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National Service-Appropriations Language

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House
REPUBLICAN
Conference

Issue Brief

Dick Arney
Chairman
26th District, Texas

June 24, 1993

NATIONAL SERVICE -- Is It Moving Too Fast To Address Legitimate Concerns?

H.R. 2010, President Clinton's "National and Community Service Act," was announced on April 29th, introduced in the House by Rep. Mathew Martinez on May 6th, considered by the House Education and Labor Committee and was ordered to be reported out of committee on June 16th. House floor consideration is expected next week. Action on the Senate companion bill, S. 919, has proceeded at an almost identical pace.

Bipartisan support for the proposal, however, does not negate the legitimate concerns that should be addressed before Congress passes this new federal initiative.

Summary of Proposal

This legislation, when fully funded, will allow 100,000 students age 17 or older to perform up to two years of community service -- either before, during or after college -- in exchange for a \$5,000 voucher each year to cover education and training costs. Participants would also receive a minimum wage salary and health and child care benefits. The value of these benefits is approximately \$20,000.

There are five titles to H.R. 2010. Title 1 contains the new national service program offering educational awards in exchange for service. Title 2 establishes the organizational framework for these national service programs. Title 3 replaces the guaranteed student loan program with a Federal direct student loan program. Title 4 reauthorizes certain provisions of the National and Community Service Act of 1990 and the Domestic Volunteer Service Act. Title 5 contains technical and conforming amendments.

Jack -
Dan can't like this approp language. He would like input
on what to put in the blanks. Do you have any ideas?
Please call me.
Thanks -
Pam
X3262

CORPORATION FOR NATIONAL SERVICE
Federal Funds

General and special funds:

SALARIES AND EXPENSES

✓ For necessary expenses of the Corporation for National Service pursuant to the National Service Trust Act of 1993, \$394,000,000, including \$_____ which shall be transferred to the National Service Trust, and including \$5,000,000 which may be transferred to the Points of Light Foundation.

OLD LANGUAGE
Trust Funds

NATIONAL SERVICE TRUST

For necessary expenses of the National Service Trust for payment of national service educational awards in accordance with section 148 of the National Service Trust Act of 1993, to be derived from interest and earnings of the National Service Trust, and any amount received by the Corporation as gifts, donations of money, bequests, devise, and otherwise, together with amounts appropriated to be transferred to the National Service Trust.

NEW LANGUAGE
Trust Funds

NATIONAL SERVICE TRUST

✓ For payments of national service educational awards as authorized by section 148 of the National Service Act of 1993, \$_____ to be derived from the National Service Trust.

to remain available until expended

General fund available until expended

The Committee intends for the Corporation to make interim personnel appointments prior to the promulgation of final regulations implementing the Corporation's alternative personnel system.

OFFICE OF MANAGEMENT AND BUDGET
HUMAN RESOURCES DIVISION

DATE: 7/02/93
TO: Jack
FROM: Sam

COMMENTS:


Here is what

Roz is reviewing
for the new

apps language

NUMBER OF PAGES
(INCLUDING COVER)

5

HUMAN RESOURCES DIVISION
FAX NUMBER: (202) 395-1596

CONFIRMATION: Division Office----- (202) 395-6150
Labor Branch----- (202) 395-3262
Education Branch--- (202) 395-5880
Veterans Affairs Branch-- (202) 395-4500
Income Maintenance Branch-- (202) 395-4686

**EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET****ROUTE SLIP**

TO Roz Rettman	Take necessary action	___
_____	Approval or signature	___
_____	Comment	___
_____	Prepare reply	___
_____	Discuss with me	___
_____	For your information	___
_____	See remarks below	xxx
FROM Pamela B. VanWie, Labor Branch	DATE July 2, 1993	
REMARKS		

About a month ago you helped us construct a piece of appropriations language for the Trust Fund of the Corporation for National Service. The House appropriators have been told to avoid "even the appearance of" authorizing through appropriations language and the Committee has asked us to revise the language to include more references to the bill (The National Service Trust Act of 1993).

The attached page includes the language you helped us draft (old language) and our attempt at complying with the Committee's request (new language). Would you please review the new language and see if it covers the points we were trying to make in the old language?

I also have attached the referenced sections of the bill for your review.

Please let me know what changes you think are necessary. I can be reached at x3262.

Thanks for your help.

OLD LANGUAGE***Trust Funds*****NATIONAL SERVICE TRUST**

For necessary expenses of the National Service Trust for payment of national service educational awards in accordance with section 148 of the National Service Trust Act of 1993, to be derived from interest and earnings of the National Service Trust, and any amount received by the Corporation as gifts, donations of money, bequests, devise, and otherwise, together with amounts appropriated to be transferred to the National Service Trust.

NEW LANGUAGE***Trust Funds*****NATIONAL SERVICE TRUST**

For necessary expenses of the National Service Trust pursuant to section 145(c) of the National Service Trust Act of 1993, to be derived from section 145(a)(2), interest and earnings from section 145(b), and from amounts appropriated to be transferred to the National Service Trust.

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1 (6) PREFERENCE.—Section 199I(a) of such Act
2 (as redesignated in subsection (a)(3) of this section)
3 (42 U.S.C. 12549) is amended by striking “section
4 123” and inserting “section 199C”.

5 **SEC. 102. NATIONAL SERVICE TRUST AND PROVISION OF**
6 **NATIONAL SERVICE EDUCATIONAL AWARDS.**

7 (a) ESTABLISHMENT OF TRUST; PROVISION OF
8 AWARDS.—Subtitle D of title I of the National and Com-
9 munity Service Act of 1990 (42 U.S.C. 12571 et seq.) is
10 amended to read as follows:

11 **“Subtitle D—National Service**
12 **Trust and Provision of National**
13 **Service Educational Awards**

14 **“SEC. 145. ESTABLISHMENT OF THE NATIONAL SERVICE**
15 **TRUST.**

16 “(a) ESTABLISHMENT.—There is established in the
17 Treasury of the United States an account to be known
18 as the National Service Trust. The Trust shall consist
19 of—

20 “(1) from the amounts appropriated to the Cor-
21 poration and made available to carry out this sub-
22 title pursuant to section 501(a)(2), such amounts as
23 the Corporation may designate to be available for
24 the payment of—

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1 “(A) national service educational awards;
2 and

3 “(B) interest expenses pursuant to sub-
4 section (e);

5 “(2) any amounts received by the Corporation
6 as gifts, bequests, devise, or otherwise pursuant to
7 section 196(a)(2); and

8 “(3) the interest on, and proceeds from the sale
9 or redemption of, any obligations held by the Trust.

10 “(b) INVESTMENT OF TRUST.—It shall be the duty
11 of the Secretary of the Treasury to invest in full the
12 amounts appropriated to the Trust. Except as otherwise
13 expressly provided in instruments concerning a gift, be-
14 quest, devise, or other donation and agreed to by the Cor-
15 poration, such investments may be made only in interest-
16 bearing obligations of the United States or in obligations
17 guaranteed as to both principal and interest by the United
18 States. For such purpose, such obligations may be ac-
19 quired (1) on original issue at the issue price, or (2) by
20 purchase of outstanding obligations at the marketplace.
21 Any obligation acquired by the Trust may be sold by the
22 Secretary at the market price.

23 “(c) EXPENDITURES FROM TRUST.—Amounts in the
24 Trust shall be available for payments of national service
25 educational awards in accordance with section 148.

THE WHITE HOUSE
WASHINGTON

Office of National Service
O.E.O.B. - Room 145
Washington, D.C. 20500
Phone: (202) 456-6444

To: Dan Cantu

Organization: House Appropriations

Fax: # 225-7245 Phone #: 225-2771

From: Jack Lew

Date: Aug. 31, 1993

Number of Pages (including cover sheet): _____

Comments: Attached are the proposed budget and justification
for the new national service program. I look forward to
discussing it with you later this week. Please let me know
if you need any additional material.

.....
If you have any problems with the fax transmission, please call
(202) 456-6444.

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.....

OK
smd
8/31

THE WHITE HOUSE

WASHINGTON

Office of National Service
O.E.O.B. - Room 145
Washington, D.C. 20500
Phone: (202) 456-6444

To: Kevin Kelly
Organization: HUD VA Appropri Sub
Fax: # 224-5129 Phone #: _____
From: Shirley Sagawa
Date: 8/30/93

Number of Pages (including cover sheet): _____

Comments: Sorry this is late - do you want to get together
today or otherwise to go over the numbers? Call me at
456-6444 or if urgent, beep me by calling 395-6661
+ enter beeper #4456. I'll be at the Summer of Service

.....
If you have any problems with the fax transmission, please call
(202) 456-6444.

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.....

event at U Maryland until 1:30.

OK
SND
8/31

THANKS!

THE WHITE HOUSE

WASHINGTON

June 22, 1993

MEMORANDUM FOR RICHARD MALOW

FROM: Jack Lew

SUBJECT: Appropriations Language for National Service

Attached is draft appropriations language prepared by OMB for national service. As you can see, in addition to appropriating the federal dollars, it contains language that will make private contributions available for expenditure. This language is critical in order for the Corporation to be able to raise and use private contributions.

After House action on the bill next week, I will be in touch to arrange a time for Eli Segal to sit down with the Chairman.

Thanks again for you cooperation.

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