award shall not be treated as a termination or denial of refunding under section 1007(a)(9) or 1011.

''(n)(1) Funds appropriated to the Corporation shall be distributed to each recipient or other grantee or contractor on a per capita basis pursuant to the number of poor people determined by the Bureau of the Census to be within its geographical area, in accordance with paragraphs (2) and (3).

''(2) The amount of the grants from the Corporation and of the contracts entered into by the Corporation under section 1006(a)(1) shall be an equal figure per poor person for all geographic areas, based on the most recent decennial census of population conducted pursuant to section 141 of title 13, United States Code, regardless of the level of funding for any geographic area before the enactment of the Legal Service Reauthorization Act of 1992.

''(3) Beginning with the fiscal year beginning after the results of the most recent decennial census have been reported to the President under section 141(b) of title 13, United States Code, funding of geographic areas served by recipients, grantees, and contractors shall be redetermined, in accordance with paragraph (2), based on the per capita poverty population in each such geographic area under that decennial census.''.

SEC. 15. TRAINING.

Section 1007(b)(6) (42 U.S.C. 2996f(b)(6)) is amended to read as follows:

''(6) to support or conduct training programs for the purpose of advocating particular public policies or encouraging political activities, labor or antilabor activities, boycotts, picketing, strikes, or demonstrations, including the dissemination of information about such policies or activities, except that this paragraph shall not be construed to prohibit the training of attorneys or paralegal personnel that is necessary to prepare them to provide adequate legal assistance to eligible clients, to advise any eligible client as to the nature of the legislative process, or to inform any eligible client of his or her rights under any statute, order, or rule;''.

SEC. 16. ABORTION.

(a) PROHIBITION.—Section 1007 (42 U.S.C. 2996f) is amended by adding at the end the following:

''(o)(1) No funds made available to any recipient or other grantee or contractor of the Corporation from any source, including funds derived from Interest on Lawyer Trust Accounts (IOLTA), may be used to participate in any proceeding or litigation pertaining to abortion, or for any activity to influence the passage or defeat of any legislative or regulatory measure pertaining to abortion.

''(2) Nothing in this subsection shall affect the ability of a financially and physically separate entity that receives no funds from the Legal Services Corporation or its recipients or other grantees or contractors of the Corporation to engage in constitutionally-protected activities otherwise prohibited under this subsection.

''(3) As used in paragraph (2), a 'separate entity' is an entity that—

''(A) does not share offices, staff, or facilities with a recipient or other grantee or contractor of the Corporation, and

''(B) shares no control over workload with such a recipient, grantee, or contractor.''.

(b) CONFORMING AMENDMENT.—Section 1007(b) (42 U.S.C. 2996f(b)) is amended by striking paragraph (8).

SEC. 17. LIMITATION ON USE AMENDMENTS.

Section 1007(b) (42 U.S.C. 2996f(b)) is amended by striking paragraph (9) and redesignating paragraph (10) and paragraph (11) (as added by section 8 of this Act) as paragraphs (8) and (9), respectively.

SEC. 18. RECORDKEEPING AND NON-CORPORATION FUNDS.

(a) NON-CORPORATION FUNDS.—Section 1010(c) (42 U.S.C. 2996i(c)) is amended to read as follows:

''(c)(1) Any non-Federal funds received by the Corporation, and any funds received by any recipient or other grantee or contractor from any source other than the Corporation, shall be accounted for and reported as receipts and disbursements separate and distinct from Corporation funds. Any funds so received, including funds derived from Interest on Lawyers Trust Accounts (IOLTA), may not be expended by recipients, grantees, or contractors for any purpose prohibited by this title or the Legal Services Reauthorization Act of 1992. The Corporation shall not accept any non-Federal funds, and any recipient, grantee, or contractor shall not accept funds from any source other than the Corporation, unless the Corporation or the recipient, grantee, or contractor, as the case may be, notifies in writing the source of such funds that the funds may not be expended for any purpose prohibited by this title or the Legal Services Reauthorization Act of 1992.

''(2) Paragraph (1) shall not prevent recipients and other grantees and contractors from—

''(A) receiving Indian tribal funds (including funds from private nonprofit organizations for the benefit of Indians or Indian tribes) and expending them in accordance with the specific purposes for which they are provided; or

''(B) using funds received from a source other than the Corporation to provide legal assistance to a client who is not an eligible client or who is an alien prohibited from being provided assistance under section 1007(i) if such funds are used for the specific purposes for which such funds were received, except that such funds may not be expended by recipients, grantees, or contractors for any purpose prohibited by this title or the Legal Services Reauthorization Act of 1992 (other than the prohibition described in section 1007(i) or any requirement regarding the eligibility of clients.

''(3) Nothing in this subsection shall affect the ability of a financially and physically separate entity that receives no funds from the Legal Services Corporation or its recipients or other grantees or contractors of the Corporation to engage in constitutionally-protected activities otherwise prohibited under this subsection.

''(4) As used in paragraph (3), a 'separate entity' is an entity that—

''(A) does not share offices, staff, or facilities with a recipient or other grantee or contractor of the Corporation, and

''(B) shares no control over workload with such a recipient, grantee, or contractor.''.

(b) TIMEKEEPING.—Section 1008(b) (42 U.S.C. 2996g(b)) is amended—

(1) by inserting ''(1)'' after ''(b)''; and

(2) by adding at the end the following:

''(2) The Corporation, by regulation adopted pursuant to section 1008(e), shall require each recipient or other grantee or contractor of the Corporation to maintain records of time spent on the cases or matters with respect to which that recipient, grantee, or contractor is engaged in activities and to maintain a recordkeeping system that discloses the source of funds to be charged for each such case or matter. The specific time and recordkeeping system to be employed shall be determined by the recipient, grantee, or contractor in a manner that meets the requirements of a recordkeeping system as set forth in the preceding sentence and meets obligations that are imposed by other funding sources. Pursuant to regulations adopted under this paragraph, each employee of such recipient, grantee, or contractor, who is an attorney or paralegal, shall be required to keep contemporaneous records of the time spent by case or matter and the type of case or matter.''.

SEC. 19. EVASION.

The Legal Services Corporation Act is amended—

(1) by redesignating section 1013 and 1014 as sections 1014 and 1015, respectively; and

(2) by inserting after section 1012 the following new section:

''EVASION

''SEC. 1013. The use of 'alternative corporations' to avoid or otherwise evade the provisions of this title or the Legal Services Reauthorization Act of 1992 is prohibited. The term 'alternative corporation' means any corporation, law firm, business association, group, entity, or enterprise which shares offices, staff, or facilities with a recipient or other grantee or contractor of the Corporation or shares control over workload with such a recipient, grantee, or contractor.''.

SEC. 20. ATTORNEYS' FEES PROVISIONS.

Section 1006(f) (42 U.S.C. 2996e(f)) is amended to read as follows:

''(f)(1) A recipient or other grantee or contractor of the Corporation, or any client of such recipient, grantee, or contractor, may not claim or collect attorneys' fees from non-governmental parties to litigation initiated by such client with the assistance of such recipient, grantee, or contractor.

''(2) If any court finds, based on substantial evidence, that a recipient or other grantee or contractor of the Corporation commenced an action for the purpose of harassment or retaliation or maliciously abused legal process, or that the plaintiff's action was frivolous, unreasonable, or without foundation, the court shall award reasonable costs and attorneys' fees incurred by the defendant in defending the action. Any such costs and fees shall be paid directly by the Corporation. The Corporation may recover the amount of any costs and fees paid by the Corporation from the recipient, grantee, or contractor against whom the award was made by offsetting that amount against future grant awards or contracts made by the Corporation to such recipient, grantee, or contractor. Unless otherwise agreed to by the Corporation and the recipient, grantee, or contractor involved, the Corporation, in any one grant year, may not deduct more than 5 percent of a grant award or contract for purposes of recoupment of such costs and fees under the preceding sentence.''.

SEC. 21. REPROGRAMMING PROVISIONS.

Section 1008 (42 U.S.C. 2996h) is amended by adding at the end the following:

''(f) The Corporation may not promulgate rules under this title unless the Corporation has so notified the Committees on Appropriations and on the Judiciary of the House of Representatives and the Committees on Appropriations and on Labor and Human Resources of the Senate at least 15 days before final publication of the rules.''.

SEC. 22. AUTHORITIES OF INSPECTOR GENERAL.

Section 1009 (42 U.S.C. 2996h) is amended as follows:

(1) Subsection (a)(1) is amended to read as follows:

''(a)(1) The accounts of the Corporation shall be audited annually. Such audits shall be conducted in accordance with the Inspector General Act of 1978.''.

(2) Subsection (c)(1) is amended to read as follows:

''(c)(1) The Inspector General of the Corporation shall conduct, or require each recipient, grantee, contractor, or person or entity receiving financial assistance under this title to provide for audits in accordance with the Inspector General Act of 1978.''.

(3) Subsection (c)(2) is amended by striking ''Corporation'' the first place it appears and inserting ''Inspector General''.

SEC. 23. STAFF ATTORNEYS.

Section 1002(7) (42 U.S.C. 2996a(7) is amended to read as follows:

''(7) 'staff attorney' means an attorney who receives more than one-half of his or her annual professional income from a recipient other grantee or contractor of the Corporation, which has as one of its purposes the provision of legal assistance to eligible clients under this title; and''.

SEC. 24. STUDY ON LEGAL ASSISTANCE TO OLDER AMERICANS.

The Legal Services Corporation shall conduct a study to determine the extent and effectiveness of legal assistance provided to older Americans by recipients and contractors under the Legal Services Corporation Act. The Corporation shall submit to the Congress, not later than 6 months after the date of the enactment of this Act, a report on the study, together with any recommendations that the Corporation has on ways to improve the provision of such legal assistance to older Americans.

After debate,

By unanimous consent, the previous question was ordered on the motion to recommit with instructions.

The question being put, viva voce,

Will the House recommit said bill with instructions?

The SPEAKER pro tempore, Mr. SKAGGS, announced that the nays had it.

Mr. MCCOLLUM objected to the vote on the ground that a quorum was not present and not voting.

A quorum not being present,

The roll was called under clause 4, rule XV, and the call was taken by electronic device.

When there appeared ....
- Yeas 173
- Nays 236
- Answered present 1

¶52.17 [Roll No. 117]

YEAS—173

Allard	Hansen	Rahall
Allen	Hastert	Ravenel
Applegate	Hefley	Ray
Archer	Henry	Regula
Armey	Herger	Rhodes
Baker	Hobson	Rinaldo
Ballenger	Holloway	Ritter
Barnard	Hopkins	Roberts
Barrett	Huckaby	Roemer
Barton	Hunter	Rogers
Bateman	Hutto	Rohrabacher
Bentley	Inhofe	Ros-Lehtinen
Bilirakis	Ireland	Roth
Bliley	Johnson (SD)	Roukema
Boehner	Johnson (TX)	Rowland
Broomfield	Kanjorski	Santorum
Bunning	Kasich	Sarpalius
Burton	Klug	Saxton
Byron	Kolbe	Schaefer
Callahan	Kyl	Schulze
Camp	LaFalce	Sensenbrenner
Chandler	Lagomarsino	Shaw
Clement	Laughlin	Shuster
Clinger	Lent	Skeen
Coble	Lewis (CA)	Skelton
Coleman (MO)	Lewis (FL)	Smith (NJ)
Combest	Livingston	Smith (OR)
Costello	Lowery (CA)	Smith (TX)
Coughlin	Marlenee	Snowe
Cox (CA)	Martin	Solomon
Crane	McCandless	Spence
Davis	McCollum	Stearns
DeLay	McCrery	Stenholm
Dickinson	McDade	Stump
Doolittle	McGrath	Sundquist
Dornan (CA)	McMillan (NC)	Tanner
Dreier	Meyers	Tauzin
Duncan	Michel	Taylor (MS)
Edwards (OK)	Miller (OH)	Taylor (NC)
Edwards (TX)	Miller (WA)	Thomas (CA)
Emerson	Mollohan	Thomas (GA)
English	Montgomery	Thomas (WY)
Ewing	Moorhead	Upton
Fawell	Morrison	Valentine
Fields	Murphy	Vander Jagt
Franks (CT)	Murtha	Vucanovich
Gallegly	Myers	Walker
Gekas	Nichols	Walsh
Geren	Nussle	Weber
Gillmor	Orton	Weldon
Gingrich	Oxley	Wilson
Goodling	Packard	Wolf
Goss	Parker	Wylie
Grandy	Paxon	Yatron
Gunderson	Petri	Young (AK)
Hall (TX)	Poshard	Young (FL)
Hammerschmidt	Pursell	Zeliff
Hancock	Quillen	

NAYS—236

Abercrombie	Blackwell	Carper
Anderson	Boehlert	Carr
Andrews (ME)	Bonior	Chapman
Andrews (NJ)	Borski	Clay
Andrews (TX)	Boucher	Coleman (TX)
Annunzio	Boxer	Collins (MI)
Anthony	Brewster	Condit
Aspin	Brooks	Conyers
Atkins	Browder	Cooper
Bacchus	Brown	Cox (IL)
Beilenson	Bruce	Coyne
Bennett	Bustamante	Cramer
Berman	Campbell (CA)	Darden
Bevill	Campbell (CO)	de la Garza
Bilbray	Cardin	DeFazio