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Clinton National Service Proposal

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Clinton National Service Proposal

Discussion Outline

The President's call to service extends from the youngest elementary students to our oldest citizens, and includes everything from part-time volunteer activities to full-time public service jobs. Toward this end, the President supports funding for service programs involving school-age youth and older Americans, as well as professional corps programs such as the Police Corps and Teacher Corps designed to attract top candidates to public service jobs. These issues, however, are not addressed in this outline.

The centerpiece of the President's proposal is a national service program that will make it possible for college graduates and others to perform needed services in their communities by making it easier to pay back their student loans. All students will have the option of repaying their loans with a small percentage of their income over time, removing a significant obstacle to low-paying careers in public service. Some will have the opportunity to serve in national service positions in the areas of education, human services, environment, and public safety. This program is outlined below.

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Selection of Participants: A diverse group of recent college graduates, as well as college students, college-bound high-school graduates, and non-college bound youth, will be selected for participation by applying to and being accepted into a program offering approved national service positions. A national system to help match individuals with programs will be established.

Benefits: The program will support a minimum-wage stipend and health and child care benefits (if needed). Individuals serving after college would receive student loan forgiveness worth $10,000 for each of two years of service, or the amount of their outstanding loans, whichever is less. Other participants would receive a post-service benefit of $5,000 for each of two

years of service, useable for higher education or employment training.

Building an Infrastructure: Funding will be available for three types of grants: single-year venture capital grants may be made to individuals, states, and public or private non-profit organizations (including education institutions) for program start-up; states and public or private non-profit organizations operating programs may receive multi-year grants for program costs; and states and public or private non-profit organizations may receive grants to replicate proven existing programs.

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Federal role: The federal government will establish criteria for approved national service positions and programs, allocate program resources, ensure against fraud and abuse, arrange for a national training program, coordinate service programs within the federal government, arrange for evaluation of funded programs, and provide training and technical assistance to states and programs.

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Phase-in: Participation is expected to reach at least 25,000 by the end of fiscal year 1994, increasing to at least 100,000 in 1997.

B. Income Contingent Loan Repayment

All borrowers will be able to repay their loans through income contingent repayments. This means that borrowers with higher incomes would repay more quickly, while lower-income borrowers would repay over a longer period of time. Student debt will not prevent borrowers from choosing lower-paying jobs for fear that they will not be able to repay their debt.

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National Service Corporation
Proposed Structure

National Service Corporation

Umbrella agency to implement the Natonal Service Program and after a transition period, administer VISTA, Older American Volunteer Programs and Commission on National and Community Service programs.

Corporation's Board will lend broad base of experience (e.g. service community, labor, education, student representation); strong chair, accountable to President and Congress, would be responsible for day to day policy decisions.

> Board responsibilities: review/approve annual policy guidelines; review/approve overall review of grants awarded; receive annual audit reports; sit as a review panel for decertified projects.
>
> Chair responsibilities: hire/fire staff; approval (directly or through delegation to staff) of all grant awards; **investigation of funded programming (through special investigative office)**; day to day management of agency.

[setting priorities]

Corporation Funding and Management Structure

The National Service Corporation will be funded by annual appropriations, but central staff functions will reflect a private enterprise environment, with streamlined organization and performance-based accountability (**budgeting? procurement? Don't we want exemptions for these, too?**). The corporation will be governed by federal law (e.g. Administrative Procedures Act, FOIA, etc.) but central staff will be exempt from standard civil service classifications. In addition, to foster a vibrant environment, employee tenure at the Corporation will generally be limited to not more than five years, **with two-and-a-half year renewable contracts**, as was the case with the Peace Corps in the mid-1960s.

Programs presently adminstered by ACTION will be maintained as divisions of the new corporation, with their present personnel system **temporarily maintained**, except that regional offices will be phased out. State offices will be maintained. Central functions over a period not to exceed two years will be merged with the new National Service Corporation. [Described more fully below, page 4.]

National Service Corporation staff will be recruited by the Chair; present staff of the Commission and ACTION will be given priority consideration for new positions, but will not be automatically grandfathered. During transition, new corporation will be authorized to draw on resources of both ACTION and the Commission.

The Corporation will assign a staff representative to work out of each ACTION state office to work with the state commission on the development of State commission plans for Corporation funding.

Non-program Corporation responsibilities

In addition to making grants, the Corporation will be responsible for providing technical assistance, maintaining a national clearinghouse for information, providing unifying materials for all programs, and creating a national advertising campaign. The Corporation may contract out for the performance of these functions.

Inspector General

New National Service Program

The new National Service Program will support a stipend payment during up to two years of service in certified programs, and upon completion of each year of service, participants will earn vested educational benefits. Funds sufficient to pay vested educational benefits will be deposited in a National Service Trust Fund **(is this meant to be independent from ordinary operating/stipend costs -- a separate funding entity? It sounds it....)** at the time an individual is accepted into the program, to be disbursed for certified educational purposes to appropriate educational institutions upon completion of the agreed upon service commitment.

Stipend: Maximum federal contribution based on minimum wage should be approximately equal to the VISTA stipend (which is 105% of poverty). Health and child care benefits will be provided and funded by the corporation. **All such costs will require local matching funds, in accordance with guidelines outlined below. It would be possible for a supported program to fund a stipend above the maximum federal contribution.** A decision will have to be made about whether there should be a maximum permissible supplement to the federal stipend.

Educational Benefit: [For pre-college participants, the educational benefit will be $5,000 for each full year of service; for post college participation, educational benefits will be the amount of outstanding student loans, up to a maximum of $10,000 for each full year of service completed. In the case of eligible part time service, volunteers will receive an educational benefit proportional to the service commitment undertaken and completed.]

The benefit structure of the new program (including the stipend and benefit structure) are described more fully in the attached discussion outline.

Formula: Funds will be divided between a formula distribution based on population and discretionary awards. Each state, through its independent commission, may submit funding proposals both for the amount of formula funds allocated to the state and for an additional amount that could be funded from the discretionary federal funds. Competing for discretionary funds will be other states, national programs (national implementation of single corps model), and federal agency initiatives. The allocation of funds will be 25 percent by formula and 75 percent discretionary. **States which fail to meet minimum performance standards (see below) will lose part or all of their formula allocations, with funds reverting to the discretionary fund.**

Evaluation: **Based on federal guidelines, programs will be required to develop performance criteria and evaluative standards. Once criteria are approved, programs will be required either to contract with independent evaluators to test their success in meeting criteria, or to certify themselves subject to felony penalties described below.**

Both state Commissions and the Corporation shall use the evaluation data in their funding decisions. The Commissions shall use the evaluation data to decide which programs to continue funding. The Corporation shall use the data to determine whether state programs are successful.

Matching Funds: In order to encourage programs of the highest value and to demonstrate a local commitment to funded programs, the Corporation shall develop a flexible requirement for matching funbs, taking into account the the difficulties some local programs may have in raising funds independently. The Corporation shall design a statewide matching requirement, ramping up from 20 percent in the first year to 50 percent in the fourth year of the state's program implementation. Within any given state plan, established programs may be asked to bear a greater burden of matching requirements, while new programs are subject to less. It shall be understood that each new project funded will be subject to a phase in of a matching funds requirement, **and that on a statewide basis, total matching funds should be at least one-half from the private sector.**

National models shall be subject to a (__ percent) private sector match requirement, waveable in special instances. Agency programs shall...

Recruitment: Recruitment will be both central and at the project level. The Corporation will determine the percentage of participants to be selected from the central list. The corporation may set this percentage on a periodic basis. Applications for the central list may be made at the state or national office, criteria for selection on the central list shall be determined by the Corporation.

Transition year: During the first year of operation, when state commissions are not fully established, the Corporation should have the option of centrally selecting projects for funding apart from the process described below [using a procedure similar to the Commission's national selection criteria].

Appeals: Programs which are denied desired funding in state plans may appeal the states' decisions to the federal member of the state Commission. That member shall determine whether to present an alternative plan, incorporating the state plan, alongside the state commission report to the Corporation.

Decertification

State Role in Implementation

To participate in the National Service Program, a state must establish a Commission to review project applicants and make recommendations for funding to the National Service Corporation.

The governor shall appoint to the state Commission members representative of the service community, K-12 teachers and administrators, post-secondary teachers and administrators, students and organized labor. The National Service Corporation **shall** designate one member to serve on each state commission. Total membership on each Commissions shall not exceed __ members; and no more than 50 percent plus one may be from a single political party. Each commission shall elect its own chair.

State commissions may apply to the National Service Corporation for financial support, but such funding must be matched by matched by state or local government and the private sector. The matching requirement will begin at 20 percent and increase by increments of 10 percent of total costs each year until it reaches fifty percent of total costs, **with at least half of the matching funds to come from the private sector.**

State commissions will submit comprehensive proposals for funding to the National Service Corporation for approval. The proposals will describe programs which the Commission recommends for funding, and can add up to the same amount or more than the state's formula allocation. These proposals may be approved by the Corporation as a package. If the Corporation does not approve certain proposals for funding, it shall return these items to the Commissions for further revision and later review, while the balance of the State Commission's recommendations are approved and funded.

Existing Federal Programs

Programs now administered by ACTION and the Commission will become divisions of the National Service Corporation.

In the case of ACTION programs, which are directly administered by the agency, existing national and state program offices will be maintained in their present form. ACTION regional offices will be phased out and the functions will be apportioned between the national and state offices.

National and Community Service grant programs will also become divisions of the new National Service Corporation (with Title C and D programs being merged with the new National Service Program). Commission staff will be given priority rights for Corporation staff openings [right of first review].

ACTION administrative functions will be merged with Corporation administrative functions after a transition period of __ months. At the end of the transition, ACTION will cease to operate independently and any ACTION personnel who have not become Corporation employees shall have severance rights, including priority consideration for federal civil service job openings at other agencies.

Draft

Confidential

2/11/93

Jack
This old memo prompts me to push you about reauthorization hearings for CNCS Action. Let's make sure to raise with Howard.
Eli

MEMORANDUM

FROM: Catherine Milton

TO: Legislative Committee

SUBJECT: Decisions Regarding Statutory Changes

The following is a summary of the meeting of the Legislative Committee convened by conference call on the morning of Tuesday, February 9, 1993. The Committee focused primarily on potential policy changes although it did review and endorse a significant number of technical and editorial changes to the statute. Major decisions and points of discussion are as follows:

I. Role of the States.

- local organizations should be eligible to apply directly to the Commission under Subtitles C and D, although added weight will be given to those applications from States

II. Definitions.

- the definition of partnership should be changed to make it clear that nonprofit organizations may be members of partnership programs in their own right and do not have to assist local educational agencies (§ 12511(15)).

- In order to emphasize the importance of service learning for corps, the underlined portion should be added to present application requirements so that each applicant shall include in the application ... "an age-appropriate learning component for participants that includes procedures that permit participants to reflect on service experiences <u>and other service learning methods</u>" (§12543(c)(3).

III. Subtitle B1

- "in consultation with the Secretary of Education" should be deleted from the Commission's authority to make grants (§ 12521(a)).

- Language should be added which makes explicit in the statute the Commission's authority to make grants to Leader States and to specify the types of leader activities (§ 12521).

- Of the amount of appropriations available for Serve-America (B1), 75% of the funds shall be available to the states by formula allotment, and 25% of the funds shall be available for leader state activities. (§ 12522(b)).

IV. Subtitle B2.
• additional paragraphs (§ 12531(a)(1)-(4)) should be added in order to make explicit in the statute the type of activities the Commission may support in higher education, and to eliminate confusion on the part of applicants caused by the statute's current wording.

V. Merging Subtitles C and D.
The Committee instructed staff to prepare two alternatives drafts of the statute: one that merged the Subtitles C and D into a new "National Service" subtitle and one that left them separate but made the administrative provisions in each consistent.

VI. Subtitle C.
? • the Federal Disaster Relief funding provisions should be moved out of Subtitle C and into a new Subtitle E so that programs other than Corps can apply for funds (§ 12542(d)(1)).

• staff should make clear that diversity is a desirable goal but is not required in each and every instance (§ 12543(c)(4)). (C and D should have similar language on diversity.)

• the Federal Workers' Compensation provisions should be removed from Subtitle C. (§ 12555(b)(2)).

• staff should pursue working with the Department of Labor on getting relief from the Davis-Bacon and Fair Labor Standards Act provisions that adversely affect Corps programs.

VII. Subtitle D.
The Committee agreed with the following regarding Subtitle D:

√ • - expand D to include the creation, expansion and replication of National Service models;
√ • - oppose cash-out option for post-service benefits;
√ • - permit use of Commission funds for support services such as child-care;
• - oppose dropping the age limit for participation to 9 or 10;
• - oppose saying that youth corps are an important model in the legislation before evaluation has been performed;
• - allow the Commission the authority to transfer funds to other Federal agencies to conduct demonstrations of national service; and
• - oppose increase of administrative cap from 5 to 10 %.

VIII. Subtitle E.
The Committee agreed with the recommendations to create a broader Subtitle E, including moving the sections on Clearinghouses and Presidential Awards from Subtitle G into E (§ 12651(f) and (g), respectively) and Evaluation from Subtitle F (§12639) into the new E.

Finally, the Committee agreed to leave the allocation of funds among the Act's subtitles up to Congress.

3/18

Jack

This old memo probably deserves revisiting. I've raised Immunization with Peter, but don't know whether we're in the legislation & don't know whether our summer immunization plan will run into HHS overlap issues.

Eli

Memorandum

To: Eli Segal
From: Jack Lew
Date: February 4, 1993
Subject: National Service and the Immunization Program

Explore Scope of National Health Service Corps

At the present time there are relatively few doctors in the pipeline who have an outstanding service commitment. Certainly it makes sense to explore pulling these doctors into the program -- even if it is only in the range of a hundred or so.

To bring additional health care providers into the program would require the purchasing of additional loans to create new service obligations.

> **Question: How much money is in the pipeline which could be applied to the purchase of new loans?**
>
> **Question: Are there additional funds that could be reprogrammed into the National Health Service Corps quickly to increase the funds available?**
>
> **Question: How can we increase the number of health professionals with limited available dollars?**
>
> **Question: Present law authorizes the repurchase of loans for all primary health care providers, including nurses, nurse midwives and physicians assistants. In many states these providers can even adminster vaccinations. Could we target limited funds towards these providers at a considerably lower cost per health care professional?**
>
> **Question: Does the state loan repayment program (also authorized in the 1990 Public Health Service Corps Act) have any resources that can be applied towards the immunization program?**
>
> **Question: Can the minority scholoarship program, which pays loans for students who return to their own communities to provide services, be used for to supplement the vaccination program?**

12:30 Tuesday = Wellstone

VISA call'

2 days for [illegible]

network of existing hospitals/offices

data infrastructure & new administration fee ??

kids who are uninsured

CDC

Major elements of a comprehensive pre-school immunization package

1. Appropriate additional funds to improve the infrastructure and outreach capacity. States have already prepared comprehensive plans to improve immunization levels and funds could be quickly awarded to support this activity. This will increase immunization coverage levels for infants and children by improving access to immunization services. Nat'l Hotline

2. Enact legislation to require that all children be immunized by their second birthday. Enforcement would take place at all contacts between government agencies and children.

Nat'l service

3. Establish an ongoing national information and education campaign to increase parental knowledge and motivation.

4. Establish an ongoing professional education campaign to increase provider awareness and knowledge.

5. Establish federal purchase of all recommended childhood vaccines.

6. Develop a national surveillance and tracking system/registry to enable state and national evaluation of immunization.

7. Enhance disease surveillance mechanisms and the capacity to respond to new vaccine preventable diseases of children.

8. Increase the capacity to ensure the optimal safety and effectiveness of immunization throughout the pre-marketing and post-marketing process, particularly strengthening the monitoring of adverse events associated with vaccine administration, and evaluating the causes of these events.

9. Reauthorize the expired authorities of the National Vaccine Injury Compensation Program and ensure adequate resources to pay all adjudicated claims. Revise the Vaccine Injury Table to reflect new information. Ensure that all mandated childhood vaccines are automatically covered by the Program. Enact refinements of the compensation program legislation.

10. Enact legislation allowing modification of vaccine information materials to be more "user-friendly".

11. Accelerate the research on and development of new and improved vaccines, including support of the Children's Vaccine Initiative (an informal association of public and private groups dedicated to help to accelerate and apply advances in science to the development, manufacture, and efficient delivery of new and better vaccines for the world's children.)

12. Provide authority for the Secretary to respond to vaccine supply emergencies.

13. Increase support for international immunization activities (particularly global eradication of poliomyelitis) in order to reduce the threat of imported disease.

The draft National Vaccine Plan describes in more detail the goals, objectives, strategies and action steps involved in implementing these activities.

Immunization Action Plan Awards

The funds appropriated in FY 1992 for enhancing the vaccine delivery infrastructure were awarded to 87 applicants (63 existing immunization grantees and 24 major urban centers selected on the basis of overall population size and the percent of their minority populations) based on the quality of comprehensive Immunization Action Plans they developed. Each applicant received a base award amount equivalent to $4 for each child less than 2 years of age living in the applicant's jurisdiction. Additionally, the 51 areas with technical merit scores at or above the average for all 87 scores received a bonus award calculated according to their technical merit score and the size of their under 2 population. For these applicants, the total award consisted of the base award plus the bonus award up to a maximum of the amount requested or $7 for each child less than 2 years of age. Even if the total amount requested by the applicants ($245 million) became available, it is unlikely that each applicant would receive the exact amount they requested, since the review process identified areas where the applicants deviated from the criteria established in the request for application and further negotiation of awards would be required.

Applicant	|||	Total Award	Requested Award	Difference Between Award and Request	Award: % of Req
ALABAMA	|||	$398,064	$4,264,561	$3,866,497	9%
ALASKA	|||	$160,333	$2,216,150	$2,055,817	7%
AMERICAN SAMOA	|||	$21,496	$45,475	$23,979	47%
ARIZONA	|||	$366,277	$917,195	$550,918	40%
ARKANSAS	|||	$434,102	$1,839,887	$1,405,785	24%
ATLANTA	|||	$225,551	$3,039,120	$2,813,569	7%
BALTIMORE	|||	$79,368	$2,728,275	$2,648,907	3%
BIRMINGHAM	|||	$74,920	$234,384	$159,464	32%
BOSTON	|||	$126,777	$3,844,824	$3,718,047	3%
CALIFORNIA	|||	$4,015,346	$19,359,402	$15,344,056	21%
CHICAGO	|||	$645,275	$2,609,843	$1,964,568	25%
CLEVELAND	|||	$170,276	$641,855	$471,579	27%
COLORADO	|||	$655,096	$952,663	$297,567	69%
COLUMBUS	|||	$195,359	$641,855	$446,496	30%
CONNECTICUT	|||	$388,016	$1,143,780	$755,764	34%
DALLAS	|||	$517,138	$1,919,099	$1,401,961	27%
DELAWARE	|||	$128,121	$578,813	$450,692	22%
DETROIT	|||	$251,852	$1,775,804	$1,523,952	14%
DISTRICT OF COLUMBIA	|||	$152,738	$1,116,138	$963,400	14%
EL PASO	|||	$148,085	$504,498	$356,413	29%
FLORIDA	|||	$1,933,468	$8,307,818	$6,374,350	23%
GEORGIA	|||	$1,124,249	$2,431,781	$1,307,532	46%
GUAM	|||	$48,568	$433,933	$385,365	11%
HAWAII	|||	$243,040	$715,643	$472,603	34%
HOUSTON	|||	$376,240	$3,304,004	$2,927,764	11%
IDAHO	|||	$129,936	$697,597	$567,661	19%
ILLINOIS	|||	$1,564,571	$1,564,571	$0	100%
INDIANA	|||	$932,244	$1,270,711	$338,467	73%
INDIANAPOLIS	|||	$107,568	$763,203	$655,635	14%
IOWA	|||	$500,418	$1,572,478	$1,072,060	32%
JACKSONVILLE	|||	$104,636	$561,070	$456,434	19%
KANSAS	|||	$306,560	$2,175,285	$1,868,725	14%
KENTUCKY	|||	$410,988	$1,026,137	$615,149	40%
LOS ANGELES	|||	$2,266,189	$6,451,612	$4,185,423	35%
LOUISIANA	|||	$779,148	$3,774,600	$2,995,452	21%
MAINE	|||	$233,161	$317,718	$84,557	73%
MARSHALL ISLANDS	|||	$24,397	$76,690	$52,293	32%
MARYLAND	|||	$526,348	$3,241,209	$2,714,861	16%
MASSACHUSETTS	|||	$1,016,803	$4,457,131	$3,440,328	23%
MEMPHIS	|||	$175,206	$729,433	$554,227	24%
MIAMI	|||	$386,324	$3,424,504	$3,038,180	11%
MICHIGAN	|||	$1,465,334	$21,044,707	$19,579,373	7%
MICRONESIA	|||	$23,288	$99,540	$76,252	23%
MILWAUKEE	|||	$202,425	$486,662	$284,237	42%
MINNESOTA	|||	$898,029	$3,713,814	$2,815,785	24%
MISSISSIPPI	|||	$493,401	$493,401	$0	100%
MISSOURI	|||	$958,298	$3,064,269	$2,105,971	31%

MONTANA	|||	$147,633	$712,101	$564,468	21%
NASHVILLE	|||	$63,260	$71,000	$7,740	89%
NEBRASKA	|||	$300,066	$2,500,293	$2,200,227	12%
NEVADA	|||	$251,801	$1,976,587	$1,724,786	13%
NEW HAMPSHIRE	|||	$139,580	$727,488	$587,908	19%
NEW JERSEY	|||	$817,716	$4,134,207	$3,316,491	20%
NEW MEXICO	|||	$337,524	$2,471,798	$2,134,274	14%
NEW ORLEANS	|||	$104,475	$2,013,546	$1,909,071	5%
NEW YORK CITY	|||	$1,247,457	$21,998,235	$20,750,778	6%
NEW YORK STATE	|||	$1,963,195	$5,234,464	$3,271,269	38%
NEWARK	|||	$95,340	$371,111	$275,771	26%
NORTH CAROLINA	|||	$781,104	$3,979,814	$3,198,710	20%
NORTH DAKOTA	|||	$76,696	$677,397	$600,701	11%
NORTHERN MARIANA IS	|||	$13,960	$176,571	$162,611	8%
OHIO	|||	$1,654,467	$5,115,939	$3,461,472	32%
OKLAHOMA	|||	$633,305	$2,121,562	$1,488,257	30%
OREGON	|||	$331,660	$2,529,117	$2,197,457	13%
PALAU	|||	$4,096	$42,479	$38,383	10%
PENNSYLVANIA	|||	$1,798,159	$2,456,406	$658,247	73%
PHILADELPHIA	|||	$439,249	$5,072,930	$4,633,681	9%
PHOENIX	|||	$422,182	$1,513,283	$1,091,101	28%
PUERTO RICO	|||	$692,135	$1,826,835	$1,134,700	38%
RHODE ISLAND	|||	$187,160	$896,179	$709,019	21%
SAN ANTONIO	|||	$152,168	$880,917	$728,749	17%
SAN DIEGO	|||	$677,015	$3,921,656	$3,244,641	17%
SAN JOSE	|||	$331,514	$1,622,931	$1,291,417	20%
SAN JUAN	|||	$82,181	$800,320	$718,139	10%
SEATTLE	|||	$281,242	$438,960	$157,718	64%
SOUTH CAROLINA	|||	$436,212	$3,587,874	$3,151,662	12%
SOUTH DAKOTA	|||	$197,962	$196,171	($1,791)	101%
TENNESSEE	|||	$382,500	$1,000,200	$617,700	38%
TEXAS	|||	$1,424,964	$20,281,536	$18,856,572	7%
UTAH	|||	$282,184	$768,080	$485,896	37%
VERMONT	|||	$67,468	$499,278	$431,810	14%
VIRGIN ISLANDS	|||	$27,419	$291,536	$264,117	9%
VIRGINIA	|||	$744,204	$4,398,454	$3,654,250	17%
WASHINGTON	|||	$755,508	$5,676,968	$4,921,460	13%
WEST VIRGINIA	|||	$171,588	$1,776,538	$1,604,950	10%
WISCONSIN	|||	$451,280	$3,854,743	$3,403,463	12%
WYOMING	|||	$55,276	$252,700	$197,424	22%
	Totals:	$45,407,933	$245,441,346	$200,033,413	

Current manufacturers of childhood vaccines

Vaccine	Estimated Percent Share of Market
Measles-mumps-rubella (MMR)	
Merck*	100
Diphtheria and tetanus toxoids and pertussis vaccine (DTP)	
Lederle	30
Pasteur/Merieux/Connaught*	70
Oral poliovirus vaccine (OPV)	
Lederle*	100
Hepatitis B	
Merck*	>75
Smith-Kline	<25
Haemophilus influenzae type B conjugate	
Merck	<5
Lederle*	>90
Pasteur/Merieux/Connaught**	<5

* Has CDC contract

** may soon be licensed for use in infants

The Relationship Between Universal Purchase of Vaccines and the Establishment and Maintenance of a National Immunization Tracking/Registry System

We believe the establishment of a National interactive tracking/registry system will be necessary if the Year 2000 objective of 90 percent immunization levels at 24 months of age is to be achieved. A vital component of such a registry is the inclusion of vaccine administered in the private sector. If the private sector is to be included, they will incur additional administrative costs associated with the system. Universal Federal purchase of vaccines would provide the incentive necessary to ensure the participation of both public and private sector health care providers in a national immunization registry system. Without some incentive most private health care providers would be unwilling to take the time and effort necessary to input immunization data on their clients into a national registry system. The provision of free vaccine would be one of the best incentives for them to participate in the registry by conditioning receipt of vaccine to entry of immunization data. States would be more amenable to linking up with a national system when all their vaccine needs are satisfied by the universal Federal purchase system.

A system that allowed states to purchase all the vaccine they needed would not work as well as a universal Federal system, because not all states have the additional resources required to purchase all vaccines. Such a system would likely require states to negotiate individual contracts with vaccine manufacturers which would not equal the savings that would be available if national contracts were established. States would also be less likely to require health care providers to input data into the system.

Smallpox

The United States contributed approximately $32 million to smallpox eradication efforts over a ten year period. It is estimated that $600 million is being saved annually in the U.S., because smallpox has been eradicated.

February 24, 1993

TO: Eli Segal

FROM: Catherine Milton

After hearing you say last week that you are uncertain whether to continue the White House Office of National Service, I thought it might be helpful to jot down some of my thoughts on structure for the national service initiative. You have also referred several times to the early days of launching the Peace Corps. While there are some lessons to be learned, the situation is so different now that it is also important to highlight those differences.

This memorandum states four guiding principles and a set of recommendations based on those principles.

I. Some Guiding Principles

Multitude of Functions/ Multitude of Players. The key is an approach that releases energy, not attempts to control it. This approach needs to be emphasized by all the national leaders, including the President. We need to encourage initiative, entrepreneurial spirit; not make people think that they need to wait for permission to launch an effort, or wait to get the blessing of Federal money. There is always a potential danger that when the Federal Government tries to encourage grass root efforts it actually results in less service.

Encourage Coordination But More Important: Keep Focus. My experience in the nonprofit field and in government has led me strongly to believe that the most successful initiatives are those which are carried out by groups of people who clearly understand their roles and have a driving mission. When purposes and goals become too diffuse then there is a lot more talk than action. I think that this is also the message in Tom Peters' new book, Liberation Management -- the big corporate approach doesn't pull the best out of people as does the smaller more focused effort which empowers people, liberates them to get the job done. I am convinced this is why the Commission has been able to get so much accomplished in such a short time, with so few resources, and in a way that has resulted in better customer satisfaction. The same holds true for the Peace Corps. And on the flip side, this is why ACTION has never captured the imagination of the public or the field and why I believe we need to be very careful about compounding that mistake.

Need to Share Ideas/ Encourage New Initiatives that Might Work. There are a lot of good ideas in the Federal Government and in the nonprofit, state, and grass root communities. It helps everyone if there can be attention drawn to those good ideas, and good people. The President has a special role here and a lot of the techniques that have been used, or I have heard you mention, ought to be nourished such as awards, speeches in the states which highlight local initiatives, special attention by the President to a Cabinet member who has successfully launched an initiative, town meetings, MTV, etc. It is also important for the Federal Government to help fund clearinghouses, sponsor newsletters, etc. which help get the information out at the grass roots level. I also think that a special White House summit on national and community service would be a valuable tool as would be targeted-White House meeting which bring together a group of constituencies to discuss community service (e.g., summit of business leaders; religious leaders; educational leaders). In addition, it would be extremely helpful to have the White House put national service on the agenda of other gatherings as it did during the economic summit (for example, a meeting on homelessness or urban revitalization or job skills readiness could include representatives from a service perspective).

Need to Coordinate Federal Initiatives and Be A Model for States. Actions taken at the Federal level have the potential to pave the way for the states and local communities, so careful attention needs to be paid to structure. President Clinton could encourage every governor to play a key role in his or her state -- to appoint a special assistant to the governor for service, to appoint a volunteer board that will help to shape policy, to have a lead state agency that will help to distribute and generate funding for local efforts and several agencies that will play operating roles. This approach is obviously predicated on the assumption that the same kind of coordination will need to be played out at the Federal level. Also, the more that President Clinton could encourage the governors to play an active role the more likely is that service will be woven into the fabric of all Americans (a summer of service in 50 states next summer, youth service awards from the governors, etc).

II. Recommendations.

1. **Keep a White House Office of National Service.** It's an issue of clout and proximity. I am convinced that all of the above goals will be more likely to be accomplished if someone in the White House reports directly to the President with the following kinds of responsibilities:

- Liaison with the President

  Keep Presidential interest high on national service. Connect him directly with those doing service; keep him briefed on options.

  Build service into the President's schedule, engaging him in a direct service or recognition opportunity weekly.

- Leader of Federal Agencies

  Get service on the agenda of Cabinet members (ranges from innovative use of excess DOD military base capacity to service for unemployment compensation benefits, to building a service component into the Job Corps and Food Stamps programs).

  Strive to make Federal Government a model employer through improved personnel policies, community outreach, employee service opportunities.

- Mobilizer of the nation -- people and private institutions

  Claim the issue of service as the President's own defining domestic agenda item.

  Speeches, ceremonies, awards (bully pulpit).

  Solicit financial resources from private institutions (foundations, for-profits).

  Through your counsel and participation, make certain that there are available both governmental (i.e. Commission) and private national organizations (i.e. foundations) capable of securing the leadership necessary to support effective voluntary sector infrastructure.

- Outreach to Capitol Hill

  Secure from Congress legislation that will support both governmental and private national and community service activity and that will enable citizens to be involved who lack necessary financial resources (but in a manner that will not undercut unpaid voluntary service).

  Convince Legislative team to review legislation for potential service components.

2. **Have a Federal Agency that steers and not rows.** While I know that you are considering a range of options to administer the programs and that I may be considered a bit biased, I do think that we have learned a lot in the past year that is worth sharing with you. I think that Congress, when it created the Commission, saw the value in having a Federal agency whose primary purpose is to encourage the national and community service initiatives. Another option you may be considering would be to have ONS to administer the grants, but this would be unprecedented. I believe Congress will feel strongly about exercising control and oversight over grant making functions which will simply not be possible if done through the White House as opposed to a separate agency. Also,

the closer the association with the White House, the more difficult it is to generate bipartisan support.

Another option you may be considering is to create a super agency that combines the steering and rowing function. I believe this runs counter to the principals of good management and would call into public dialogue charges of creating a new bureaucracy at a time when the public wants less not more government. Key functions of a steering agency would include:

*helping to set the policy guidelines for the field so that national and community service can flourish at the grass roots level;

*investing Federal money in the best initiatives, conducting comparative evaluations, steering money to the most successful and sharing information on what works and what doesn't;

*funding experimental model demonstration programs;

*helping to build the infrastructure to lead the field through training initiates, technical assistance, etc. both by use of Federal funds and by building collaborative relationships with private foundations and nonprofits;

*providing another connection to the grass roots with the Office of National Service in the White House; and

*helping to carry out Presidential initiatives while insulating and protecting the President from criticism from unsuccessful grant applicants.

The changes that could easily be made include a more explicit broadening of the focus from youth to include cross-generational efforts (in fact, the Commission is funding hundreds of these already).

The advantages of a voluntary board include:

* national service as envisioned by the President needs to be a partnership effort with the public institutions, private institutions and the nonprofit community: a voluntary board representing all sectors helps to make that partnership a reality;

*utilizes strengths and expertise from many people--achieves diversity at the top, and adds value;

*is a model of how to reinvent government --- saves money and attracts an outstanding caliber of volunteers, many of whom would never agree to serve in the government at less than Cabinet rank, fits into a more populist less bureaucratic vision of government;

*is a model for the states --- governors can capture the talent in the private and public sectors to help to drive this movement forward;

*some key members of Congress came up with the idea and have been pleased with the way it works so why abandon it;

*Board members can help to sell the President's ideas through their constituents;

*it is a structure with which the nonprofit world is very comfortable and makes government seem more approachable and open to collaboration;

*it is the best way to make sure that money is given out to the best in the field without heavy political influence;

*a bipartisan board encourages bipartisan support and longevity; and

*provides a valuable conduit for private funds;

The influence of the White House/President over the Commission comes in several important ways:

*President (with the Director of ONS playing the key role) appoints the Board;

*Director of ONS participates in Board meetings and make views clearly known in public and in private;

*Impact of ONS on the day-to-day operations of the Commission as is the case with other Federal agencies (budget, size of staffing, legislative and regulatory changes, etc. all have to be cleared through OMB and therefore through ONS.

3. **Keep VISTA and PEACE CORPS as the key rowers of Federally operated programs.** Frankly, I think that a number of the national service models that the Commission is funding under Subtitle D are better models than VISTA, but on balance it would probably be a political mistake to eliminate VISTA. Of course, another option would be, rather than launch a new program, the ONS could do a total rehaul of VISTA to make it Clinton's signature program . The heads of these two independent agencies would report to the President through the ONS and the Director of ONS would convene regular meetings between these two Directors and the Executive Director of the Commission. ONS could

also encourage the development of national service efforts integrated into the work of other agencies such as HHS, Interior, Agriculture, EPA, etc.

4. **Unanswered questions --- what about rest of ACTION?** I know the question of whether one needs state and regional offices has been tossed around but one cannot answer that question until the details of the national service program are worked out. But in the meantime, I think it is important to focus on key functions and try and break apart a very complicated structure.

First, recognize that ACTION has at least three key roles --- running VISTA, staffing the funding programs, and operating and staffing some of the key programs for the elderly. Put the steering functions with the Commission and keep the rowing functions separate or with the states:

> *decide how many people you need to staff VISTA (and compare the costs per participant with what it costs the states to run the subtitle D programs);
>
> *consolidate the funding program responsibility with the Commission. The commission has managed to cut out most the red tape bureaucracy that has plagued ACTION's funding programs --- we have a much leaner staff and so my guess is that there would be a considerable saving by making this step; and
>
> *consider giving the funds to the states to operate foster grandparent and other senior programs and keep a few staff at the Commission to monitor/stimulate in much the same way the Commission staff does now for k-12, national models, corps. Again, this would save money and positions. These programs have very strong support from powerful groups and so there needs to be consultation soon with AARP, etc.

I would appreciate having the opportunity to discuss these views with you at your convenience.

Potential Issues Related to National Service/National Service Trust: CNCS Position

-Do programs or individuals get certified? (we assume that their will be a limited amount of money/slots for post service benefits)

- programs are certified
- national service positions allocated to states on population-formula basis; state will then allocate to programs within state
- however, states are not entitled to their allocated positions unless they submit a state plan of high quality -- competitive process
- any unallocated slots, other states can compete for
- there could be a modest set-aside for national programs to apply directly to federal gov't, but the Board voiced caution about federal set-asides

-Should we have national standards for program certification? State standards?
-Do programs get certified? If so, by the Federal government, state governments, regional entities, local governments, other?

- there should be national standards set for program certification, though the states will be responsible for actually certifying programs, monitoring them, and ensuring individual participant compliance
- in general, service priorities (e.g., immunization, environmental restoration) should not be set at the national level because the programs should remain responsive to locally-determined needs

-What does certification mean? e.g. does it mean that programs are eligible to compete for slots from a national, regional, etc. pool? or does it mean that programs will compete for eligible individuals?

- a certified program is eligible to accept individuals who would then be eligible for national service trust fund benefits
- if a program is allocated fewer national service trust slots than the number of program participants, then it is up to the state and/or program to finance the post-service benefits for the other participants (there was much discussion on this point but finally Board members felt that benefits should not be variable in order to maintain national identity and uniformity)
- Board members wanted to keep the National Service program clear and simple; consider this a demonstration program for 2 years, then go back and evaluate our approach

-Do you transfer post service benefits to the program or are the benefits held in a central trust to be disbursed upon completion of national service?

- central trust

-How long should service be? e.g. nine months, one year, two years? What is the maximum and minimum length of service?

- minimum length of service to get benefits: one year
- maximum length: two years
- benefits accrued on a monthly basis: one month benefit for one month service

-What about part-time service?

- no, keep it simple to start with

-What about in-college service? e.g. are college students eligible for benefits on a pro-rated basis?

- if no part-time, no in-college service options

-What is the age range for program eligibility? e.g. 17-25, less than 17, no upper age limit.

- 17-35

-Are the funds held in the trust so that service providers can receive them forever? e.g. similar to GI Bill.

- benefits can be collected within 10 years of completing service

-What level of benefits are appropriate per year of service? e.g. $5,000, $6,000, $10,000.

- $5, 000 of post-service benefit for each year of service
- voucher benefit will be the same regardless of when it is redeemed; in other words, interest should not accrue on benefits that are not claimed immediately

-What should come from the trust? e.g. post service benefits? stipends? grants (program infrastructure)?

- only post-service benefits should be administered through the trust
- stipends should be administered by the programs; programs would be eligible to apply for federal grants to help cover stipends and other program costs (as they can now); state, local and private funds should also help cover stipend and other program costs

MEMORANDUM

FROM: Catherine Milton

TO: Legislative Committee

SUBJECT: Decisions Regarding Statutory Changes

The following is a summary of the meeting of the Legislative Committee convened by conference call on the morning of Tuesday, February 9, 1993. The Committee focused primarily on potential policy changes although it did review and endorse a significant number of technical and editorial changes to the statute. Major decisions and points of discussion are as follows:

I. Role of the States.

- Local organizations should be eligible to apply directly to the Commission under Subtitles C and D, although added weight will be given to those applications from States.

II. Definitions.

- The definition of partnership should be changed to make it clear that nonprofit organizations may be members of partnership programs in their own right and do not have to assist local educational agencies (§ 12511(15)).

- In order to emphasize the importance of service learning for corps, the underlined portion should be added to present application requirements so that each applicant shall include in the application ... "an age-appropriate learning component for participants that includes procedures that permit participants to reflect on service experiences <u>and other service learning methods</u>" (§12543(c)(3).

III. Subtitle B1

- "In consultation with the Secretary of Education" should be deleted from the Commission's authority to make grants (§ 12521(a)).

- Language should be added which makes explicit in the statute the Commission's authority to make grants to leader States and to specify the types of leader activities (§ 12521).

- Of the amount of appropriations available for Serve-America (B1), 75% of the funds shall be available to the states by formula allotment, and 25% of the funds shall be available for leader state activities (§ 12522(b)).

IV. Subtitle B2.

• Additional paragraphs (§ 12531(a)(1)-(4)) should be added in order to make explicit in the statute the type of activities the Commission may support in higher education, and to eliminate confusion on the part of applicants caused by the statute's current wording.

V. Merging Subtitles C and D.

• The Committee instructed staff to prepare two alternatives drafts of the statute: one that merged the Subtitles C and D into a new "National Service" subtitle and one that left them separate but made the administrative provisions in each consistent.

VI. Subtitle C.

• The Federal Disaster Relief funding provisions should be moved out of Subtitle C and into a new Subtitle E so that programs other than Corps can apply for funds (§ 12542(d)(1)).

• Staff should make clear that diversity is a desirable goal but is not required in each and every instance (§ 12543(c)(4)). (C and D should have similar language on diversity.)

• The Federal Workers' Compensation provisions should be removed from Subtitle C. (§ 12555(b)(2)).

• Staff should pursue working with the Department of Labor on getting relief from the Davis-Bacon and Fair Labor Standards Act provisions that adversely affect Corps programs.

VII. Subtitle D.

The Committee agreed with the following regarding Subtitle D:

• - expand D to include the creation, expansion and replication of National Service models;
• - oppose cash-out option for post-service benefits;
• - permit use of Commission funds for support services such as child-care;
• - oppose dropping the age limit for participation to 9 or 10;
• - oppose saying that youth corps are an important model in the legislation before evaluation has been performed;
• - allow the Commission the authority to transfer funds to other Federal agencies to conduct demonstrations of national service; and
• - oppose increase of administrative cap from 5 to 10 %.

VIII. Subtitle E.

The Committee agreed with the recommendations to create a broader Subtitle E, including moving the sections on Clearinghouses and Presidential Awards from Subtitle G into E (§ 12651(f) and (g), respectively) and Evaluation from Subtitle F (§12639) into the new E.

Finally, the Committee agreed to leave the allocation of funds among the Act's subtitles up to Congress.