Interstate Compact for Juveniles
1st Annual Meeting 2008

COMPACT LEGAL ISSUES
DURING TRANSITION
DURATION OF the “old” compact and the AJCA

“OLD” ICJ ARTICLE XIV

That this compact shall continue in force and remain binding upon each executing state until renounced by it. Renunciation of this Compact shall be by the same authority which executed it, . . . The duties and obligations of a renouncing state under article VII hereof shall continue as to parolees and probationers residing therein at the time of withdrawal until retaken or finally discharged.
The compact shall become effective and binding upon legislative enactment of the Compact into law by no less than 35 of the states. The initial effective date shall be the later of July 1, 2004 or upon enactment into law of the 35th jurisdiction. Thereafter it shall become effective and binding as to any other compacting state upon enactment of the compact into law by that state. The governors of non-member states or their designees shall be invited to participate in the activities of the Interstate Commission on a non-voting basis prior to adoption of the compact by all states and territories of the United States.
New ICJ – Article VI, Sec. F.

The existing rules governing the operation of The Interstate Compact on Juveniles superseded by this act shall be null and void (12) Months after the first meeting of the Interstate Commission created hereunder.
Expiration of Transition Rules

• Since the compact is now activated and the 1st Commission meeting has been convened, twelve (12) months from now there will no longer be a common set of administrative rules for both compacts.

• Transfers between a compact member state and a non-member state will no longer be authorized.
Expiration of Transition Rules cont.

- Non-member states will no longer be authorized to transfer juveniles to new compact member states and will have no authority under the compact to prevent transfers of juveniles from new compact states to non-member states.

* Non-member states will only be able to transfer juveniles to other non-member states
What will become of the “old compact and AJCA

- We now have two (2) separate compacts and two (2) separate governing structures which both have responsibilities for the transfer of juveniles.
- How long can this continue?
Contractual Nature of Compacts

Because it is a type of contract, an interstate compact ceases to exist, or is dissolved upon the date of the withdrawal or default of a state which reduces the membership in the compact to one compacting state. (See New ICJ, Article XI, Section D)
Dissolution of “Old” Compact

* Thus the ‘old’ compact will cease to exist when the new compact has been enacted by all but one (1) state which was a member of the ‘old’ compact.
QUESTIONS

Contact Info.

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Dissolution & Disposition of Assets
Under AJCA Bylaws and the Internal Revenue Code

AJCA Bylaws - Article I
The name of this organization shall be the Association of Juvenile Compact Administrators, a nonprofit entity, hereinafter referred to as the Association. Authority for the Association is derived from Article XII of the Interstate Compact on Juveniles. The Association is organized for charitable and educational purposes under Section 501(c)(3) of the Internal Revenue Service Code.
Dissolution & Distribution of Assets (Cont.)

AJCA Bylaws – Article VI

Upon dissolution of the Association, assets shall be distributed for one or more exempt purposes within the meaning of Section 501 (c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by the Court of Common Pleas of the county in which the non-profit organization's principal office is then located. Any distribution by the court shall be made in such manner as, in the judgment of the court, will best accomplish the general purposes for which the Association was organized.
Revenue Rulings

Various revenue rulings, tax regulations and court decisions have been applied in such situations to provide that upon dissolution such distributions are appropriately made to another governmental entity to be used in a manner which will best accomplish the general purposes for which the dissolved entity was organized. [Blocker v. State, 718 S.W.2d 409 (1986); Income Tax Reg. Sec. 1.501(3)1(b)(4)]
Prior precedent of other compacts & legal authorities

- Dissolution and Distribution of Assets of the Parole and Probation Compact Administrators’ Association (PPCAA)
- General Compact Law Principles Based Upon the Text of the Compact and Bylaws
- Compact Treatises