

FOIA MARKER

**This is not a textual record. This is used as an
administrative marker by the William J. Clinton
Presidential Library Staff.**

Collection/Record Group: Clinton Presidential Records

Subgroup/Office of Origin: Legislative Affairs

Series/Staff Member: Jack Lew

Subseries:

OA/ID Number: 2390

FolderID:

Folder Title:

Nancy Kassebaum-Questions on National Service Trust Act

Stack:

S

Row:

25

Section:

7

Shelf:

10

Position:

1

Additional questions from Senator Nancy Landon Kassebaum for witnesses testifying before the Senate Labor and Human Resources on the National Service Trust Act

For Bruce Babbitt, Secretary of the Interior:

1. President Clinton included \$394 million for the national service program in the investment proposal portion of the budget he presented to Congress. How does the proposal fit into the overall budget and the Congressional spending limits? Is this spending to be added to the budget deficit?
2. The President has recommended no increase in the Pell grant program, which has been severely under-funded for several years, and a cut in the work-study program which has helped many students earn their way through college. For the funds requested in this proposal, many more students could get help paying for education and training through the Pell grant program, the Perkins Act, and other existing federal programs. In light of that, is the creation of a national service program to pay for educational expenses the best use of our limited education dollars?
3. The rhetoric surrounding this legislation emphasizes national service to pay for college educations. Secretary Reich recently stated that only 25% of those entering the work force in the next century will need a college education, while the other 75% will need highly technical skills training. How does this legislation meet the needs of non-traditional students and people who want technical skills training?

For Catherine Milton - Executive Director, Commission on National and Community Service

1. In January of this year your staff prepared a paper entitled "Growth and Cost Scenario for National Service" for Board discussions by the Commission on National and Community Service. I found this document to be a very thoughtful and thorough examination of the potential for expanding national service programs. I would like to ask several questions based on a comparison between that document and the Administration's proposal.
- * The document presents a three year development period for a national service network--requiring a "dramatic growth rate, averaging about 50% annually." I am concerned about the rate of expansion proposed by the Administration--starting with 25,000 participants in the first year, increasing by 100% the second, an additional 50% the third, and 33% the fourth year. How can a program expand so rapidly and maintain the quality which has exemplified the current programs of the Commission?

Key will be infrastructure - if quality not there, we will slow growth. Purpose is to be entrepreneur - True challenge is to be entrepreneur - slow growth. Purpose is to be entrepreneur - True challenge is to be entrepreneur - slow growth. Purpose is to be entrepreneur - True challenge is to be entrepreneur - slow growth.



COMMISSION ON NATIONAL AND COMMUNITY SERVICE

Responses from Catherine Milton to Senator Kassebaum's Questions

Thomas Ehrlich

Chairperson

Shirley Sachi Sagawa

Reatha Clark King

Vice-Chairpersons

William J. Byron, S.J.

Maria H. Ferrier

Frances Hesselbein

Leslie Lenkowsky

Paul N. McCloskey, Jr.

Wayne W. Meisel

Richard F. Phelps

George Romney

Patricia I. Rouse

Johnnie Smith

Glen W. White

Robert L. Woodson

Board of Directors

Secretary of Agriculture

Secretary of Education

Secretary of Health

& Human Services

Secretary of Interior

Secretary of Labor

Director, ACTION

Director, Office of

National Drug

Control Policy

Ex-Officio Members

Catherine Milton

Executive Director



1. In January of this year your staff prepared a paper entitled "Growth and Cost Scenario for National Service" for Board discussions by the Commission on National and Community Service. I found this document to be a very thoughtful and thorough examination of the potential for expanding national service programs. I would like to ask several questions based on a comparison between that document and the Administration's proposal.

The document presents a three year development period for a national service network--requiring a "dramatic growth rate, averaging about 50% annually." I am concerned about the rate of expansion proposed by the Administration--starting with 25,000 participants in the first year, increasing by 100% the second, an additional 50% the third and 33% the fourth year. How can a program expand so rapidly and maintain the quality which has exemplified the current programs of the Commission?

The Administration's firm commitment is to 25,000 participants in the first year, which is very much in the range that we estimated in our report. After the first year, growth will depend on the development of infrastructure and the quality of the field. The Administration has established broad and reasonable targets for growth, well within the range of possibility, but actual growth will depend on factors which cannot be predicted right now. Both the Commission and the Administration are strongly committed to ensuring that quality dictates the rate of growth rather than vice versa.

In the staff paper there is much discussion about folding in and building upon many existing federal programs including work-study, JTPA, Peace Corps, National Health Service Corps, welfare transition programs. This legislation does not attempt to incorporate these programs into the national service program--or to link them in any way. Do you believe that an expansion of national service which incorporates these types of federal programs is feasible?

In its other financial aid initiatives, the Administration has already proposed an expansion in the portion of work-study dedicated to the community. While this legislation does not specifically call for testing links with other federal programs, we anticipate that many of the

programs funded under this legislation will indeed experiment with linkages to other federal programs. For instance, several of the programs that are part of the Summer of Service include links to JTPA programs and welfare transition programs. If these "experiments" prove successful, expansion will be possible within the Act.

In the staff paper, the program costs for an expansion of national service to include 100,000 participants is calculated to be \$1.6 billion, \$2.1 billion if non-federal costs are added in. The administration's proposal will cost \$3.4 billion by the fourth year—with 100,000 participants. Naturally, as a fiscal conservative, I like your costs better. If some or all of the strategies identified in the staff paper are implemented, can the costs of national service be significantly lowered?

The Act includes no specific budget authorizations for the out-years because the Administration has decided to allow the quality of the field, extent of the demand, and budget constraints to determine growth. We believe that the Administration's year-by-year determination of growth is prudent and will keep costs to a minimum. In 1997, the number of participants could be considerably higher or lower than 100,000, and costs would differ accordingly.

It is our belief, however, that under the structure specified in the new legislation, if the program grew to 100,000 participants, the cost would be close to the \$2.1 billion estimate in our report.

2. The Commission was established to "experiment" with various models of national service--and has been very successful in implementing a wide variety of community service programs. Has the Commission determined that the model of national service embodied in this legislation is the most effective method of achieving the goal of cultivating a life-long commitment to service? Is there any documentation to support this assumption?

The Administration has worked closely with the Commission in developing this legislation. As a result the legislation draws heavily from what we have learned over the past year and a half from our experiences. The decentralized model embodied in the legislation closely mirrors the design we called for in our annual report What You Can Do For Your Country. The conclusions in this report were drawn from what we have seen in our own programs and learned from the studies and observations

of others in the community service field. It is important to remember, however, that national service, as defined by this legislation, is purposefully new and different from anything ever tried before. It builds on the best that is out there and then attempts to take it to the next level. No study will tell us if the design we have can or can not be improved. Only experimentation and adaptation will allow us to develop a national service system that results in the majority of Americans developing a "life-long commitment to service."

Questions for Catherine Milton

1. The Administration's firm commitment is to 25,000 participants in the first year, which is very much in the range that we estimated in our report. After the first year, growth will depend on the development of infrastructure and the quality of the field. The Administration has established broad and reasonable targets for growth, well within the range of possibility, but actual growth will depend on factors which cannot be predicted right now. Both the Commission and the Administration are strongly committed to ensuring that quality dictates the rate of growth rather than vice versa.
2. [Drop first sentence and add] In other its financial aid initiatives, the Administration has already proposed an expansion in the portion of work-study dedicated to community. While this legislation [last sentence] If these "experiments" prove successful, expansion will be possible within the Act.
3. The Act includes no specific budget authorizations for the out-years because the Administration has decided to allow the quality of the field, extent of demand, and budget constraints to determine growth. We believe that the Administration's year-by-year determination of growth is prudent and will keep costs to a minimum. In 1997, the number of participants could be considerably higher or lower than 100,000, and costs would differ accordingly.