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[ACTION-Domestic Volunteer Service Act] [loose]

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THE WHITE HOUSE
WASHINGTON

Jack -

Mtg w/

ACTION

Judy Herrington

John Seal

Kowalzyk

Gary

in Room 248

Phil



OFFICE OF THE DIRECTOR

1101 VERMONT AVENUE, NW
WASHINGTON, DC 20005

Facsimile Transmittal Sheet

TO:

Jack Lew

LOCATION:

FAX #:

PHONE #:

FROM:

John Sear

COMMENTS:

Per Your Request + For Our
Discussion Tomorrow

NUMBER OF PAGES (INCLUDING COVER SHEET)

5IF THERE IS ANY PROBLEM WITH THIS TRANSMISSION, PLEASE CALL:
(202) 606-4880.

ACTION'S MISSION

To stimulate voluntary citizen participation in addressing the needs of American communities,
particularly those of the poor, the disadvantaged and the elderly



OFFICE OF THE DIRECTOR

1100 VERMONT AVENUE, NW
WASHINGTON, DC 20020

April 8, 1993

Mr. Jack Lew
Office of National Service
The White House
Washington, DC 20500

Dear Jack:

Thank you for sharing Sections 121 through 148 (Subtitles C and D) of the national service legislation discussion draft. While our analysis is constrained by the need to speculate on the intent and context of various provisions and the relationship to programs currently authorized by the Domestic Volunteer Service Act, we appreciate the intent in the proposal to be flexible and to encourage the support of innovative approaches to national service.

Our comments, provided by section, are as follows:

SECTION 122. TYPES OF NATIONAL SERVICE PROGRAMS TO BE ASSISTED.

In Section 122(a), the phrase "especially those needs related to poverty" is included in the listing of needs to be addressed here as well as in Section 125(a)(2). However, there are other sections where this language is not included (e.g. Sections 124(b)(3)(A); 127(b)(2)(B); 133(b)(3); and 138(a). Also, Section 133(b)(3) adds the word "urgent" to the list of needs.

Recognizing poverty in the legislation would help in focusing the national service effort while not precluding support for the breadth of activities allowed by the wording "... unmet human, educational, environmental, and public safety needs."

Section 122(a)(4) identifies a "community corps program" with participants from diverse economic backgrounds and different agencies as a defined program under national service. In contrast, none of the older American programs authorized in the Domestic Volunteer Service Act are recognized under the national service "umbrella" definition of Section 122 even though there is conceptual compatibility. The effect of this omission is to indicate that the older American programs are not part of national service and are ineligible to compete for funding support.

ACTION'S MISSION

To stimulate voluntary citizen participation in addressing the needs of American communities, particularly those of the poor, the disadvantaged and the elderly.

- 2 -

Thus, we recommend the following additional language be included in Section 122(a):

"(11) A public or private, non-profit program in a community that contributes to the well being of low income and older Americans.

The description of a "specialized service program" in Section 122(3) is not clear to us.

SEC.123. PROVISIONS OF ASSISTANCE BY COMPETITIVE AND OTHER MEANS

In Section 123(c)(3), we would suggest adding the following language:

"(D) established public and private non-profit programs in localities and neighborhoods that contribute to the well being of low income and older Americans.

This would alleviate concerns about such programs being excluded from applying for competitive funding under this section.

We also note that local program applicants are not constrained from applying, at the same time and for the same purpose, for monies allotted to the States and likewise directly to the Corporation. This may cause administrative problems for the Corporation in the future.

SEC.125. NATIONAL SERVICE PROGRAM REQUIREMENTS

Evaluation requirements in Section 125(d) should be limited to grants exceeding a specified amount (e.g. \$100,000). Otherwise, funds are spent on less than rigorous evaluations rather than on increased program support under smaller grants.

We also note that a fixed requirement to select applicants from a national registry could be burdensome for local grantees in terms of interviewing, reference checks, relocation and the like.

SEC.127. CONSIDERATION OF APPLICATIONS

Section 127(b)(2)(B)(i) would restrict assistance for needy areas and communities that do not fall in the specialized designations used.

- 3 -

Section 127(d) discusses not notifying unsuccessful applicants. Rather than the emphasis on notice, we would suggest the Corporation not be required to give reasons for turning down an application. We believe all applicants should be notified of the outcome of their request.

SEC.128. TYPES OF ASSISTANCE

We note that a grantee could theoretically receive various types of assistance for 10 years or more for the same basic program effort.

Sections 128(e) and (f) appear to actually restrict administrative costs to approximately 10%, rather than 5% of total grants, if the sections are read to mean that a grantee can use up to 5% of its Federal monies for administrative costs and sub-grantees can do the same out of their allotted Corporation funds. The intent of the Sections, however, is not clear.

SEC.131. ELIGIBILITY REQUIREMENTS FOR NATIONAL SERVICE PARTICIPANTS

Individuals who are not youth and who have not attended college seem to be excluded under the eligibility criteria.

SEC.132. REQUIRED TERMS OF SERVICE OF NATIONAL SERVICE PARTICIPANTS

Regarding Section 132(c) [as well as Section 147(c)], we note that individuals who drop out for good cause, e.g. disability during the course of their national service or a family emergency, would be excluded from the post service educational benefit. On the other hand, there is no reference to a project being able to release a participant for cause, such as committing a crime.

SEC.133. LIVING ALLOWANCES FOR NATIONAL SERVICE PARTICIPANTS

Tying the living allowance to the minimum wage could be problematic since the minimum wage is not geared to inflation or the cost of living and gives an appearance of employment rather than service. Further, the maximum living allowance could reach almost \$18,000 annually for an individual.

SEC.135. CORPORATION REPRESENTATIVE IN EACH STATE

It is unclear why this Section is not part of the portion of the bill establishing the Corporation.

SEC.136. is missing.

- 4 -

SEC.137. DESIGNATION AND DISTRIBUTION OF APPROVED NATIONAL SERVICE POSITIONS

We are uncertain about the reasons for allocating national service positions by formula separately from the grant award formula's application; i.e., whether it is envisioned that there will be a substantial number of eligible participants funded under the program structure that will not receive loan cancellation benefits. The relationship to VISTA and recruitment of VISTA Volunteers is also unclear to us.

SEC.145. ESTABLISHMENT OF THE NATIONAL SERVICE TRUST

We would defer to the Departments of Education and the Treasury on Subtitle D with two caveats. First, the entire system envisions the construction and maintenance of several major centralized data bases. Although these references to data bases may help clarify program delivery, requiring them in law may also restrain future management options as well as raise questions during consideration of the bill about additional paperwork burdens placed on the public.

Second, Section 145 indicates the Corporation is responsible for an annual financial report to the Congress. This provision is reasonable if the Corporation will actually administer the Trust. However, if another agency such as the Department of Education is to administer the Trust we believe it is best to have that organization prepare and submit Trust reports.

Finally, at the end of our copy of the draft bill (page 107) is the beginning of certain conforming amendments. Because we do not have the succeeding pages, we do not understand whether the bill will include the option for VISTA to have Stafford loan cancellations. Section 138(b)(3) indicates the Corporation may designate VISTA Volunteers for post-service educational benefits, but as we have suggested previously the Stafford loan cancellation provision may be attractive enough for effective VISTA recruitment, cost less, and allow for funding additional program growth.

Again, thank you for the opportunity to read and comment on this portion of the draft legislation before it becomes finalized.

Sincerely,



John Seal
Acting Director



OFFICE OF THE DIRECTOR

1100 VERMONT AVENUE, NW
WASHINGTON, DC 20525

March 23, 1993

*Jack Lew
Fyt*

TO: Eli Segal
Director
Office of National Service

FROM: John Seal *John Seal*
Acting Director

SUBJECT: Discussion Follow-Up

In response to our last discussion yesterday about issues surrounding public assistance and educational benefits in relation to National Service, I am attaching two documents for your review:

- background on the income disregard provision for VISTA, including the provision's intent and impact
- a table illustrating comparative program features of the current VISTA program and the centerpiece National Service program as we know it today

A strong rationale for VISTA's income disregard is that it allows individuals from the low income community to participate in the program and removing the disregard would significantly block their future enrollment.

It is also important to remember these facts about VISTA:

- We do not view VISTA as a "job" and the overwhelming number of Volunteers do not either. The average length of service for a VISTA Volunteer is 18 months and normal turnover for VISTA projects is 4 to 5 years.
- While educational loan forgiveness and deferment are definitely issues that arise in our VISTA recruitment contacts, they are not the primary motivations for people to join VISTA and we would not want them to become disproportionately important to the program.
- A large percentage of VISTA Volunteers continue their public service long after leaving VISTA. Almost 100 percent of a sample of over 800 VISTA Volunteers contacted as part of a recent evaluation indicated that if they had to choose again, they would still choose to be a VISTA Volunteer.

Attachments

ACTION'S MISSION

To stimulate voluntary citizen participation in addressing the needs of American communities, particularly those of the poor, the disadvantaged and the elderly.

"INCOME EXCLUSION" FOR VISTA VOLUNTEERS

Background

The Domestic Volunteer Service Act (DVSA) has a long-standing provision, enacted in 1973, that enables low-income individuals already receiving government benefits to participate as VISTA Volunteers without losing those benefits. Section 404(g) of the Domestic Volunteer Service Act states:

"Notwithstanding any other provision of law except as may be provided expressly in limitation of this subsection, payments to volunteers under this Act shall not in any way reduce or eliminate the level of or eligibility for assistance or services any such volunteer may be receiving under any governmental program."

This Section means, in effect, that payments made to VISTA Volunteers may not be counted as income in arriving at eligibility for (or amount of benefits) a Volunteer is entitled to receive. A person's level of benefits or services may not be reduced on account of allowances paid to VISTA Volunteers by ACTION.

Further, the statute clearly indicates that the exclusion applies to benefits under any governmental program. The legislative history specifically lists social security, medicare, medicaid, public assistance, public housing, and food stamps as examples of programs to which the income exclusion applies. In addition, the legislative history refers to programs "at any governmental level," which makes it clear that State and local programs are covered as well as federally funded programs. This interpretation has been upheld by court cases and has been confirmed in the past by the Assistant Attorney General of the United States.

Rationale for Income Exclusion Provision

As provided, the income exclusion provision has several rationales:

1. Low-income persons should be encouraged to participate in programs of voluntary service and such a provision serves as an incentive to accomplish that goal.
2. Volunteer service provides a major benefit to the Volunteer as well as to the community. Low-income Volunteers and their families should continue to receive throughout their service the benefits to which they were otherwise entitled before becoming Volunteers. Service in VISTA will enable low-income Volunteers to gain skills and experience which they can use in the job market after service.

3. Many Volunteers have families. VISTA allowances, which are less than the minimum wage, are made to the individual, irrespective of the size or income status of the family. Eliminating the "income exclusion" provision would serve as a powerful disincentive for participation as Volunteers by this group.

Major Effects of the "Income Exclusion" Provision

1. To be eligible for the income exclusion provision, one must have been eligible for, or receiving assistance, prior to enrolling as a VISTA Volunteer. Enrollment in VISTA, with its allowance levels set at an average of 105% of the poverty index for a single individual, does not entitle anyone to receive public assistance for which they were not previously eligible.
2. **Individuals with families** who meet the income eligibility requirements receive payments under Aid to Families With Dependent Children (AFDC). These payments vary significantly. Families with one needy adult and two children generally receive between \$300-600 per month, depending upon the State. Volunteers who are single are ineligible for AFDC.

ACTION's View Concerning Income Exclusion

ACTION believes there is a strong rationale for retaining the income exclusion benefit. The practical impact is primarily to enable low-income individuals with families to volunteer. The VISTA experience enables such individuals to gain a valuable work experience, one that frequently enables them to move on to occupations with nonprofit and public sector organizations and, in some cases, off of welfare. This is consistent with the President's stated goals for welfare reform.

Other Points

1. With regard to the impact of significant postservice benefits under a new National Service program and its relationship to any income disregard provision, it is difficult to determine this impact in the absence of specifics about postservice benefit determinations for VISTA Volunteers in the future. In general, however, individuals who participate as a result of the "income exclusion" provision today will generally not benefit from college loan cancellations. Further, many of these same individuals, given their age and backgrounds, will not benefit from a postservice payment targeted for employment training.

2. The National and Community Service Act also contains an income disregard provision. It references the Job Training Partnership Act, which states: "Allowances, earnings and payments to individuals participating in programs under this Act shall not be considered as income for the purposes of determining eligibility for and the amount of income transfer and in-kind aid furnished under any Federal or federally assisted program based on need, other than programs under the Social Security Act."

PROGRAM COMPARISON: VISTA AND NATIONAL SERVICE

Program Element	VISTA	National Service Proposal**
Eligibility	18 years of age or older; U.S. citizen or permanent resident; average age is about 37 today	Focus on 18-25 year olds
Term of Service	One year enrollment; possible service up to 5 years; current average service is 18 months	One year period (?) Two year period (?)
Program Focus	Anti-Poverty	Broad community service tied to tuition/training benefits
Type of Assignment	Resource mobilizer; neighborhood and organizational capacity building	Broad range of service activities
Placement Mechanism	Locally within own communities (presently 80%); nationally through VISTA recruitment system (presently 20%)	Locally and possibly state (?)
Matching Requirement	No legislative requirement; most sponsors contribute supervision, transportation, space, supplies, etc.	Requirement for matching of subsistence and related direct support (?)
Living Allowance	Average of 105% of the poverty index for a single individual; actual rates are adjusted for cost-of-living (average \$620 mo)	(?)

** Many questions of equity and difference continued to be raised. We fill out this chart not to make judgments or put down wrong information on the NS volunteers but simply to structure a way to discuss the equity and difference issues.

(cont.)

PROGRAM COMPARISON: VISTA AND NATIONAL SERVICE

Program Element	VISTA	National Service Proposal
Post-Service Benefits: Prior to college	\$1140 in readjustment stipend for each year of service with no restrictions on use	Up to \$5,000 (for non-loan cancellation participant) for each service year for employment training or further education
Student Loans	Deferment of repayment, not to exceed 3 years, while borrower is serving in VISTA; partial cancellation of Perkins Loans at 15% of the principal and interest for each of first & second years of service, and 20% for each of the third and fourth years of service; partial cancellation of Stafford loans authorized under Higher Ed. Act Amendments of 1992, but not funded.	Up to \$10,000 maximum loan cancellation for each year of service.
Health Insurance; Workmen's Compensation; Tort Claims	Comprehensive coverage	Comprehensive health coverage (?); no compensation or liability coverage(?)
Income Disregard	Allowances do not reduce or eliminate level of, eligibility for, <u>any</u> public assistance program	None (?)
Child care	Not provided by VISTA; those eligible for child care through public assistance maintain that eligibility	To be provided (?)
Treatment as Federal Employee	For purposes of coverage under FECA, tort claims, service credit for retirement, leave and seniority in the Federal civil service, and non-competitive hiring in the Federal service	None
Training	Four days of pre-service orientation; in-service training primarily by sponsor	To be defined

OFFICE OF THE DIRECTOR

ACTION

WASHINGTON D.C. 20525

Get Jack's copy
for Action —

1



OFFICE OF THE DIRECTOR

1100 VERMONT AVENUE, NW
WASHINGTON, DC 20525

JACK's Copy

April 5, 1993

The Honorable Shirley Sagawa
Special Assistant to the President
The White House
Washington, D.C. 20500

Dear Ms. *Shirley* Sagawa:

As promised, attached is a draft of the proposed changes to the Domestic Volunteer Service Act and related legislation that are designed to help strengthen ACTION's programs.

We have drafted the package as if it would be a separate proposal that can stand on its own, but recognize of course that your intent is to integrate it with the overall national service proposal being developed within the Administration. As a result, several specifics will require adjustment, depending upon the final judgments concerning the overall proposal.

I would like to highlight several items that were briefly discussed with you. First, we are no longer proposing to consolidate VISTA Literacy Corps fully into the overall VISTA program. Second, we have included language that would restore certain pension benefits for VISTA Volunteers. It is our understanding that the Peace Corps is proposing similar language under proposed amendments to the Peace Corps Act, and we also plan to explore including language in their Act pertaining to VISTA service.

Third, although not included in our bill, we endorse the two programs contained under subtitle E of the National and Community Service Act that involve ACTION. These programs are the Foster Grandparent/Head Start demonstration and the Peace Corps/VISTA training authority. While we have not participated in the latter program in its first year of funding, we believe that expanded activities on college campuses warrant participation in this program in the future.

ACTION'S MISSION

To stimulate voluntary citizen participation in addressing the needs of American communities,
particularly those of the poor, the disadvantaged and the elderly.

-2-

Fourth, we have made no reference to college loan cancellations for VISTA service. This issue requires further discussion.

If you have any questions concerning this package, please do not hesitate to call me.

Sincerely,

A handwritten signature in black ink, appearing to read "John Seal". The signature is fluid and cursive, with the first name "John" being more prominent than the last name "Seal".

John Seal
Acting Director

Enclosure

cc: Rick Allen
Jack Lew
Pam Van Wie



OFFICE OF THE DIRECTOR

1100 VERMONT AVENUE, NW
WASHINGTON, DC 20525

DRAFT

The Honorable Leon Panetta
Director
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Panetta:

The enclosed proposed legislation developed by ACTION reauthorizes the Domestic Volunteer Service Act of 1973, as amended.

As you may be aware, the Domestic Volunteer Service Act expires at the end of fiscal year 1993. We believe that the programs authorized under this legislation, and the Agency itself, have proven highly effective in fostering and expanding voluntary citizen service in communities throughout the Nation in activities designed to help the poor, the disadvantaged, the vulnerable, and the elderly.

Accordingly, this proposed legislation would reauthorize the major programs and the Agency itself for fiscal years 1994, 1995, 1996, 1997, and 1998. The programs include: Volunteers in Service to America (VISTA), Student Community Service, Special Volunteer Programs, Retired Senior Volunteer Program, Foster Grandparent Program, and Senior Companion Program.

In general, in addition to reauthorizing the Agency's major programs and administrative authorities, this legislation will: (1) add certain new authorities for additional activities that will enable the programs to better achieve their intended purposes; (2) provide greater capacity and flexibility for the Agency to meet the purposes of the Act through these program structures; (3) improve the efficiency and effectiveness of the Agency by eliminating a number of specific statutory mandates that limit our flexibility to carry out the purposes of the Act; and (4) make a number of technical revisions to the existing statute.

Concerning title I programs, ACTION envisions a VISTA program, that within 12-18 months after enactment of the legislation, will provide for 7,500 full-time volunteers and additional summer associates. This represents a major expansion of the current volunteer strength, which is approximately 3,500.

ACTION'S MISSION

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With this legislation, we also support continuation of the Student Community Service program to provide monies for the initiation and expansion of student volunteer efforts. Finally, we envision under part C of title I the support of demonstration and innovative activities, including technical assistance and information dissemination.

The specific legislative proposals under title I include:

- Providing for a new program of volunteer service for the summer months only under VISTA, with the volunteers known as VISTA Summer Associates.
- Removing a number of mandates related to the management of the VISTA program, including mandates regarding the organization, information systems, and operation of activities to recruit and place VISTA Volunteers. The proposed legislation requires ACTION to expand its recruitment and placement efforts in order to meet the goals of the program, while removing mandates that limit the Agency's flexibility to manage the recruitment and placement program in the most effective manner possible.
- Maintaining the subsistence allowance and increasing the post-service stipends under VISTA in order to encourage the enrollment of high quality volunteers under the program, and to make such stipends more comparable to those in other federally and state-supported volunteer programs.
- Retaining the VISTA Literacy Corps to maintain VISTA's strong focus on literacy activities, while eliminating a restrictive requirement concerning literacy participation levels under the regular VISTA program.
- Supporting the Student Community Service Program as a nonstipended activity designed to help start and expand student volunteer efforts designed to address the needs of low-income communities.
- Clarifying the purpose of Special Volunteer Programs (part C) to support demonstrations and innovations, provide technical assistance, and support other entrepreneurial activities.

We also propose to reauthorize the major senior volunteer programs under title II of the Domestic Volunteer Service Act. We envision these programs as being the centerpiece of older American volunteer efforts across the nation, reflecting the deep interests of older Americans in giving something back to their country.

Among the specific legislative changes that we are proposing in title II are:

- Redesignating the Retired Senior Volunteer Program to the Retired and Senior Volunteer Program, lowering the eligibility age for participation in that program to 55, and encouraging those still in the labor force to participate in the program.
- Redesignating title II from the Older American Volunteer Corps to the National Senior Volunteer Corps.
- Clarifying the person-to-person services that may be provided by Foster Grandparents.
- Providing for a new demonstration authority to help strengthen older American volunteer programs across the country.
- Providing specific authority to enter into arrangements with private, profit-making organizations desiring to use the services of volunteers under title II programs.
- Encouraging relationships between ACTION and various Federal agencies where older American volunteers might help further the purposes of other Federal programs.
- Eliminating various restrictions that limit the flexibility and efficiency of the Agency and the projects it supports in carrying out the purposes of the Act.
- Adjusting the stipend provided Foster Grandparents and Senior Companions once over the next five years to account for inflation.

In the area of program administration, we support several changes to the existing statute. First, we propose recognizing the name of the agency as the Volunteer Action Agency. References to only ACTION do not reflect the activities and mission of the organization.

Second, we propose the establishment of a Center for Research and Training on Volunteerism within ACTION to help strengthen volunteer programs across the country.

Third, we propose a number of amendments to promote efficiency, including eliminating outdated reporting requirements, lowering workmen's compensation benefits for volunteers, and adjusting the frequency of required program evaluations.

Fourth, we propose model legislation covering liability for volunteers and project supporters for all programs funded under the Act. This would reduce the cost of liability insurance and increase the willingness of individuals to volunteer in support of these programs.

In addition to changes to the Domestic Volunteer Service Act, we are proposing an amendment to title 5 of the United States Code to restore certain federal pension credit for VISTA service as well as any other full-time service under title I of the Act. Under long-standing provisions, Peace Corps and VISTA Volunteers were allowed to credit their Volunteer service for retirement purposes under all federal government pension plans if they subsequently became federal employees. However, two significant entitlements have eroded.

Former Peace Corps and VISTA Volunteers who are covered by CSRS now lose the credit for retirement attributable for their Volunteer service if they become eligible for a pension under Social Security. This reduction most often occurs at age 62 and is known colloquially as "catch 62." Catch 62 was also formerly applicable to members of the armed services who subsequently were employed in civilian positions by the federal government, but was legislatively eliminated for them in 1982.

Additionally, individuals who serve as Peace Corps and VISTA Volunteers on or after January 1, 1989 cannot receive credit for their service under FERS, because no credit for previous service that requires a deposit, and for which current contributions are not deducted, except credit for military service, is permitted after that date.

We propose to amend title 5, United States Code, in several respects to restore the unqualified right of former VISTA Volunteers to receive retirement credit for their volunteer service under both CSRS and FERS if they are subsequently employed by the federal government, subject to the payment of an appropriate deposit based on their readjustment allowance, and in the case of CSRS eligibility, subject to a reduction that reflects the portion of the former Volunteer's Social Security pension that is attributable to his or her VISTA service. The restoration would apply to all annuitants who would be entitled to credit for VISTA service, but would only be effective with respect to payments made after the enactment of the amendment.

The bill would also authorize such sums as necessary for both programs and administrative activities.

We would appreciate your advice as to whether this proposal may be transmitted to the Congress.

Sincerely,

John Seal
Acting Director

Enclosure



OFFICE OF THE DIRECTOR

1100 VERMONT AVENUE, NW
WASHINGTON, DC 20525

The Honorable Thomas Foley
Speaker of the House
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Foley:

The enclosed proposed legislation reauthorizes the Domestic Volunteer Service Act of 1973, as amended. We believe that the programs authorized under this Act have proven highly effective in fostering and expanding voluntary citizen service in communities throughout the Nation in activities designed to help the poor, the disadvantaged, the vulnerable, and the elderly.

Accordingly, this proposed legislation would reauthorize the major programs and the Agency itself for fiscal years 1994, 1995, 1996, 1997, and 1998. The programs include: Volunteers in Service to America (VISTA), Student Community Service, Special Volunteer Programs, Retired Senior Volunteer Program, Foster Grandparent Program, and Senior Companion Program.

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- Eliminating various restrictions that limit the flexibility and efficiency of the Agency and the projects it supports in carrying out the purposes of the Act.
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Former Peace Corps and VISTA Volunteers who are covered by CSRS now lose the credit for retirement attributable for their Volunteer service if they become eligible for a pension under Social Security. This reduction most often occurs at age 62 and is known colloquially as "catch 62." Catch 62 was also formerly applicable to members of the armed services who subsequently were employed in civilian positions by the federal government, but was legislatively eliminated for them in 1982.

Additionally, individuals who serve as Peace Corps and VISTA Volunteers on or after January 1, 1989 cannot receive credit for their service under FERS, because no credit for previous service that requires a deposit, and for which current contributions are not deducted, except credit for military service, is permitted after that date.

We propose to amend title 5, United States Code, in several respects to restore the unqualified right of former VISTA Volunteers to receive retirement credit for their volunteer service under both CSRS and FERS if they are subsequently employed by the federal government, subject to the payment of an appropriate deposit based on their readjustment allowances, and in the case of CSRS eligibility, subject to a reduction that reflects the portion of the former Volunteer's Social Security pension that is attributable to his or her VISTA service. The restoration would apply to all annuitants who would be entitled to credit for VISTA service, but would only be effective with respect to payments made after the enactment of the amendment.

The bill would also authorize such sums as necessary for both programs and administrative activities.

On behalf of the Administration, I respectfully request prompt consideration and enactment of the necessary legislation.

The Office of Management and Budget advises that there is no objection to the presentation of this proposed legislation to Congress and that its enactment would be in accord with the program of the President.

Sincerely,

John Seal
Acting Director

Enclosure

A BILL

To reauthorize programs under the Domestic Volunteer Service Act of 1973, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled, That this Act may be cited as the "Domestic Volunteer Service Act Amendments of 1993."

SEC. 2. REFERENCES TO THE DOMESTIC VOLUNTEER SERVICE ACT OF 1973.

Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Domestic Volunteer Service Act of 1973 (42 U.S.C. § 4950 et. seq.).

TITLE I -- VISTA AND OTHER ANTI-POVERTY PROGRAMS

SEC. 101. PURPOSE OF THE VISTA PROGRAM.

The Domestic Volunteer Service Act of 1973 (42 U.S.C. § 4950 et. seq.) is amended in Section 101 (42 U.S.C. § 4951) by revising the last sentence to read as follows:

"In addition the objective of this part is to generate the commitment of private sector resources, to encourage volunteer service at the local level, and to strengthen local agencies and organizations to carry out the purposes set forth in this part."

SEC. 102. SELECTION AND ASSIGNMENT OF VISTA VOLUNTEERS.

(a) **VOLUNTEER ASSIGNMENTS.**--Section 103(a) (42 U.S.C. § 4953(a)) is amended by:

- (1) Deleting the word "a" after "applications by".
- (2) Deleting the phrase "illiterate or functionally illiterate youth and other individuals," in Subsection (a)(3).
- (3) Deleting the word "and" at the end of Subsection (a)(5).
- (4) Deleting the ", " and "or" after the citation "[42 U.S.C. § 9831 et. seq.]" and inserting the phrase, ", or other similar legislation" after the citation "[42 U.S.C. §9801 et. seq.]".

(5) Replacing the "." at the end of Subsection (a)(6) with "; and"; and (6) adding at the end thereof the following new paragraph:

"(7) in strengthening, supplementing, and expanding efforts to address the problem of illiteracy throughout the United States."

(b) **RECRUITMENT PROCEDURES.**--Subsections (b)(2)(A), (b)(2)(B), (b)(2)(C), (b)(2)(D), (b)(4), (b)(5), and (b)(6) of Section 103 (42 U.S.C. § 4953) are hereby repealed.

(c) **PLACEMENT AND SELECTION OF VOLUNTEERS.**--Subsection 103(b)(7) (42 U.S.C. § 4953 (b)(7)) is amended by:

(1) Revising subsection (b)(7)(A) by deleting the phrase "paragraph 4" and replacing it with "paragraph 2".

(2) Repealing subsection (b)(7)(B).

(3) Revising (b)(7)(C) to read as follows:

"A sponsoring organization may recruit volunteers for service under this part subject to final selection approval by the Director of ACTION."

(4) Repealing subsection (b)(7)(E).

(d) **TECHNICAL AMENDMENTS.**--Subsections (3) and (7) of Section 103(b) (42 U.S.C. § 4953 (b)) are hereby renumbered (2) and (3), respectively, and subsections (C), (D), and (F) of Section 103(b)(7) (42 U.S.C. § 4953(b)(7)) are redesignated (B), (C), and (D), respectively.

(e) **PUBLIC AWARENESS AND RECRUITMENT.** Section 103(c) (42 U.S.C. § 4953(c)) is amended as follows:

(1) Subsection 103(c)(1) is amended by striking the entire subsection as currently enacted, and inserting in its place the following:

"(c)(1) The Director shall conduct national and local public awareness and recruitment activities in order to meet the volunteer goals of the program. Such activities may include public service announcements; advertisements; publicity on loan deferments and cancellations available to VISTA Volunteers; maintenance of a toll-free telephone system; and provision of technical assistance for the recruitment of volunteers to programs and projects receiving assistance under this part."

(2) Subsection 103(c)(3) is amended by adding at the end thereof the following: "In addition, the Director shall take steps to provide opportunities for returned Peace Corps Volunteers to serve in VISTA."

(3) Subsections (c)(4) and (c)(5) are hereby repealed.

(4) Subsection (c)(6) is renumbered (c)(4) and is amended by striking the entire section as currently enacted and inserting in its place the following:

"(c)(4) Beginning in fiscal year 1994 and for each fiscal year thereafter, for the purpose of carrying out this subsection, the Director shall obligate such sums as necessary of the amounts appropriated for each fiscal year under section 501(a)[42 U.S.C. § 5081(a)]."

SEC. 103. TERMS AND PERIODS OF SERVICE.

(a) **CLARIFICATION OF PERIOD OF SERVICE.**--Section 104 (b) of the Act (42 U.S.C. § 4954) is amended by striking the entire section as currently enacted and inserting in its place the following:

"(b) Volunteers serving under this part may be enrolled initially for not less than one year, nor more than two years, except as provided for under subsection (e) of this part and, further, except that volunteers serving under this part may be enrolled for periods of service of less than one year when the Director determines, on an individual basis, that a period of service of less than one year is necessary to meet a critical scarce skill need. Volunteers serving under this part may be reenrolled for periods of service in a manner to be determined by the Director. No volunteer shall serve for more than a total of five years under this part."

(b) **SUMMER PROGRAM.**--Section 104 of the Act (42 U.S.C. § 4954) is amended by adding at the end thereof the following:

"(e) Notwithstanding any other provision under this part, the Director may enroll full-time VISTA Summer Associates for the summer months only, under the terms and conditions to be set by the Director. These individuals must be assigned to projects which meet the criteria set forth in section 103(a). The Agency shall report on participants, costs, and accomplishments under the summer program separately. The limitation on funds appropriated for grants and contracts, as contained in Section 108 of the Act, shall not apply to the summer program."

SEC. 104. SUPPORT FOR VISTA VOLUNTEERS.

(a) **POSTSERVICE STIPEND.**--Section 105(a)(1) (42 U.S.C. § 4955 (a)(1)) is revised by striking the second sentence and replacing it with the following:

"Such stipend shall not exceed \$95 per month in fiscal year 1994 but shall be set at a minimum of \$125 per month during the volunteer's service after October 1, 1994, assuming the availability of funds to accomplish this increase. Further, the Director may provide a stipend of a minimum of \$200 per month in the case of persons who have served for at least one year and who, in accordance with standards established in regulations which the Director shall prescribe, have been designated volunteer leaders on the basis of experience and special skills and a demonstrated leadership among volunteers."

(b) **DELETION OF OUTDATED CONSULTATION AND REPORTING REQUIREMENTS.**--Section 105(b)(3)(A) (42 U.S.C. § 4955(b)(3)(A)) is hereby repealed, and Section 105(b)(3)(B) is hereby redesignated 105(b)(3). Further, Section 105(b)(4) (42 U.S.C. § 4955(b)(4)) is hereby repealed.

SEC. 105. LITERACY ACTIVITIES.

Sections 109(g)(1) (42 U.S.C. § 4959(g)(1)) and 109(h)(3) (42 U.S.C. § 4959(h)(3)) are hereby repealed. Section 109(g)(2) is hereby designated Section 109(g).

SEC. 106. APPLICATIONS FOR ASSISTANCE.

Section 110 (42 U.S.C § 4960) is amended by striking the entire section as currently enacted, including the heading for such section, and inserting in its place the following:

"APPLICATIONS FOR ASSISTANCE"

"Section 110. The Director shall not deny assistance under this part to any project or program, or any public or private nonprofit organization, solely on the basis of the duration of the assistance such project, program, or organization has previously received under this part. The Director shall grant assistance under this part on the basis of merit and to accomplish the goals of the VISTA program, and shall consider the needs and requirements of existing projects as well as potential new projects."

SEC. 107. DURATION OF SERVICE IN THE UNIVERSITY YEAR FOR ACTION PROGRAM.

Section 113 (a) (42 U.S.C. § 4973(a)) is revised by striking the phrase, "of not less than the duration of an academic year", and replacing it with the phrase, "of not less than the duration of an academic semester or its equivalent".

SEC. 108. AUTHORITY TO ESTABLISH AND OPERATE SPECIAL VOLUNTEER AND DEMONSTRATION PROGRAMS.

Section 122 (42 U.S.C. § 4992) is amended by striking the entire section as currently enacted and inserting in its place the following:

"Section 122. (a) The Director is authorized to conduct or make grants or contracts to public and nonprofit organizations for special volunteer programs or demonstration programs to encourage wider volunteer participation on a full-time, part-time, or short-term basis to further the purpose of this part, and to identify particular segments of the poverty community which could benefit from volunteer and other antipoverty efforts.

"The assignment of volunteers under this section, and the provision of support for such volunteers, including any subsistence allowances and stipends, shall be on such terms and conditions as the Director shall determine but shall not exceed the level of support provided under Section 105. Projects using non-stipended volunteers may also be supported under this Section.

"(b) In carrying out the activities authorized under sections 122 and 123, the Director shall establish criteria and priorities to make grants and enter into contracts in each fiscal year. No grant or contract exceeding \$100,000 shall be made under this part unless the grantee or contractor has been selected by a competitive process which includes public announcement of the availability of funds for such grant or contract, general criteria for the selection of recipients or contractors, and a description of the application process and application review process."

SEC. 109. TECHNICAL AND FINANCIAL ASSISTANCE.

Section 123 (42 U.S.C. § 4993) is amended by striking the entire section as currently enacted and inserting in its place the following:

"Section 123. The Director may provide technical and financial assistance to Federal agencies, State and local governments and agencies, private nonprofit organizations, employers, and other private organizations which utilize or desire to utilize volunteers in carrying out the purpose of this part."

SEC. 110. ELIMINATION OF SEPARATE AUTHORITY FOR DRUG ABUSE PROGRAMS.

Section 124 (42 U.S.C. § 4994) is hereby repealed.

TITLE II -- NATIONAL SENIOR VOLUNTEER CORPS

SEC. 201. NATIONAL SENIOR VOLUNTEER CORPS.

Any reference to "Older American Volunteer Programs" contained in title II or elsewhere in the Domestic Volunteer Service Act is hereby changed to "National Senior Volunteer Corps." The title of title II of the Domestic Volunteer Service Act shall be amended to read as follows, "TITLE II--NATIONAL SENIOR VOLUNTEER CORPS".

SEC. 202. THE RETIRED AND SENIOR VOLUNTEER PROGRAM.

Section 200 (42 U.S.C. § 5000) is amended by replacing the phrase "retired senior volunteer program" with "retired and senior volunteer program" wherever it appears in this section and elsewhere in the Act.

SEC. 203. OPERATION OF THE RETIRED AND SENIOR VOLUNTEER PROGRAM.

(a) **ELIGIBILITY FOR PARTICIPATING IN THE PROGRAM.**--Section 201(a) (42 U.S.C. § 5001(a)) is amended by:

(1) Inserting the phrase "and older working" after the word "retired". and by

(2) Deleting the phrase "aged sixty" and replacing it with "aged fifty-five".

(b) **DELETION OF REQUIREMENT FOR STATE AGENCY REVIEW.**--Section 201(c) (42 U.S.C. § 5001(c)) is hereby deleted and Section 201(d) (42 U.S.C. § 5001(d)) is hereby redesignated Section 201(c).

SEC. 204. SERVICES UNDER THE FOSTER GRANDPARENT PROGRAM.

Section 211 (a) (42 U.S.C. § 5011(a)) is amended by:

(1) Deleting the phrase, "receiving care in hospitals, homes for dependent and neglected children, or other establishments providing care for children with special needs." and inserting the following in its place:

"receiving care in hospitals; residing in homes for dependent and neglected children; and participating in day care centers, schools, Head Start projects, and a variety of other establishments and institutions providing services for children with special or exceptional needs.".

(2) Adding at the end of the first sentence in this subsection the following:

"Individual Foster Grandparents may provide person-to-person services to one or more children depending upon the needs of the project and local site."

SEC. 205. STIPENDS FOR LOW-INCOME VOLUNTEERS.

Section 211 (d) (42 U.S.C. § 5011(d)) is amended by:

(1) Deleting the phrase, "Any stipend or allowance provided under this subsection shall not be less than \$2.20 per hour until October 1, 1990, \$2.35 per hour during fiscal year 1991, and \$2.50 per hour on and after October 1, 1992,".

(2) Inserting the following at the end of the first sentence in subsection (d):

"Any stipend or allowance provided under this section shall not be less than \$2.45 per hour on and after October 1, 1993, and shall be adjusted once during the period 1993-1997 to account for inflation, as determined by the Director and rounded to the nearest five cents,".

SEC. 206. PARTICIPATION OF NON-LOW-INCOME PERSONS UNDER PARTS B AND C.

Section 211(f) (42 U.S.C. § 5011(f)) is amended by striking the entire section as currently enacted and inserting in its place the following:

"(f) Individuals who are not low-income persons may serve as volunteers under parts B and C of title II, in accordance with such regulations as the Director shall issue, at the discretion of the local project and without receiving any allowance, stipend, or other financial support except reimbursement for transportation, meals, and out-of-pocket expenses incident to serving."

SEC. 207. CONDITIONS OF GRANTS AND CONTRACTS.

Section 212 (42 U.S.C. § 5012) is hereby repealed.

SEC. 208. EVALUATION OF THE SENIOR COMPANION PROGRAM.

Section 213(c)(3) (42 U.S.C. § 5013(c)(3)) is hereby repealed.

SEC. 209. AGREEMENTS WITH OTHER FEDERAL AGENCIES.

Section 221 (42 U.S.C. § 5021) is amended by adding the following at the end of subsection (a):

"Further, the Director of ACTION is encouraged to enter into agreements with the Department of Health and Human Services to provide Foster Grandparents in Head Start projects, to use Medicaid funds where cost-effective in involving Senior Companions in health care arrangements, and to promote in-home care in cooperation with the Administration on Aging; with the Department of Education to promote intergenerational tutoring and mentoring for at-risk children; and with the Environmental Protection Agency to support conservation efforts."

SEC. 210. PROGRAMS OF NATIONAL SIGNIFICANCE.

Section 225 (42 U.S.C. § 5025) is amended as follows:

(1) By striking the entire subsection (a)(1) as currently enacted and inserting in its place the following:

"(a)(1) The Director is authorized to make grants under the programs authorized in parts A, B, and C of this title to support programs that address national problems that are also of local concern. The Director may, in any fiscal year, determine which programs of national significance will receive priority in that year."

(2) By deleting " paragraph (10)" in subsection (a)(2)(B) and replacing it with "paragraphs (10) and (12)".

(3) By deleting "and (10)" in subsection (a)(2)(C) and replacing it with "(10), (12), (15), and (16)".

(4) By adding at the end of subsection (b) the following:

"(12) Programs that address environmental needs.

"(13) Programs that reach out to organizations not previously involved in addressing local needs, such as labor unions and profit-making organizations.

"(14) Programs that provide for ethnic outreach.

"(15) Programs that support criminal justice activities.

"(16) Programs that involve older volunteers working with young people in apprenticeship programs."

(5) By amending subsection (d)(1) to read as follows:

"(d)(1) Except as provided in paragraph (2), in each fiscal year there shall be available to the Director to make grants under subsection (a) such sums as necessary."

SEC. 211. ADJUSTMENTS TO FEDERAL FINANCIAL ASSISTANCE.

Section 226 (42 U.S.C. § 5026) is amended by repealing subsections (a)(1)(B), (a)(2), and (b) in their entirety and redesignating "section 226(a)(1)(A)" as "section 226".

SEC. 212. ARRANGEMENTS WITH PRIVATE, PROFIT-MAKING ORGANIZATIONS.

The following is inserted at the end of part C of title II:

"ARRANGEMENTS WITH PRIVATE, PROFIT-MAKING ORGANIZATIONS

"Section 228. The Director and grantees funded under this title may enter into arrangements with profit-making organizations so as to offer the services of Senior Companions, Foster Grandparents, and Retired Senior Volunteers to those profit-making organizations, including their employees and relatives, provided that all costs of the services, including administrative expenses, are paid for by the profit-making organization and that there is no impact on the Volunteer Action Agency funded project to provide services to the community under the grant."

SEC. 213. DEMONSTRATION PROGRAMS.

The following is inserted at the end of title II:

"PART E -- DEMONSTRATION PROGRAMS

"Section 231. The Director is authorized to make grants or contracts to public and nonprofit organizations, including the organizations funded under parts A, B, and C of title II, for the purpose of demonstrating innovative activities involving older Americans as volunteers. The Director may support both non-stipended and stipended volunteers under this part. Funding may be provided for activities such as: linking youth groups and older American organizations in volunteer activities; involving older volunteers in programs and activities different from those currently supported in the community; and testing whether older American volunteer programs may contribute to new objectives or certain national priorities.

"Section 232. The Director may not reduce the activities, projects, or volunteers funded under the other parts of this title in order to support projects under this part."

TITLE III -- ADMINISTRATION

SEC. 301. NAME AND PURPOSE OF AGENCY.

Section 401 (42 U.S.C. § 5041) is amended as follows:

(1) By deleting the phrase in the first sentence, "an agency to be known as the ACTION Agency", and replacing it with the following: "an agency to be known as the Volunteer Action Agency".

(2) By adding the following at the end of the first sentence:

"This Agency shall also promote the coordination of volunteer efforts among federal, state, and local agencies and organizations, exchange technical assistance information among them, and provide technical assistance to other nations concerning domestic volunteer programs within their countries."

(3) By deleting the phrase "Associate Director for Domestic and Anti-Poverty Operations" wherever it appears in the section and replacing it with "Associate Director for Program Operations."

SEC. 302. AUTHORITY OF THE DIRECTOR.

Section 402 (42 U.S.C. § 5042) is amended:

(1) By inserting the phrase "solicit and" at the beginning of subsections (5) and (6).

(2) By deleting the word "and" at the end of subsection (13).

(3) By redesignating subsection (14) as subsection (15).

(4) By inserting after subsection (13) the following new subsection:

"(14) enter into arrangements with private, profit-making organizations under terms and conditions determined by the Director when such agreements will further the purposes of the Act; and "

SEC. 303. COMPENSATION FOR VOLUNTEERS.

Section 404(c) (42 U.S.C. § 5044(c)) is amended by inserting the phrase "from such volunteers or beneficiaries" after the word "compensation".

SEC. 304. REPEAL OF REPORT ON ANNUAL RECRUITMENT PLAN.

Section 407 of the Act (42 U.S.C. § 5047)2 is hereby repealed.

SEC. 305. APPLICATION OF FEDERAL LAW.

Section 415(b)(4)(A) (42 U.S.C. § 5055(b)(4)(A)) is amended by deleting the phrase "grade GS-7" and replacing it with "grade GS-5".

SEC. 306. DEPOSIT REQUIREMENT FOR RETIREMENT CREDIT FOR SERVICE AS A VOLUNTEER.

(a) CIVIL SERVICE RETIREMENT SYSTEM--

(1) Section 8332(j) of title 5, United States Code, is amended--

(A) in paragraph (1), by-

(i) adding "as a full-time volunteer enrolled in a program of at least one year's duration under part A, B, or C of title I of the Domestic Volunteer Service Act of 1973," after "Economic Opportunity Act of 1964," and

(ii) striking out "chapter 34 of title 22" each place it appears and inserting in lieu thereof "the Domestic Volunteer Service Act"; and

(B) by adding at the end thereof the following new paragraph:

"(3) The provisions of paragraph (1) of this subsection relating to credit for service as a volunteer or volunteer leader under the Economic Opportunity Act of 1964 and the Domestic Volunteer Service Act of 1973 shall not apply to any period of service as a volunteer or volunteer leader of an employee or Member with respect to which the employee or Member has made the deposit with interest, if any, required by section 8334(1) of this title."

(2) (A) Section 8334 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(1)(1) Each employee or Member who has performed service as a volunteer or volunteer leader under part A of title VIII of the Economic Opportunity Act of 1964 or as a full-time volunteer enrolled in a program of at least one year's duration under part A, B, or C of title I of the Domestic Volunteer Service Act of 1973, before the date of separation from service on which the entitlement to any annuity under this subchapter is based may pay, in accordance with such regulations as the Office of Personnel Management shall issue, to the agency by which the employee is employed or, in the case of a Member or a Congressional employee, to the Secretary of the Senate or the Clerk of the House of Representatives, as appropriate, an amount equal to 7 percent of the readjustment allowance paid to the employee or Member under section 803 of the Economic Opportunity Act of 1964 or section 105(a) of the Domestic Volunteer Service Act of 1973 for each period of service as such a volunteer or volunteer leader.

"(2) Any deposit made under paragraph (1) more than two years after the later of--

"(A) the date of enactment of this Act, or

"(B) the date on which the employee or Member making the deposit first becomes an employee or Member, shall include interest on such amount, computed and compounded annually beginning on the date of the expiration of the two-year period. The interest rate that is applicable in computing interest in any year under this paragraph shall be equal to the interest rate that is applicable for such year under subsection (e) of this section.

"(3) Any payment received by an agency, the Secretary of the Senate, or the Clerk of the House of Representatives under this subsection shall be immediately remitted to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Fund.

"(4) The Director of the Volunteer Action Agency shall furnish such information to the Office of the Personnel Management as the Office may determine to be necessary for the administration of this subsection."

(B) Section 8334(e) of title 5, United States Code, is amended in paragraphs (1) and (2) by striking out "or (k)" each of the two places it appears and inserting in lieu thereof "(k), or (l)".

(C) Section 8332(b)(5) of title 5, United States Code, is amended by striking out "chapter 34 of title 22" and inserting in lieu thereof "title I of the Domestic Volunteer Service Act".

(b) **FEDERAL EMPLOYEES RETIREMENT SYSTEM.--**

-- (1) Section 8411 of title 5, United States Code, is amended

(A) in subsection (b)(3), by striking out "subsection (f)" and inserting in lieu thereof "subsection (f) or (g)"; and

(B) by adding at the end thereof the following new subsection:

"(g) An employee or Member shall be allowed credit for service as a volunteer or volunteer leader under part A of title VII of the Economic Opportunity Act of 1964, or as a full-time volunteer enrolled in a program of at least one year's duration under part A, B, or C of title I of the Domestic Volunteer Service Act of 1973, performed at any time prior to the separation from service entitlement to any annuity is based if the employee or Member has made a deposit with interest, if any, with respect to such service under section 8422(f).".

(2) Section 8422 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f)(1) Each employee or Member who has performed service as a volunteer or volunteer leader under part A of title VII of the Economic Opportunity Act of 1964, or as a full-time volunteer enrolled in a program of at least one year's duration under part A, B, or C of title I of the Domestic Volunteer Service Act of 1973, before the date of the separation from service on which the entitlement to any annuity under this subchapter, or subchapter V of this chapter, is based may pay, in accordance with such regulations as the Office of Personnel Management shall issue, to the agency by which the employee is employed or, in the case of Member or a congressional employee, to the Secretary of the Senate or the Clerk of the House of Representatives, as appropriate, an amount equal to 3

percent of the readjustment allowance paid to the employee or Member under title I of the Domestic Volunteer Service Act for each period of service as such a volunteer or volunteer leader.

"(2) Any deposit made under paragraph (1) more than two years after the later of--

"(A) the date of enactment of this Act, or

"(B) the date on which the employee or Member making the deposit first becomes an employee or Member,

shall include interest on such amount computed and compounded annually beginning on the date of the expiration of the two-year period. The interest rate that is applicable in computing interest in any year under this paragraph shall be equal to the interest rate that is applicable for such year under section 8334(e).

"(3) Any payment received by an agency, the Secretary of the Senate, or the Clerk of the House of Representatives under this subsection shall be immediately remitted to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Fund.

"(4) The Director of the Volunteer Action Agency shall furnish such information to the Office of Personnel Management as the Office may determine to be necessary for the administration of this subsection."

(C) APPLICABILITY AND OTHER PROVISIONS.--

(1)(A) The amendments made by subsections (a) and (b) shall apply with respect to credit for service as a volunteer or volunteer leader under the Economic Opportunity Act of 1964 or the Domestic Volunteer Service Act of 1973 to individuals who are entitled to an annuity on the basis of a separation from service occurring before, on, or after the effective date of this Act.

(B) In the case of any individual whose entitlement to an annuity is based on a separation from service occurring before the date of enactment of this Act, any increase in such individual's annuity on the basis of a deposit made pursuant to Section 8334(1) or Section 8442(f) of title 5, United States Code as amended by this Act shall be effective only with respect to annuity payments payable for calendar months beginning after the date of enactment of this Act.

(C) In the case of any individual who is entitled to an annuity under subchapter III of chapter 83 of title 5, United States Code, credit for service under such subchapter III shall be subject to paragraphs (2) through (6).

(2) Subject to paragraph (3), in any case in which an individual described in paragraph (1)(C) is also entitled to old age or survivor's insurance benefits under section 202 of the Social Security Act (or would be entitled to such benefits upon filing an application therefor), the amount of the annuity to which such individual is entitled under subchapter III of chapter 83 of title 5, United States Code (after taking in account service as a volunteer or volunteer leader under the Economic Opportunity Act of 1964 and the Domestic Volunteer Service Act of 1973) which is payable for any month shall be reduced by an amount determined by multiplying the amount of such old-age or survivor's insurance benefit for the determination month by a fraction--

(A) The numerator of which is the total of the wages (within the meaning of section 209 of the Social Security Act) for service as a volunteer or volunteer leader under the Economic Opportunity Act of 1964 and the Domestic Volunteer Service Act of 1973 such individual credited for years before the calendar year in which the determination month occurs, up to the contribution and benefit base determined under section 230 of the Social Security Act (or other applicable maximum annual amount referred to in section 215(e)(1) of such Act) for each year; and

(B) The denominator of which is the total of all wages described in subparagraph (A), plus all other wages (within the meaning of section 209 of such Act) and all self-employment income (within the meaning of section 211(b) of such Act) of such individual credited for years after 1936 and before the calendar year in which the determination month occurs, up to the contribution and benefit base (of such other amount referred to in section 215(e)(1) of such Act) for each such year.

(3) Paragraph (2) shall not reduce the annuity of an individual below the amount of the annuity which would be payable to the individual for the determination month if service of a volunteer or volunteer leader under the Economic Opportunity Act of 1964 or the Domestic Volunteer Service Act of 1973 were not creditable in the computation of the individual's annuity for such month.

(4) For purposes of this subsection, the term "determination month" means--

(A) the first month the individual described in paragraph (1)(C) is entitled to old-age or survivor's benefits under section 202(a) of the Social Security Act (or would be entitled to such benefits upon filing an application therefor); or

(B) the first calendar month beginning after the date of enactment of this Act, in the case of any individual entitled to such benefits for such month.

(5) The provisions of paragraphs (2) through (4) of this subsection shall take effect with respect to any annuity payment payable under subchapter III of chapter 83 of title 5, United States Code, for calendar months beginning after the date of enactment of this Act.

(6) The Secretary of Health and Human Services shall furnish such information to the Office of Personnel Management as may be necessary to carry out the provisions of this subsection.

(7) The Director of the Office of Personnel Management shall take such action as may be necessary and appropriate to inform individuals entitled to credit hereunder for service as a VISTA volunteer or volunteer leader, or to have any annuity recomputed, or to make a deposit under this section, of such entitlement.

SEC. 307. EVALUATION OF PROGRAMS.

Section 416 of the Act (42 U.S.C. § 5056) is amended as follows:

(1) By deleting the phrase in the first sentence of subsection (a), "(including the VISTA Literacy Corps which shall be evaluated as a separate program at least once every three years)"; and

(2) By deleting the phrase in the second sentence of subsection (a), "at least once every three years" and replacing it with the phrase, "periodically".

(3) By amending subsection (b) to read as follows:

"(b) In carrying out evaluations of ACTION's programs, the Director shall create appropriate management information systems that will summarize volunteer activities and accomplishments across the programs supported under this legislation. The Director shall report this information on a periodic basis."

(4) By deleting subsections (d), (e), (f), and (g).

SEC. 308. NONDISCRIMINATION PROVISIONS.

Section 417 (42 U.S.C. § 5057) is amended by striking the entire section as currently enacted and inserting in its place the following:

"Section 417. No person in the United States shall on the ground of race, color, national origin, religion, sex, age, or handicap, be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with, any program or activity receiving assistance under this Act. The assignment of volunteers to a program, project or activity is deemed to be receiving Federal financial assistance. The Director shall not provide financial assistance for any program under this Act unless the grant, contract, or agreement with respect to such program specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any such program because of race, color, national origin, religion, sex, age, or handicap. The Director shall enforce the provisions of this section in accordance with section 602 of the Civil Rights Act of 1964, as amended (42 U.S.C. § 2000d-1). This shall not be construed as affecting any other legal remedy that a person may have if the person is excluded from or is the subject of the discriminatory treatment from a program or activity receiving assistance under the Act."

SEC. 309. ELIMINATION OF SEPARATE REQUIREMENTS FOR SETTING REGULATIONS.

Section 420 of the Act (42 U.S.C. § 5060) is hereby repealed.

SEC. 310. CLARIFICATION OF ROLE OF INSPECTOR GENERAL.

Section 422 (42 U.S.C. § 5062) is amended by:

(1) Inserting the phrase "and the Inspector General of the Volunteer Action Agency" after the word "Director" in subsection (a).

(2) Inserting the phrase ", the Inspector General of the Volunteer Action Agency," after the word "Director" wherever it appears in subsection (b).

SEC. 311. LIABILITY.

The Act is amended by inserting the following new section at the end of title IV:

"LIABILITY"

"Section 425. (a) Any part-time or full-time volunteer not covered under section 415(b) of this Act, or individual serving as a member of a Board of Directors or Advisory Council of a nonprofit organization receiving support under this Act, shall be immune from civil liability in any legal cause of action on the basis of any act or omission of such volunteer or individual resulting in damage or injury if (1) the volunteer or individual was acting in good faith and within the scope of his/her official functions and duties; and (2) the damage or injury was not caused by willful or wanton misconduct by such volunteer or individual.

"(b) In any suit against a nonprofit organization receiving Federal assistance under this Act, based upon the negligent act or omission of a volunteer or individual as described in subsection (b) (including the limitations set forth in subsection (a)(1) and (a)(2) of this section) proof of such act or omission shall be sufficient to establish the responsibility of the organization, therefore, under the doctrine of respondeat superior, notwithstanding the immunity granted to the volunteer or individual with respect to any act or omission within the meaning of this section.

"(c) Notwithstanding subsection (b) of this section, a plaintiff may sue and recover civil damages from a volunteer or individual as described in subsection (a) of this section, based upon a negligent act or omission involving the operation of a motor vehicle under the circumstances described in subsection (b) of this section provided that the amount recovered from such volunteer or individual shall not exceed the limits of applicable insurance coverage, maintained by or on behalf of such volunteer or individual with respect to the negligent operation of a motor vehicle in such circumstances."

SEC. 312. COPYRIGHT PROTECTION.

The Act is amended by inserting the following new section at the end of title IV, following Section 425:

"COPYRIGHT PROTECTION"

"Section 426. (a) The following are hereby declared the property of the United States:

- (1) The name "Retired and Senior Volunteer Program" and the logo and acronym, RSVP, associated therewith;
- (2) The name "Foster Grandparent Program" and the logo and acronym, FGP, associated therewith;
- (3) The name "Senior Companion Program" and the logo and acronym, SCP, associated therewith;
- (4) The name "Volunteers in Service to America", "VISTA", and the logo associated therewith; and
- (5) The name "National Senior Volunteer Corps".

"(b) For purposes of this Section:

- (1) The term "Director" means the Director of the Volunteer Action Agency.
- (2) The term "the Act" means the Domestic Volunteer Service Act of 1973, as amended.
- (3) The terms "Volunteers in Service to America" and "VISTA" mean the name of the program established by title I, part A of the Act.
- (4) The term "Retired and Senior Volunteer Program" means the name of the program established by title II, part A of the Act.
- (5) The term "Foster Grandparent Program" means the name of the program established by title II, part B of the Act.
- (6) The term "Senior Companion Program" means the name of the program established by title II, part C of the Act.
- (7) The term "National Senior Volunteer Corps" means the programs established by parts A, B, C, and E of title II of the Act.

"(c) The Director shall deposit into a special account, to be available to foster and expand volunteerism consistent with the Act, all fees collected under regulations prescribed by him/her relating to use or reproduction of the property designated in subsection (a) of this Section by entities other than the Volunteer Action Agency.

"(d) Whoever, except as permitted by the laws of the United States and regulations issued by the Director, uses the names "Volunteer Action Agency," "National Senior Volunteer Corps"; "Retired and Senior Volunteer Program" or its acronym, "RSVP"; "Foster Grandparent Program" or its acronym, "FGP"; "Senior Companion Program" or its acronym, "SCP"; or "Volunteers in Service to America" or its acronym, "VISTA", as part of the business or firm name of a person, corporation, partnership, association or other business entity; or

"Whoever falsely advertises or represents, or publishes or displays any sign, symbol or advertisement reasonably calculated to convey the impression that the entity is affiliated with, funded by, or operating under the authority of the Volunteer Action Agency or any of its locally funded programs;

"May be enjoined at the suit of the United States Attorney, upon complaint by the Director.

"This section shall not make unlawful the use of any name or title which was lawful on the date of enactment of this section."

SEC. 313. CENTER FOR RESEARCH AND TRAINING.

The Act is amended by inserting the following new section at the end of title IV, following Section 426:

"CENTER FOR RESEARCH AND TRAINING"

"Section 427. There is hereby established within the Volunteer Action Agency a Center for Research and Training on Volunteerism. This Center shall carry out research on the impact of volunteerism on individuals, organizations, and communities. The Center shall provide training to help improve volunteer programs across the country. The Center may make grants, or enter into contracts, with organizations in order to carry out its responsibilities."

TITLE IV -- AUTHORIZATION OF APPROPRIATIONS AND CONFORMING AMENDMENTS

SEC. 401. AUTHORIZATION OF APPROPRIATIONS FOR TITLE I.

Section 501 (42 U.S.C. § 5081) is amended by striking the entire section as currently enacted and inserting in its place the following:

"NATIONAL VOLUNTEER ANTIPOVERTY PROGRAMS"

"Section 501. (a)(1) There is authorized to be appropriated to carry out part A of title I such sums as necessary for fiscal years 1994, 1995, 1996, 1997, and 1998.

"(2) There is authorized to be appropriated to carry out section 104(e) of part A of title I such sums as necessary for fiscal years 1994, 1995, 1996, 1997, and 1998.

"(3) There is authorized to be appropriated to carry out section 109 of part A of title I such sums as necessary for fiscal years 1994, 1995, 1996, 1997, and 1998.

"(4) There is authorized to be appropriated to carry out part B of title I such sums as necessary for fiscal years 1994, 1995, 1996, 1997, and 1998.

"(5) There is authorized to be appropriated to carry out part C of title I such sums as necessary for fiscal years 1994, 1995, 1996, 1997, and 1998.

"(6) There is authorized to be appropriated to carry out section 125 of the Act such sums as necessary for fiscal years 1994, 1995, 1996, 1997, and 1998.

"(b). The minimum level of allowances for subsistence required under section 105(b)(2) (42 U.S.C. § 4955(b)(2)), to be provided to each volunteer under this part may not be reduced or limited in order to provide for an increase in the number of volunteer service years under part A of title I.

"(c). No part of the funds authorized for part A may be used to provide volunteers or assistance to any program or project authorized under part B or C of title I, or under title II, unless the program or project meets the antipoverty criteria of part A of title I.

"(d). Funds appropriated for part A of title I shall remain available for obligation for a two-year period."

"(e). Of the amounts appropriated under this section for parts A, B, and C of title I, including section 125, there shall first be available for part A of title I an amount not less than the amount necessary to provide 5,500 volunteer service years in fiscal year 1994, and 7,500 volunteer service years in each of fiscal years 1995, 1996, 1997, and 1998. If funds are insufficient to meet this requirement, the Director shall submit a plan to the relevant authorizing and appropriations Committees of the Congress that will detail what is necessary to fully meet this requirement."

SEC. 402. AUTHORIZATION OF APPROPRIATIONS FOR TITLE II.

Section 502 (42 U.S.C. § 5082) is amended by striking the entire section as currently enacted and inserting in its place the following:

"NATIONAL SENIOR VOLUNTEER CORPS"

"Section 502. (a) There is authorized to be appropriated for the purpose of carrying out part A of title II of this Act such sums as necessary for fiscal years 1994, 1995, 1996, 1997, and 1998.

"(b) There is authorized to be appropriated for the purpose of carrying out part B of title II of this Act such sums as necessary for fiscal years 1994, 1995, 1996, 1997, and 1998.

"(c) There is authorized to be appropriated for the purpose of carrying out part C of title II of this Act such sums as necessary for fiscal years 1994, 1995, 1996, 1997, and 1998.

"(d) There is authorized to be appropriated for the purpose of carrying out part E of title II of this Act such sums as necessary for fiscal years 1994, 1995, 1996, 1997, and 1998."

SEC. 403. AUTHORIZATION OF APPROPRIATIONS FOR TITLE IV.

Section 504 (42 U.S.C. § 5084) is amended by striking the entire section as currently enacted and inserting in its place the following:

"(a) For each of fiscal years 1994 through 1997, there is authorized to be appropriated for the administration of this Act, as authorized in Title IV of this Act, 20 percent of the total amount appropriated under sections 501, 502, and title VII of the Act.

"(b) For each of fiscal years 1994 through 1998, the Director is authorized to spend not less than one-half of one percent, nor more than one percent, from the sums appropriated under sections 501, 502, and title VII of the Act for the purposes prescribed in sections 416 and 427 of the Act."

SEC. 404. CONFORMING AMENDMENTS.

(a) **REFERENCES TO AGENCY.**--Section 601 (42 U.S.C. § 5084) is amended by adding the following at the end thereof:

"(g.) All references to ACTION, whether in law or regulation, shall hereby be deemed to refer to the Volunteer Action Agency."

(b) **COMPENSATION FOR VISTA FECA CLAIMANTS.**--Section 8143 of title 5, United States Code, is amended in subsection (b) by deleting "GS-7" and replacing it with "GS-5."

SEC. 405. AUTHORIZATION FOR YOUTHBUILD PROGRAM

Section 716 (42 U.S.C. § 5091n) is revised to read as follows:

"There is authorized to be appropriated for the purpose of carrying out title VII such sums as necessary for fiscal years 1994, 1995, 1996, 1997, and 1998."

SEC. 406. EFFECTIVE DATE.

This bill is effective October 1, 1993 or upon the date of enactment, whichever is later.

**Section-By-Section Analysis
of the Proposed Domestic Volunteer Service Act
Amendments of 1993**

Sec. 1. The title of the legislation.

Sec. 2. References that proposed amendments, unless otherwise specified, are to the Domestic Volunteer Service Act.

Title I -- VISTA and Other Anti-Poverty Programs

Sec. 101. Provides an addition to the statement of purpose of the VISTA Program to include strengthening local agencies and organizations to address the needs of low-income communities and individuals.

This addition clarifies that a purpose of the VISTA program is to strengthen local institutions and organizations to eliminate and alleviate poverty and poverty-related problems in the United States.

Sec. 102. Provides for a series of amendments affecting the selection and assignment of VISTA Volunteers.

(a) Would clarify that volunteers may participate in programs similar to the legislation cited under subsection 103(a)(6), and reflect that addressing illiteracy is a specific priority for VISTA Volunteers.

This addition is necessary to provide for the broadest interpretation of the allowable activities that are designed to address poverty and poverty-related needs. This addition is also necessary to reflect the ongoing and planned activities of VISTA Volunteers in the area of combatting illiteracy, within both the overall VISTA program and the VISTA Literacy Corps.

(b) Repeals provisions mandating particular organizational structures, information systems, staffing levels, and hiring requirements related to the recruitment and placement of VISTA Volunteers. Also deletes certain requirements concerning the content of an application to become a VISTA Volunteer.

These provisions are deleted because they are unnecessary and restrict the flexibility of the Director to administer the recruitment and placement of VISTA Volunteers in the most efficient and economical manner possible.

(c) Revises authority for a sponsoring organization to recruit a volunteer to clarify that it is subject to the Director's approval and that the Director is not required to give priority for placement in that organization. Also, repeals a provision that allows a project to replace an applicant who is recruited locally but becomes available for service prior to commencement.

This language conforms the legislation to the practice of having sponsoring organizations recruit volunteers subject to the approval of the Director. The sponsoring agency also must approve any volunteer assigned or recruited, and hence there is no reason for the Director to be required to give priority to a locally recruited volunteer.

A particular requirement related to the replacement of an applicant who becomes unavailable to serve is not necessary. When feasible, other recruits are assigned to projects when another applicant cannot become a volunteer.

(d) Renumbers sections to conform with above amendments.

This language is necessary to conform the numbering sequence in the law with the amendments specified in (a) and (b) above.

(e) Makes a series of changes to the existing requirements concerning public awareness and recruitment, the composition of the volunteer force, and spending requirements related to promotion and recruitment.

These changes will: (1) replace certain mandated activities with the requirement that the Director conduct a vigorous recruitment program, with the specific activities under that program to be determined at the discretion of the Director; (2) require the Director to take steps to enable returned Peace Corps Volunteers to serve under VISTA; (3) eliminate the statutory requirement for the production of an annual recruitment plan with the recognition that this activity may continue at the discretion of the Director, and eliminate the mandate that 20 percent of the volunteer work force must be 55 years of age and older and another 20 percent must be between 18 and 27 years of age or older; and (4) revise the requirement that a minimum of 1.5% of available monies must be spent for recruitment and promotion to such sums as necessary.

These changes are necessary to provide the Director with the discretion, and additional resources, necessary to conduct a vigorous recruitment and placement program that will meet the volunteer strength goal. Enabling returned Peace Corps

Volunteers to serve as VISTA Volunteer will further the goals of both programs. Further, legislative mandates concerning age ranges of percentages of volunteers are unnecessarily restrictive.

Sec. 103. Clarifies the terms and periods of service for VISTA Volunteers and authorizes the creation of a VISTA Summer Associates Program.

(a) Clarifies statutory language concerning the terms and periods of service. VISTA volunteers may be enrolled initially for a minimum of one year, and a maximum of two years, of service. Exceptions to the minimum requirement are critical needs set by the Director and summer programs. Reenrollment terms are set by the Director, but no volunteer may serve for more than five years under the program.

This provision provides clarifying language only. The single change from existing law, except for the authorization of a summer program, is to eliminate the requirement that reenrollments not exceed two years.

(b) Enables individuals to volunteer under VISTA for the summer only, with the goals and requirements of this summer program being consistent with the overall VISTA program. The Act provides the Director with the authority to specify the terms and conditions with respect to this program.

A VISTA Summer Associates program will offer additional opportunities for Americans to participate in volunteer service without the full-year commitment required under VISTA.

Sec. 104. Provides for several amendments affecting the subsistence and stipend rates for VISTA Volunteers.

(a) Raises the ceiling for stipends for VISTA Volunteers from a maximum of \$95 per month to a minimum of \$125 per month, effective October 1, 1994, assuming the availability of funds, and sets the minimum for VISTA Volunteer Leaders to \$200 per month effective October 1, 1994.

The current requirement to provide a maximum stipend of \$95 per month for volunteers requires updating, particularly in light of the rates provided under other Federal and State programs. The minimum level of \$125 per month will provide an individual with a sufficient amount (\$1,500 per year) for necessary adjustment following volunteer service. This provision also permits extra payments for a minor category of individuals known as VISTA Volunteer Leaders, reflecting their additional responsibilities and expertise.

(b) Deletes the requirement related to certain consultation with regional and state offices and the requirement related to the establishment of a method for setting subsistence rates and the submission of a report on such rates.

The consultation requirement was a one-time event related to the establishment of subsistence rates based on cost of living; the requirement has been met. The establishment of a method for setting rates and a related reporting requirement are deleted because they also represent a one-time event related to taking into account cost-of-living differences in the setting of subsistence rates for VISTA Volunteers. This requirement was met by the Agency. The requirement to continue to differentiate subsistence rates for Volunteers on the basis of cost-of-living will continue to be a part of the Act.

Sec. 105. Repeals the requirement that funds made available under VISTA Literacy Corps shall be used to supplement and not supplant the level of services provided under part A in fiscal year 1986 to address the problem of illiteracy.

By repealing this requirement, the Agency will not have to maintain a certain level of literacy activities outside the VISTA Literacy Corps. Such a requirement is unnecessarily restrictive on VISTA program operations. Local communities should have greater flexibility in determining the assignments available for VISTA Volunteers.

Sec. 106. Restates the requirements related to the consideration of applications under the VISTA program to clarify existing statutory requirements.

This revision is necessary to clarify that assistance will not be determined on the basis of whether a project previously received assistance under the VISTA program. This clarification simplifies the current language, which sets detailed requirements that are unnecessary. The Director should use merit and the goals of the program in approving applications for assistance.

Sec. 107. Revises the minimum period of service under the University Year for ACTION program from an academic year to an academic semester or its equivalent.

This revision will enable individuals to participate in the program for an academic semester or its equivalent, whereby the former requirement was to serve for a minimum of one year. This will provide greater flexibility for individuals to participate in the program.

Sec. 108. Authorizes the Director to conduct or make grants or contracts, or both, for special volunteer and demonstration programs that will fulfill the purpose of the Agency. Specifies that grants shall be made on the basis of merit. Deletes current provisions restricting the flexibility of the Director under part C of title I. Permits supporting both stipended and non-stipended volunteer programs under part C.

This provision clarifies the authority to establish and operate special volunteer and demonstration programs and technical assistance activities under part C of title I. Section 122 currently contains a number of outdated provisions that do not reflect the demonstration component of this part. Further, this amendment deletes a number of provisions in Section 122 which restrict the flexibility of the Agency and are unnecessary, including a limit of \$250,000 on individual grants or contracts and a prohibition against providing funding for state offices of volunteerism. The current limit of \$50,000 on noncompetitive grants or contracts is increased to \$100,000.

Sec. 109. Clarifies authority for the Director to provide technical and financial assistance.

This language simplifies the current statute, incorporates certain technical assistance authorities that exist in other sections of the bill, and deletes specific references to areas that should receive technical assistance.

Sec. 110. Deletes a separate authority for drug abuse education and prevention activities as currently authorized under part C of title I of the Domestic Volunteer Service Act.

Drug abuse education and prevention activities may be conducted under the broader special emphasis authorities provided under sections 122 and 123. It is unnecessary to establish separate, specific authority for drug abuse activities under this part.

Title II -- National Senior Volunteer Corps

Sec. 201. Revises all references to Older American Volunteer Programs to refer to National Senior Volunteer Corps.

This new title better reflects the identity, nature, and purposes of the federally supported volunteer programs under title II of the legislation. Volunteers and sponsors will retain identities with the existing, separate program structures -- Retired and Senior Volunteer Program, Foster Grandparent Program, and Senior Companion Program -- which in combination will constitute the National Senior Volunteer Corps. This will help provide additional recognition for older volunteers participating in these programs.

Sec. 202. Revises the name of the Retired Senior Volunteer Program to Retired and Senior Volunteer Program.

This change reflects the interests of a number of older Americans who wish to volunteer but may still be working on either a part-time or full-time basis. The change in name reflects the fact that the program is not limited to "retired" seniors but encompasses all seniors with an interest in participating in the program.

Sec. 203. Revises the minimum age for participation in the Retired and Senior Volunteer Program from 60 to 55 and recognizes the participation of older working persons, in addition to retired individuals, in the program. Also deletes a requirement to give State agencies established under the Older Americans Act of 1965 the opportunity to comment on any award within the state.

This change reflects the interests of individuals age 55-60 in participating in the program along with other individuals age 60 and above. Many organizations and associations for older Americans have an eligibility requirement of age 55. This change will provide greater flexibility for local projects in encouraging participation in the program. This amendment also recognizes that many older Americans work on a full-time or part-time basis but wish to participate as volunteers with their peers who are retired.

This section will also delete a requirement to have the state agencies established under the Older Americans Act review any award made within a state that is not made to that agency. This requirement is obsolete.

Sec. 204. Modifies the statutory description of types of activities of Foster Grandparents to better reflect the current scope and breadth of the program. Further, clarifies that Foster Grandparents may provide person-to-person services to multiple children, depending upon local needs and requirements.

This change recognizes that Foster Grandparents serve today in a variety of settings in addition to facilities providing institutionalized care for disabled children, including schools, day care centers, and Head Start projects. In these and other settings, a Foster Grandparent may be involved in providing unique, person-to-person services to one or more children with special or exceptional needs.

Sec. 205. Requires that the hourly stipend for low-income volunteers under the Foster Grandparent and Senior Companion Programs be adjusted once over the next several years, rounded to the nearest five cents. Further requires that the stipend be a minimum of \$2.45 per hour; this is the current rate under the program.

This provision will assure that the stipend provided to low-income volunteers to enable them to participate in the program will be adjusted on the basis of inflation. In the past, such adjustments have occurred sporadically, thereby eroding the value of the stipend provided. Setting a minimum rate of \$2.45 per hour conforms the program to existing levels of remuneration.

Sec. 206. Revises the section allowing non-low income persons to participate under parts B and C of title II. Detailed statutory requirements governing such participation are unnecessary. Local projects retain the flexibility to determine whether such volunteers will be used.

This provision simply deletes unnecessary language governing the participation of non-low income persons under parts B and C of title II. Since participation is determined at the local level, detailed requirements that must be met in order for participation to occur are not necessary.

Sec. 207. Repeals a limitation on participation in the Foster Grandparent and Senior Companions to those no longer in the work force, thereby enabling these volunteers to work on a part-time basis. Also repeals a requirement that grants under the Foster Grandparent Program be made to a community action agency, and if not made to that agency, that certain requirements be met. Further, repeals a requirement that provides certain State agencies with the opportunity to review and comment on recommendations for awards within the state.

Foster Grandparents and Senior Companions should be able to work part-time as long as the income eligibility requirements are maintained. Further, the community action agency provision is outdated and no longer applicable. To the extent that community action agencies wish to participate in the program, they are afforded the same opportunity to do so as other local organizations. Further, the mission of community action agencies was changed under the Community Services Block Grant Act and they no longer receive direct, earmarked support from the Federal government.

The state agency requirement is also obsolete and unnecessary. State agencies are eligible to participate as grantees under the program where appropriate. Such decisions are made on the basis of merit.

Sec. 208. Deletes a provision requiring the evaluation of the impact of projects assisted under the Senior Companion Program.

This provision is outdated and duplicative; Section 416 of the Act sets forth the evaluation requirements for all programs under the Domestic Volunteer Service Act.

Sec. 209. Inserts a section encouraging the Director of ACTION to enter into certain arrangements with other Federal agencies that will promote both the mission of ACTION and the mission and programs of those agencies.

While permissible under current law, this addition sets a legislative expectation that must be met by the Director of ACTION and other federal agencies. There are numerous opportunities to further the goals of both ACTION and other Federal agencies through the use of Older American volunteers.

Sec. 210. Eliminates a requirement that not less than one-third of the new funds made available for Older American Volunteer Programs be earmarked for programs of national significance, provides discretion for the Director to determine which programs will be supported in a particular year, expands the categories of activities that may be funded, and replaces the limitation on authorization with the authority to award such sums as necessary.

This provision is necessary because the current earmarking requirements have created operational problems within the Older American Volunteer Programs. The current Subsection 225(a)(1), when read in conjunction with subsection 225(c)(2), requires the Agency to earmark one-third of any new monies for each of the Older American Volunteer Programs in a given year for programs of national significance. This has meant that, for some fiscal years, minor sums must be set aside for a separate grant competition, where ACTION's more than 1,100 projects may compete for only a few grants. Projects have identified this as an administrative hardship, and the earmarking of funds should be able to occur as part of the budget and appropriations process in a more rational manner.

Further, there is no provision whereby the Director may identify one or more areas requiring special attention in a particular year. As currently written, projects may support any particular area. This change will enable particular national priorities to be addressed while simultaneously addressing local concerns.

This provision will also create additional emphasis areas that may be funded under this subsection, including the environment, organizational outreach, ethnic outreach, criminal justice activities and apprenticeship programs for youth.

This provision will also replace dollar limitations on the amounts that may be earmarked under this section with authority to earmark such sums as necessary.

Sec. 211. Repeals reporting and certain other requirements with respect to inflationary considerations.

The provisions being repealed are unnecessary. In making awards under the program, the Director is required by the statute to consider the impact of inflation on the projects' abilities to carry out statutory purposes. There is no need for a separate report on these considerations, particularly when the annual appropriations process sets funding limits on the amounts that can be awarded to projects under the various programs.

Sec. 212. Provides authority, under certain specified conditions, for the Director of ACTION, and projects funded under title II of the Domestic Volunteer Service Act, to enter into arrangements with private, profit-making organizations to offer services of Older American volunteers to those organizations, their employees, and families.

This provision will help support potential demonstration activities involving private organizations which recognize under employee benefit programs the cost-effective services provided by older volunteers in areas such as child support for children with exceptional needs and elder care. Under this authority, a private organization may "contract with" a local older American project or the Director of ACTION to provide these services if there are no costs to the taxpayer and if the effort does not harm the project's ability to carry out its public responsibilities to the community.

Sec. 213. Provides for a new demonstration authority to fund projects involving Older American volunteers.

This new authority will fund activities not currently supported under the other parts of title II. To be supported, projects must demonstrate innovative activities that either may be replicated elsewhere or have nationwide implications for the involvement of older Americans in addressing community needs. Further, the Director may not reduce the activities under the other parts of title II in order to fund this part.

Title III -- Administration

Sec. 301. Sets the name of the organization as the Volunteer Action Agency. Further, clarifies the responsibility of the organization and replaces an outdated title with a more appropriate designation.

This provision is necessary to provide greater identity for the Agency with the public and others served by the organization. The title, ACTION, does not indicate the responsibilities and activities of the organization. Further, the phrase, Volunteer Action Agency, in addition to promoting greater identity, has the advantage of reflecting the mission and responsibilities of the organization. Further, this section emphasizes the coordination and technical assistance responsibilities of the organization. Finally, the title of a position, the Associate Director for Domestic and Anti-Poverty Operations requires changing because it dates to the agency's formation when it included Peace Corps.

Sec. 302. Provides authority to the Agency to solicit gifts and services. Further, provides authority to enter into agreements with profit making organizations to help further the purposes of the Act.

The current statute provides the Agency with the authority to accept gifts and services. This provision provides the Agency with the ability to seek gifts and services from public and private agencies and individuals to support the activities authorized under the Domestic Volunteer Service Act. Currently, Agency officials may accept such gifts and services, but are not specifically authorized to actively solicit them. As a result, opportunities to further the mission of the Agency and its activities are lost.

Further, this section provides the Director with the explicit authority to enter into agreements with profit-making organizations under terms and conditions to be set by the Director. Such agreements will help further the broad purposes of the Act.

Sec. 303. Clarifies that only compensation from volunteers and beneficiaries is prohibited under the Act.

This section clarifies that the intention of the Act is to prohibit any coercion of volunteers or beneficiaries into making contributions to programs funded under the Act and eliminates any interpretation as affecting program funding relationships among sponsors, projects, and volunteers stations. This clarification is necessary because currently the Act may be interpreted to prohibit stations from collecting monies from sites to which volunteers are assigned.

Sec. 304. Repeals a requirement that the Director submit an annual report to the Congress on the recruitment plan and activities conducted for the VISTA program.

This provision is deleted because the report is unnecessary; the important information required in the report is provided to the Congress, through both authorizing and appropriations committees, upon request.

Sec. 305. Revises the basis of computation for disability benefits for volunteers under the VISTA program from the entrance salary of a grade GS-7 employee to the entrance salary of a grade GS-5 employees.

This provision is necessary because the current computation procedure results in a situation where a Volunteer receives substantially more benefits upon becoming disabled than he or she receives as a Volunteer. This both serves as a powerful disincentive to rehabilitate and increases costs. This new procedure will set a compensation rate that is fair and equitable, is comparable to that offered in other federal programs, and will encourage the return of recipients to gainful employment.

Sec. 306. Amends title 5, United States Code, in several respects to provide that retirement credit under the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS) for time served as a full-time volunteer under title I of the Domestic Volunteer Service Act will be available for all former Volunteers who become federal employees subsequent to their Volunteer service, upon payment of a deposit based on their postservice stipends. This amendment would provide equality of treatment for former VISTA Volunteers with the military, and would restore to former Volunteers the incentive to make public service a career by giving them retirement credit for their Volunteer service that was originally provided.

At present, federal employees who are also former Volunteers may count their VISTA service as a period of employment for purposes of computing their pensions under CSRS only if they are not eligible for an old age pension under the Social Security Act. If they are eligible for benefits under Social Security, their period of Volunteer service is deducted from the period of employment on which their federal pension is computed.

Currently serving Volunteers cannot obtain credit under FERS for periods served as a VISTA Volunteer. Volunteer service that took place before January 1, 1989, is creditable for FERS pension purposes, upon payment of a deposit, but service on or after January 1, 1989, is not because of a prohibition on permitting deposits to be made for retirement credits, except by members of the Armed Forces after that date.

Volunteer service is creditable for pension purposes under federal pension plans other than CSRS and FERS.

The proposed amendment would permit former Volunteers to receive credit for their Volunteer service for retirement under CSRS upon making a deposit of 7% of their postservice stipend, with interest in appropriate cases. A reduction in annuity payments would be made in all cases to reflect the amount of the Social Security pension to which the individual is entitled that is attributable to the individual's contributions to the Social Security trust fund during service as a VISTA Volunteer.

The amendment would also entitle former Volunteers to receive credit for their service for FERS purposes by making a deposit of 3% of their readjustment allowances, plus interest in appropriate cases, for service that took place on or after January 1, 1989.

The amendments would apply to individuals whose entitlement to an annuity began before, as well as after, passage of the amendments. Increases in pensions resulting from the making of a deposit by individuals already retired would not be retroactive, but would apply only to annuity payments made after passage of the amendments.

Appropriate administrative provisions, including provision for notice to eligible annuitants of the availability of an option to make a deposit and secure credit for service are also provided.

Sec. 307. Revises the requirement for program evaluations from at least once every three years to periodically. Also deletes the requirements for a separate evaluation of the Literacy Corps program, the publication of standards for evaluations, consultation with participants, the publication of summaries, certain data protection, certain specific evaluations of title II programs, and a separate authorization for evaluations. Also requires that a management information system be established to report on volunteer activities supported by the Agency.

This change would provide the flexibility to conduct a program evaluation periodically, consistent with program needs. Further, this section would delete a number of statutory requirements that have either been replaced by ongoing administrative practices or represent sound evaluation procedures that do not need to be reflected in the statute. The authorization for evaluations is reflected separately under title V of the Act. Finally, a management information system will facilitate ongoing assessments of projects' activities, as well as providing summary information concerning the accomplishments of programs supported under the statute.

Sec. 308. Provides that no one in the United States will be deprived of taking part in or receiving the benefits of Federal financial assisted programs and activities (the assignment of volunteers constitutes Federal assistance), because of race, color, national origin, religion, sex, age, or handicap; and that the Director is precluded from providing financial assistance to any program under the Domestic Volunteer Service Act unless the agreement to provide financial assistance specifically prohibits persons responsible for the operation of the program from discriminating for the above referenced reasons. The Director must enforce the above provisions in accordance with 42 U.S.C. § 2000d-1, but this does not preclude affected individuals from seeking personal relief in other forums.

This revision will consolidate subsections (a) and (b) of the existing section 417 for clarification and expansion of discriminatory basis, and will eliminate subsection (c) because the intended deterrent to discrimination is the authority to withdraw Federal assistance, not to have concurrent or collateral authority with other jurisdictions (state and Federal EEO) to grant individual relief. In addition to this having a negative impact on agency resources, it would be redundant if the program or activity agreed to corrective action, and unenforceable if we terminated as provided in the body of the proposed Section 417.

Sec. 309. Eliminates a series of requirements related to prescribing regulations under the Act.

These requirements are no longer necessary as a series of governmentwide requirements exist with respect to the publication of regulations. The "safeguards" reflected in the Domestic Volunteer Service Act have been replaced by certain governmentwide rules concerning the publication of regulations; these rules provide full protection to the public and to the Congress concerning the publication of any regulations under the Domestic Volunteer Service Act.

Sec. 310. Clarifies the Domestic Volunteer Service Act to indicate that recipients of ACTION grants must make records available to the Inspector General of ACTION.

This authority of the Inspector General already exists, but the change will help specify the requirements placed upon grantees and contractors related to audits.

Sec. 311. Limits the liability of volunteers, advisory council members, and other personnel supported under this legislation.

This provision is necessary given that the willingness of volunteers and others to offer their services has been increasingly deterred by a perception that they put personal assets at risk in the event of tort actions seeking damages arising from their activities as volunteers under this Act. Further, the contributions of programs, activities and services to communities is diminished, and worthwhile programs, activities and services are deterred by such fears. There should be an effective balance in the public interest between the right of a person to seek redress for injury and the right of an individual to freely give his time and energy without compensation as a volunteer in service to his community without fear of personal liability for acts undertaken in good faith absent willful or wanton conduct on the part of the volunteer.

Full-time volunteers under title I are covered under section 415(b) of the existing statute by Federal Tort Claims provisions.

Sec. 312. Provides copyright protection for the major programs operated by the Agency.

This Section is necessary because, on occasion, other organizations have used the names of ACTION programs and volunteers in a manner that is inappropriate for Federal volunteer programs. The intent is to use this protection only against organizations attempting to use the name and related symbols of Federal volunteer programs administered by the Agency in an inappropriate manner.

Sec. 313. Establishes a Center for Research and Training on Volunteerism within ACTION.

This Center is necessary because of the need for a focal point within the Nation to conduct research on the impact of volunteer programs. The Center will disseminate information concerning such research to all interested parties. Further, the Center will conduct training to help improve the quality of volunteer programs across the country. In conducting this training, the Center will not duplicate the activities or efforts of any existing organization or institution.

Title IV -- Authorization of Appropriations and Conforming Amendments

Sec. 401. Provides separate authorization for various parts and sections under title I of the legislation for fiscal years 1994, 1995, 1996, 1997, and 1998. Also stipulates that the legislatively mandated minimum subsistence allowance for VISTA Volunteers may not be reduced in order to increase the number of volunteer service years under the program. Specifies that any volunteers under part A of title I, also working on activities authorized under parts B and/or C of title I, must meet the antipoverty criteria specified under part A. Finally, specifies that amounts appropriated for part A must provide for a minimum number of volunteer service years in each fiscal year.

As prepared, this Section is necessary to provide authority for appropriations to carry out parts A, B, and C of title I. There is no need for specific amounts to be authorized, as the size of the program will be determined through annual appropriations.

Further, the minimum level of volunteer service years reflects the high priority of the VISTA, particularly as related to carrying out the President's National Service program.

Sec. 402. Provides authorization for volunteer programs under title II of the legislation for fiscal years 1994, 1995, 1996, 1997, and 1998.

Sec. 403. Provides authorization for program administration under title IV of the legislation for fiscal years 1994, 1995, 1996, 1997, and 1998. Provides separate authorization for evaluation and the Center for Research and Training.

This Section is necessary to provide authority for appropriations to carry out title IV of the Act.

Under current law, there is separate authority to spend up to one percent of program funds for evaluation. This would be replaced by a requirement to spend not less than one-half of one percent, nor more than one percent, of program funds for both evaluation and the Center for Research and Training. Further, there can be no increase in funding for these activities unless the programs funded under the Act receive at least an amount equal to the amount provided in the prior year.

Sec. 404. Sets all legal and other references to the Volunteer Action Agency.

This provision implements an earlier provision (see Section 25) officially naming the agency the "Volunteer Action Agency."

Sec. 405. Extends authority for Youthbuild through fiscal years 1994 through 1998.

This provision is necessary to provide appropriations to carry out title VII of the Act.

Sec. 406. The effective date of the legislation.