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National Service-Outstanding Issues

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

ROUTE SLIP

TO Jack Lew	Take necessary action	_____
_____	Approval or signature	_____
_____	Comment	_____
_____	Prepare reply	_____
_____	Discuss with me	_____
_____	For your information	_____
_____	See remarks below	xxx
FROM Pamela B. VanWie, LVE	DATE April 13, 1993	

REMARKS

Here is the first installment of comments on the draft National Service legislation from OMB. I will forward additional comments to you on Wednesday.

Please contact me if you have questions regarding these comments.

OMB'S COMMENTS ON DRAFT NATIONAL SERVICE BILL

Page #
Line #

Comment

Will all phrases enclosed in [. . .] be deleted or revised? What is the meaning of the bold brackets?

Why will this Act be called the National Service Trust Act? A very small portion of the Act deals with the trust.

Which post-service benefit is this referring to on p. 98, the \$10,000 or \$5,000 benefit?

Was there any particular reason that the phrase "including churches and other religious entities and community action agencies" was deleted from this paragraph and public safety added? *goal of S. 11*

Why does the definition of program agency include only those entities that manage, govern or administer youth corps programs? Shouldn't other units that administer different types of community service programs count as a program agency? *(covered other defs)*

Is 5-17 years old the standard (Department of Education approved) definition for school-aged youth? *From old bill. Does it matter?*

ACTION has proposed to lower the age limit for its Older American programs to age 55 in its reauthorization package. Should the age of the special senior service participants in this legislation be changed from age 60 to age 55? *out*

Does the definition "summer program" only apply to youth corps type programs? Are non-youth corp programs eligible for summer program funding?

What is meant by the term "volunteer"? How does it differ from the term "participant"? *(in act was relevant)*

Please explain why the percentage changed to 37.5% from the 50% specified in the CNCS legislation.

Why was the phrase removed that stated: "the State will give special consideration to providing assistance to projects that will provide academic credit to participants"?

Why was the assurance in the National and Community Service Act, "participants in the program will be provided with information concerning

yes

Promise 1, 5

Moot 3, 8

already covered 3, 16

Dropped def. 6, 24 - 7, 4

Moot 10, 23

Dropped def. 11, 25

Dropped from def 12, 4-5

To keep some amount of formula for competition 19, 20
25, 18

Attempt to eliminate regmts - big general effort made most 29, 2

why does one care?

VISTA and Peace Corps" removed when included in the draft Bill?

30, 1

Do the rejection procedures outlined in paragraphs (1) and (2) exist in the CNCS regulations? Why are states and Indian tribes given "special treatment"? NO *new formula*

Most ACTION and CNCS projects are funded for three years with the intent of becoming self-sufficient at the end of that time period. We are concerned that the Corporation may plan to continue funding for projects for longer time periods than ACTION and CNCS. Why was paragraph (D) added? *crisis can break then like states*

Why was the parameter of not more than 15 percent added to this paragraph and the percentage parameters for service learning, community-based service and adult volunteer and partnership programs removed from this section?

Why were such specific instructions provided for the service learning clearinghouse and yet only generic guidance was provided in section 193, (page 126, line 6) for additional clearinghouses? *only crisis C/H = S/C*

Does the change in the language for the Higher Education Innovative Projects for Community Service reflect a change in the focus from encouraging students to participate in community service to expanding support to reach out through the institutions to the community? *other language shift (then drafted)*
More towards institutional commitment

44, 20

Typo - the word "wellbeing" should be "well-being".

45, 22

Please explain what is meant by "service infrastructure". *spell out*

64, 19

It appears that all participants in a program that receive funds through the Corporation will be provided with a living allowance/stipend and other benefits. Are there age restrictions on the participants that receive a living allowance/stipend? Will any of the projects funded by the Corporation not provide a living allowance/stipend? Will all participants in ACTION programs that are transferred into the corporation receive a living allowance? What about the RSVP and SCSP? *NO*
over 250 =
0
NO
NO

65, 4

The percentage allocated to make grants to community service programs within the State should be quite large, 90-95%. There should be a limit on the percentage that a state can use for administrative costs. Will any of the money go to community service programs conducted by the state? *NO*
NO
NO

Will the "national registry" contain a list of positions or individuals? The requirement for programs to select a certain percentage of participants from the "national registry" appears expensive and inefficient. It will be expensive for the Corporation to compile, staff and update the registry and make it available (via mail, modem etc.) to community service programs. It also will

limitation 32, 16
on out year
funding which is
already permissible
33, 17

Was not more than
42, 17
10% 15% increase
around avail
44, 16
having

OK

leave to
corporation
limit on state
65, 10 admin

Needs

be expensive to pay the travel costs for chosen participants. Programs should be able to recruit efficiently from the surrounding communities without having to engage in long distance interviews based on the personnel in the national registry.

3-75
renewable
72, 7

Under this program the Corporation may provide assistance to qualified applicants for no more than 3 years. However, applicants in Serve-America may receive assistance for four or more years.

yes
74, 3 & 6

What does the Corporation plan to propose as a match amount? Will this match amount apply to every program that receives funding from the Corporation?

75, 22

Typo "an" should be "a". X

see
77, 5 & 12

How many hours must a participant serve to qualify as full-time or part-time participation?

Δ
78, 23

85% of the hourly Federal minimum wage is \$3.83 per hour. Foster Grandparents and Senior Companion Programs funded through ACTION now only receive \$2.50 per hour. If these programs are transferred to the Corporation, will the inequity between stipends awarded to various program participants cause problems? silly

✓
79, 25

Typo - "met" should be "meet".

81, 3

Is the corporation planning on the Corporation's representative in each state serving as a full-time employee? What role will this representative play in the state offices (assuming state offices exist)? yes
live there

all
82, 9

Will only a certain number of the Corporation's national service positions include a post-service benefit? The language in this paragraph is unclear and leads one to believe that only certain national service positions will have a post-service benefit attached.

83, 2

When the states receive their competitive and non-competitive allotment of national service positions, what happens to positions that states cannot fund but have been allotted? If the states cannot live up to their match requirements, the states may be forced to return some of their allotment of national service positions. Are the funding and allotment of national service positions included in the same process or do they occur separately and independently of each other? Will funding be given to states in the same proportion as the positions allotted? yes
depends

83, 20

we are addressing

It seems that if only a limited number of national service positions are available then perhaps some program participants with a post-service benefit will be serving alongside participants that do not have a post-service benefit. Will this inequity cause problems for program participants?

85, 18

everything approved by Corp

The legislation says that States can also designate national service positions. How will the Corporation and State keep track of the number of positions that have been designated and funded as national service positions? Will national service positions designated by the state be eligible for the same post-service benefit as positions designated by the Corporation?

86, 19

Make some

Would service as a VISTA volunteer qualify the participant for the Corporation's post-service benefit of \$5,000 or \$10,000 rather than the current VISTA post-service benefit of \$95 per month? What about VISTA volunteers that are older, don't plan to attend college or don't have student loans --- would these participants receive a post-service benefit in cash? If so, at which level (at the \$5,000 level)?

option pushed Berlin loan foreign

87, 1

only one betw

If a participant receives a position in the CCC under subtitle H, will that qualify him/her for the post-service benefit? How does the Corporation's post-service benefit compare to the CCC's post-service benefit as outlined in the CCC legislation? *Need to amend CCC*

87, 23

*8/25/87
fixed*

Is it good use of the State's resources to maintain a registry of approved national service positions designated by the State? In small states it may be possible, but in large states this may be a burden that the state does not want to bear. Will these registries be available just inside the state, or will state registries be available nationally via mail or modem?

88, 21

fixed

The recruitment and placement of individuals in national service positions will again require the Corporation to develop a system, provide the necessary resources to staff and update the recruitment lists on a regular basis. It seems ineffective to recruit through the Corporation. The state Commissions, state offices and projects have closer contact with possible participants on a regular basis.

89, 9

?

The Corporation may need to clear the information collection form discussed in paragraph (c) through OMB's Office of Information and Regulatory Affairs (OIRA) after the Corporation has determined what "other reasonable information" it "may require by rule. In addition, any additional forms (application etc.) may also need to be cleared through OIRA.

91, 23

fixed

Why is the Corporation only required to notify States of the failure of the Corporation to approve an application for approved national service positions but is not required to notify other applicants?

*re-submission
x (2)*

93, 24

DISCUSS

As discussed in earlier conversations, the easiest way to handle the Corporation is to make it a simple appropriation, where money will be held in Treasury but not invested. Investments require lots of authorizing language and setting-up and monitoring the investments really complicate matters.

+

IN

94, 1

If the trust is established, will the trust have a separate appropriation?

yes

94, 12

Delete

The Corporation will be required to submit an annual report to the Congress on the financial status of the Trust. Does the Corporation really want to have to prepare an additional report for Congressional review?

97, 9

not cont.

Paragraphs 1 and 2 need to be reworded so they are not so confusing. Will 5 years be enough time for participants to use and redeem their post-service benefit?

98, 5

✓

The sentence should read: An individual . . . who **completes** . . . The Corporation should make sure that a participant has successfully completed the term of service before completing the paperwork for the post-service benefit and authorizing the disbursement of funds.

98, 12

Redempt y
new ben

Paragraph (1) states that a participant will receive \$5,000 for not more than two terms of service and paragraph (2) states that a loan balance will be repaid for \$10,000 for each year of service. What does paragraph (1) refer to: receiving cash, an educational benefit or other? These paragraphs are confusing and might lead participants to take out big loans and then pay them back using the paragraph (2) method since it provides twice as much as paragraph (1).

What kind of expenses are OK for payment using the post-service benefit? Tuition only? Tuition, room and board? Tuition and an allowance for living expenses? Does it include transportation too?

99, 9

What can paragraph (b) (1) on page 98 be used for?

graduate school

101, 12

"or other means"

Will there be a select group of lenders that the Corporation shall deal with? Why will the check be made payable to the lender and then require the endorsement of the eligible individual? In this era of electronic transfers why not just transfer the money electronically to the lender? That way checks would not be cut and it would cut down on the paper required.

103, 5

Form can be simple

Educational institutions may have trouble with the requirements for the loan repayment. It appears that it will require a significant amount of new paper and work.

104, 17

Schools that close after 2d week of semester.

What is the purpose of the multiple disbursements? It seems like a lot of work with lots of room for error.

105, 4

The Corporation will set up in its regulations the procedures for the refund of funds to the Corporation. The tracking and monitoring of the students/participants to determine if a refund is necessary will require a significant effort on the part of the Corporation. The Corporation may want to consider whether this effort can be contracted out to another organization.

could be

✓ 110, 4

The EPA Commissioner should be included as an ex-officio member of the Board. The Commissioner would provide good advise and connections for environmental issues.

111, 13

Is a member of the Board usually determined to be a special government employee? What rights and privileges come with becoming a special government employee?

yes

112, 20

The language throughout this section should be reviewed and revised to clarify the current confusion regarding whether the Director, Chairperson, Executive Director and Executive Director in administration are all the same person.

yes

115, 1-

117, 7

Much of the text in this section is taken directly from the DVSA. Why is it necessary to place all this language in the bill when the powers given the Director in the DVSA has already been conferred on the Director of the Corporation?

cheer

117, 8

What is the reason that paragraph (c) (10) and (d) (1), (2), (3) and (4) are included in this bill. Since there are brackets around much of the language does that mean that it will be deleted?

*ability of corp
to sue*

119, 14

Should the word "grant" be changed to "investment"?

yes

120, 11 & 16 Hopefully Ray and Bob will supply guidance on these personnel issues.

121, 9

As above.

✓ 122, 8

Need cite after the words "Federal law" [section 1342 of title 31, United States Code].

122, 9

There is some question about whether a government corporation should solicit gifts and donations.

clearly desired policy here

123, 8 & 15 As above.

same

124, 8

The Director of the Corporation **CANNOT** request items specified in paragraph (b) from other Federal agencies. This was deleted for the National and Community Service Act of 1990 during the technical amendments.

done

124, 14

Paragraph (c) is not necessary since the Corporation can obtain any information through regular procedures without this paragraph. This paragraph was also removed from the National and Community Service Act during the technical amendments.

126, 6

How many clearinghouses is the Corporation planning to fund? CNCS stated that they would establish 4 clearinghouses. Why is the number of clearinghouses not limited in the legislation? This very generic legislation compared to the Serve-America clearinghouse that is defined on page 43.

127, 22

Previously the Director of the Corporation was given the duties defined in the DVSA and now this legislation repeals them. Why?

128, 1

Ray and Bob hopefully will provide us with some guidance on the transfer of function. This language will need to be worked out carefully.

128, 13

This paragraph (1) seems to state that the ACTION Director will continue the duties of the ACTION Director until those duties are transferred to the Managing Director of the Corporation. Does the President or ONS plan to appoint a Director of ACTION prior to the passage of this legislation? Would that help facilitate the reorganization of ACTION in preparation of the transfer of function.

129, 3

Paragraphs (A), (B) , and the additional (B) are not necessary since this same language is contained in Title II, section 191.

130, 17

What should happen to the entry " Sec. 190, Commission on National and Community Service" since the Commission will no longer exist? Should this be deleted?

131, 5 & 9

What paragraph (3) does this refer to? What paragraph (2) does this refer to?

132, 7

Should the name of the State Commissions be changed to the "State Commission on Community Service" or the "State Commission on National and Community Service"? The State will make grants to communities not the nation.

132, 14 & 17

Will these State Commissioners be paid? How many members will make up a State Commission?

135, 6

Paragraph (9) and other paragraphs do not mention the State Commission's involvement in recruiting. Will the State Commission be involved with recruiting efforts? It would be more cost effective to recruit at the State or community level rather than at the National level.

135, 14

The bill states that the State Commission will be approved when the first grant is submitted. That may be too late if there are some organizational problems that need to be worked out. OSHA approves state plans for each state before states receive the funding for the state grants. Is the pertinent information about the Commission submitted with every grant or just the first one? If changes occur in the Commission is the same process used to gain approval for the Commission?

137, 4

Will sections 179-185 of the National and Community Service Act of 1990 remain as is?

138, 9

Remove extra period after subtitle D.

139, 1

Paragraph (6) outlines items that should be included in a States' National Service plan. However, this sounds like a job training program rather than a national service program.

143, 18

Paragraph (3) also outlines other elements that should be included in the national service plan. Again the guidance to coordinate efforts with the State job training coordinating council sounds like guidance for a job training program rather than the national service program.

144, 24

Advance funding is not necessary for the Corporation and would add an additional complication to the appropriation process. When the Corporation obligates funds those funds are available till spent. ACTION and the CNCS do not have advance funding authority because it is not necessary for them. OMB would institutionally oppose the inclusion of advance funding in this bill because it limits the President's flexibility with regard to the use of funds for the Corporation. What is the purpose of placing this language in the Bill?

Mafluk/Um Wia

Note for Barry White

From: Pat Smith

Subj: National Service bill and ED's comments *CT*

Date: April 12, 1993

I generally agree with ED's comments on postsecondary benefits. Below are some amplifications on certain sections.

p. 98 sec. 147 (b)

Should be changed
I agree with ED that (b) sounds as if the person has to have achieved a baccalaureate. They will be called elitist if they do not at least allow an AA or one-year certificate program.

President's idea!
As ED notes, do they really get \$10K for each year of service -- with a total of \$20 K, if they use the benefit to pay loans, but only get \$10 K if they use it to pay current college expenses? it is hard to believe. On (b)(2), I agree with ED that, as drafted, the borrower is going to have to pay interest while doing service, but all that is eligible to be forgiven is what was outstanding on the date he started service. I can't tell whether this is poorly drafted or poorly thought out or both. Maybe they assume a deferment, but if so, the ED had better revise the NPRM it is drafting.

p. 99 sec. 147 (f)

Yes, which means tested programs are they talking about?

p. 105 sec. 148 (c)(6)

In lower-cost public institutions, tuition will not absorb the full \$5000, and if the student lives in the community, institutional costs broadly defined will not use up the full \$5000. Will the student be given the remainder by the institution if the aid administrator estimates that the student has that amount in educational costs? Allowable costs under sec. 472 include transportation, books and supplies, as well as a room and board allowance for students living in the community.

What else could mean?
I assume that this means that the Nat. Serv. benefit cannot be greater than the gap between cost of attendance minus Federal grant aid, irrespective of family income. If the rich can get it as long as it doesn't exceed total cost, why not the poor?

sec. 148 (c) (5) This section requires refunds if the students does not complete the "period of enrollment." It will be impossible to get a refund from the student for out-of-pocket living expenses. *) ?*

cc: Judy



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

APR 13 1993

NOTE FOR PAM VAN WIE

THROUGH: Barry White

FROM: Bayla F. White

SUBJECT: Comments on the Elementary and Secondary Portion of the
NATIONAL SERVICE BILL: DISCUSSION DRAFT

Attached are my comments on the bill. I have run out of time, and haven't been able to finish; I did get through Subpart B.

As you can see, I am very troubled by the bill and the very complicated structure that it is creating. I am also troubled that this seems to stand alone, without connection to any other of the Clinton initiatives in education (e.g., systemic education reform, school-to-work transition, the reauthorization of existing Federal education programs underway at ED).

Section 101 - Definitions

p. 4, l. 4

The definition of "economically disadvantaged" if used in determining which students in public school can participate in activities financed through this bill may cause difficulties. Schools do not keep the kind of information on welfare status, or family income that would be required to determine eligibility on an individual basis.

p. 5, l. 23

The definition of Out-of-school youth, as written, includes anyone below the age of 27 who is working (either full- or part-time): why, since those over the age of compulsory school attendance and not in school are covered in the definition of adult? Also, what is the meaning of "college" as used in the definition: has not completed a 4 year degree program, a 2 year program? would completion of a certificate program from a junior or community college be acceptable?

p. 7, l. 5

Why does the definition of project include the phrase "that does not duplicate the routine services or functions of the employer to whom participants are assigned"? If the idea is to give students meaningful exposure to service experiences, then how can that happen if the project must involve activities that are not a regular part of the organization's existence?

- p. 7, l. 16 This is not a good definition of "school-aged youth" given the way the term is used in the text. The definition is fine for purposes of distributing funds in a formula, but as an operational term (as in sec. 110A), it is too limiting. Students may be enrolled in an elementary school prior to the age of 5, and more importantly, continue beyond the age of 17 to attend secondary school on a regular basis. A way of dealing with this is to open participation in programs to all students who are enrolled in public schools in any grade through grade 12.
- p. 9, l. 3 The definition of Service Learning Coordinator seems to indicate that such an individual/position will exist at every school. Why should such a bureaucracy be necessary? Why shouldn't rural sites or small schools be able to share a coordinator?
- Section 110C**
p. 14, l. 12ff Why are there two grant programs, one for SEAs and one for State Commissions that appear to do the same things?
- Section 111. General Authority**
p. 15, l. 4 The text says the funds may be used for implementing **statewide** programs, but the rest of the sections dealing with these funds indicate that they are to be used for project activities, that will be less than Statewide in scope and certainly will not be consistent in design or implementation throughout a given State.
- p. 15, l. 6 This is the first of several references to the use of the Federal funds for **preservice** training. Why is preservice training (which generally refers to training provided in undergraduate or graduate curricula) relevant in this State grant program? Shouldn't the training supported be for staff involved in the projects (that is, in-service) and not for the training of persons who may never participate in any aspect of the State or local project receiving funds?
- p. 16, l. 9 Why should these funds be used to set up State resource centers? This is another example of the substantial bureaucracy being created through this bill. Also, what funds are available to finance the State resource centers since section 112 allocates all of the 85 percent available for subpart B.
- p. 18, l. 15 How does a State not participate in a formula grant program?

p. 18, l. 18 Assuming that there is some way that a State does not participate in the formula grant, how can a direct grant to a local applicant be used for section 111a)(2), which describes Statewide activities?

Section 112. Grants and Allotments

p. 19, l. 2 Are the funds available for Indian Tribes and Territories to be used for competitive grants where tribes and territories compete against each other for a share of the 1% (of 85%) set aside under paragraph (a)?

p. 19, l. 14 Why are there two separate pots of money under this subpart: 25% that is used for direct grants to SEAs and 75% that is a formula grant to SEAs? The bill seems to require an SEA to submit an application under each pot of money. The application submitted under each must contain exactly the same information and be used for exactly the same purposes.

Section 112. State Application

p. 21, l. 20ff The strategic plan seems to be quite independent of other Federal education planning requirements in terms of its relationship to Federal, State and local education reform efforts underway or planned. The plan need only describe the activities to be carried out with the Federal funds, with little or no connection between service learning and State and local education programs or the education reforms that may be underway or planned affecting what students are expected to know and be able to do, what course requirements or graduation requirements are in place, how teachers are trained or retrained to meet State education goals or the requirements of restructured curricula.

p. 21, l. 20ff The applicant has to provide a 3-year plan in the application, but it isn't clear whether the Director is approving a 3 year application or a one-year application. If the former, what updates are required to get funds in Year 2 or 3? If the latter, what documentation is required in the 2nd and any succeeding year's application?

p. 22, l. 10 & 17 These subsections refer to how the State will evaluate aspects of the service learning programs, but nothing seems to be done with the evaluations. No reports are provided to Washington; no reports to Congress.

- p. 22, l. 12 This requirement focuses on community involvement in service-learning programs **within schools**. What is important about **within schools** as opposed to within a project?
- p. 22, l. 21 States must describe how local applications will be ranked, but there seems to be no method for distributing State funds to the local level. Is the notion that within a State, local projects will compete for funds? If so, is there some minimum size for a local project?
- p. 23, l. 10 This is a very weak attempt to align the activities supported with these funds to the on-going education programs of the State and localities receiving the funds.
- p. 24, l.4 & 7 Youth with learning disabilities are included in the definition of disabled youth and therefore are the same as youth with disabilities. The text needs to be revised.
- p. 24, l. 13&14 What is meant by the term "federally assisted education specialists in the State" and how do those differ from SEA employees or LEA employees?
- p. 24, l. 21 What is a "service learning network"? This seems to be another example of the substantial bureaucratic structures being created in this legislation.
- p. 25, l. 1 How does (xi) differ from (ix) on p. 24?
- p. 25, l. 10 How does (ciii) differ from (vii) on p. 23?
- Section 114. Local Applications**
- p. 25, l. 22 There is a 3 year State plan, but are there 3 year local applications or annual applications?
- p. 26, l. 8 A local advisory committee is another example of bureaucratic structures in this bill.
- p. 27, l. 7 Preservice training is not something that local school districts engage in for supervisors, teachers, and certainly not for participants (who are in-school).
- p. 27, l. 10 What does this reference to "exemplary service" mean?

p. 28, l. 3 Why is information needed about age or grade levels of expected participants needed? (E) allows the collection of relevant demographic data; isn't that enough? Besides, why so specific about what is planned by the applicant, when nothing is required from the grantees about what actually happens.

Section 115. Consideration of Applications

p. 29, l. 4ff What happens under the formula grant which is also covers by the application requirements of section 113?

p. 29, l. 23 Which should priority be given to projects that meet only one of the 4 priorities listed? That is the meaning of or on l. 23.

Section 115A. Participation of Children and Teachers from Private Schools

p. 30, l. 20-21 Delete the words "school district of the" from the text. A school district is an LEA and cannot be part of an LEA.

p. 31, l. 7ff Are the benefits being extended to teachers in private schools constitutional under the First Amendment?

Section 116. Federal, State and Local Contributions.

p. 32, l. 3ff The matching requirements are being set up on a project basis. Is that intentional?

p. 33, l. 2 The State or local match ought not to be provided from other Federal resources. It ought to be a State or local match.

p. 33, l. 5 Why is a waiver necessary, when in-kind contributions including facilities and services (presumably of volunteers as well as paid State or local staff)?

Section 117. Uses of Funds; Limitations

p. 33, l. 11-20 Where would these funds come from? Section 112 takes care of the distribution of 100 percent of the State allocation.



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

April 8, 1993

NOTE TO PAUL JAMISON

Notes on Subtitle B - Programs for Students and Out-of-School Youth.

- A. General: As drafted, The Bill does not seem to complement other efforts to improve the education of secondary school students. For instance, it does not directly address the national goals, nor does it relate to school reform efforts. In addition, it does not now contain a connection to the proposed apprenticeship program, though, in some ways, it parallels it. I suggest it be made more a part of a comprehensive approach to reform of the education of secondary school efforts.
- B. Specifically:
1. The Bill needs to reflect state efforts at reform. As drafted, it, in essence, requires states (in order to participate) to develop a service-learning curricula. Do we know if they wish to do this? How will it tie in with state plans for secondary education and dropout prevention?
 2. It is not clear what is meant by a "service learning" curriculum, other than it will provide an opportunity for kids to perform some service. Some clarity, perhaps in the purpose or a findings section regarding the promise or effect of the approach would help.
 3. The program properly targets at risk kids, but runs the risk of tracking them. Some means must be found to insure this is not a lesser curriculum for these kids.
 4. Section 111(a)(1)(D) calls for research of the value of the approach. Shouldn't this be done before we launch a full scale program?

5. The \$20,000,000 authorization level for the state formula grant program may not provide sufficient funds to have impact. States tend to spread the funds they receive, so individual locals may not receive much.
6. I'm not sure states and locals will be willing to match funds for this program, and don't know how community agencies can.
7. Why are there two funding streams - SEAs and state commissioners? How will they work together?
8. I don't understand Section 111(b), grants to LEAs when states don't participate. Is this when states fail in competition to get an award or when they choose to not participate? If the latter, do we wish to go around them?
9. Who are the service learning experts, at secondary level, on whom this proposal rests? Are they out there? Do we have any research to back this idea up?
12. A prickly point - There is no authorization for Subpart C.
13. How many regional clearinghouses are envisioned? Is there now information to put in them, or should they be delayed until programs have operated and data is collected?

Mostly, I'm concerned about two things:

- 1) The research rationale for this approach; and
- 2) How it fits with reform efforts?


Tom Fagan

OUTSTANDING POLICY ISSUES

1. Handling state corps:
 - prohibition on commissions' operating anything
 - limit on state allocation to other state entity
 - state program match requirement
2. Evaluations
 - evaluating programs
 - evaluating states
 - using evaluations
3. Allocation of funds: state formula/state competitive/federal
 - rejection of state plans
 - reallocation mechanism
4. State commissions
 - number of members
 - membership
 - selection
5. Inspector General
6. Federal functions
 - advertising
 - national esprit: requiring pledges, contracts, etc.
 - clearinghouse
 - other roles needing specification
7. Fundraising
 - ability to solicit and accept contributions
 - role of POLF or other foundation
8. Stipend
 - below-minimum
 - above-maximum
9. VISTA
 - post-service benefit application
10. Government reorganization issues
 - civil service ACTION employees
 - 5 year rule
 - interim head of corporation
 - budget
 - procurement
 - contracting
11. Post-service benefit
 - value
 - grad school
 - scoring in financial aid evaluations

Separate appropriation

12. Corporation Board
 - recusal provisions
 - subsidiary task forces in particular fields
13. Part-time service
14. Decertification

~~State Commission~~

make sure draft includes

- in
- ~~State~~ duties of Corporation Board:
- develop and recommend to the chair a strategic plan for the corporation, including priorities, goals, and strategies to achieve such goals priorities +

something like this

-
- is it clear that the State Commission Boards are uncompensated? ~~at~~
members
 - can we allow state commissions to delegate functions (other than grant approval + policy) to state agencies, public or private non profit orgs
 - ~~7~~ Allow a transition year to set up state commission

Jack -

If you ever get to the Commission section,
3 requests:

1. Change composition to ~~include~~ include experts or representatives of groups involved in meeting needs in areas of safety, edu, ^{x+y.}
 2. ~~If you discuss~~ Prohibition of Commissions' operating anything.
 3. [if discussed] ^{Higher} Match requirement for states-operated programs.
- Thank.

DOE F 1326.7

(08-80)

(Exception to RF 1d, Approved by NARS, June 1978)

EFO(08-90)

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A.M.

P.M.

8. DATE

3/29/93

9. TO

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S. Schuman 301-929-0252
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1/631

eligibility:

individuals who have graduated from an institution of higher education within five years;

college students;

out-of-school youth serving in a youth corps or YouthBuild program; and

individuals age 17 or older, including an older American, who meet the qualifications of and are accepted into a program funded under this subtitle.

- [unclear] [unclear] not [unclear]
- [unclear] to be confirmed -
- attention to Δ over CS of VISTAS.
- [unclear] comm sets / up to set up.

Shirley: high-h-mull-

Are we allowing capacity to fix % pre/post?

yes

FAX COVER SHEET

DATE: April 8, 1993

TO: Mr. Jack Lew

PHONE: 202-456-1414

FAX: 202-456-6420

FROM: 8 NATIONAL SERVICE DEMONSTRATION PROJECTS

Staff Person/Contact: Eleanor Falk Young

Phone: (410) 514-7270

Fax: (410) 514-7277

Number of Pages Attached: -3-

Comments/Notes:

The enclosed letter is from the eight national service demonstration projects funded, in part, by the Commission on National and Community Service. Please feel free to call anyone of us.

NATIONAL SERVICE DEMONSTRATION PROJECTS

April 7, 1993

Mr. Jack Lew
Special Assistant to the President
& General Counsel
The White House
OEOB, Room 145
Washington, D.C. 20500

Dear Ms. Sagawa:

This letter represents a warm offer of assistance to you as you complete the preparation of President Clinton's National Service proposal and as you move to pass the necessary legislation through Congress.

As you know, the Commission on National and Community Service funded eight "model national service" programs through Subtitle-D of the National and Community Service Act. These programs are now up and running and accumulating experiential and anecdotal information about how to operate a national service program.

We, the eight National service demonstration projects, can offer real, live, albeit youthful programs. We offer an opportunity for the Administration and Congress to see models of national service in action, and for all of us, to learn practical lessons in operating national service programs.

We would like to suggest a specific set of recommendations, based on our experience, to make the "post-service benefits" effective. We suggest flexibility in post-service benefits -- specifically that broad guidelines be set to ensure that post-service benefits provide educational opportunities and economic stimulus, while allowing local programs the ability to tailor post-service benefits to their participants needs.

We hope that you will take a moment to look at the enclosed recommendations about post-service benefits. These recommendations were drafted for the Reauthorization Coalition and thus refer to changes in the National and Community Service Act. We believe, however, that these are relevant to the Clinton proposal as we have heard and read about it.

Finally, we are enormously excited about what the Administration is doing and look forward with confidence to President Clinton's proposals. Please do not hesitate to contact us and let us know how we can help.

Sincerely,

**EIGHT NATIONAL SERVICE
DEMONSTRATION PROJECTS**

**Billie Ann Myers
Delta Corps
501-682-6717**

**Lynn Thorton
Georgia Peach Corps
404-656-3836**

**Amy Hart
Pennsylvania Serves
717-233-8577**

**Susan Hall
Oklahoma Health
Career Volunteers
405-521-3500**

**Eric Schwarz
City Year
617-451 0699**

**Crystal Jimerson
Seneca Language Link
716-945-1790**

**Eleanor Young
Volunteer Maryland
410-514-7270**

**Martin Friedman
New Jersey Urban Schools'
Service Corps
609-633-6628**

Enclosure

For The Reauthorization Of The National And Community Service Act

Flexibility in Subtitle-D post-service benefits under the National and Community Service Act will enable more effective and relevant incentives for the wide range of full-time and part-time national service participants who serve in Subtitle-D programs. This "flexibility" could be manifested in broad guidelines which ensure that all post service benefits provide educational opportunities and stimulus to the local economy while allowing Subtitle-D programs the ability to tailor post-service benefits to their participants needs.

Expanded uses of post-service benefits could include, but would not necessarily be limited to:

- **Continuing Education**

Many service participants must work after their year of service and request that their educational voucher be for enrollment in an institution of higher education on a part-time basis as well as full-time basis.

- **Downpayment on a Home**

Make this benefit available to all service participants purchasing homes, not just part-time participants purchasing a first home.

- **Seed Capital for a Business**

Seed capital for new businesses would be especially helpful in economically depressed areas and could help foster the nation's entrepreneurial spirit.

- **Transferability of Educational Vouchers**

National service participants (especially part-time and older participants) would like the ability to use their post-service benefits towards their child's or grandchild's education, or towards their spouse's student loan payment.

If you have any questions or would like further details, please do not hesitate to call a Subtitle-D program.

Comments



To: Office of National Service
From: Michael Brown and Alan Khazei
Date: April 14, 1993
Re: Proposed "Private Sector Challenge Grant"

As we have mentioned in previous discussions, while we are generally enthusiastic about the proposed legislative outline, we think that what is missing from the current legislative proposal is a clear and strong incentive for organizations to aggressively market themselves to the private sector for major cash support. Conversely, there needs to be a clear and strong incentive for the private sector to see the benefit of channeling major philanthropic and marketing dollars into national service programs (as opposed to other worthy endeavors).

At City Year we have seen that aggressively seeking strong private sector support provides the organization with not only an important source of income, but also (1) a constituency base for local and national support; (2) a constant incentive to program creatively so as to include the private sector; (3) a means of promoting social change by integrating service values and opportunities into the daily life of companies and individuals; and (4) the constant need to be accountable to a very bottom-lined oriented constituency.

Requiring a national service organization to obtain 15% of its corps member stipend from private sources and a 50 percent match from all non-federal sources for operating funds are excellent ideas. However, there is a very real danger that this 15% private sector match will quickly become a "ceiling" on direct cash support from private sources, both because private sector decision makers will feel that after contributing 15% of stipends they will have done "their share," and because program operators will lose their incentive to aggressively pursue private sector funds, rather than state and local governmental funds. Major private sector dollars would then be "crowded out."

We would like to propose that the Clinton administration's national service legislation include a Private Sector Challenge Grant program specifically designed for, but not limited to, expansion and replication of national, multi-site programs.

Here is how it would work: In addition to an organization receiving a federal grant for a specific number of corps members (and having raised 50% of its operating funds from non-federal sources and 15% of its stipends from private sources), a program would also be given authorization to receive additional federal funds, one federal dollar for each private sector dollar raised. These private sector challenge grant funds would be used to build infrastructure, expand an existing site, or launch a new site. Each private sector dollar would be matched dollar for dollar by the federal government, up to a certain limit.

By earmarking up to \$50 million towards this challenge grant program, it would be virtually guaranteed that federal funds would leverage \$50 million in private sector dollars for national service. The private sector would have a very clear role: expand nationally operating service programs and help launch new sites.

In particular, this challenge grant program would provide national non-profits operating in multi-sites with an incentive to seek major national private sector sponsorships. These

In particular, this challenge grant program would provide national non-profits operating in multi-sites with an incentive to seek major national private sector sponsorships. These funds could be a very flexible means of obtaining support for timely expansion and replication.

This challenge grant program is important because there is a major difference between (1) receiving a federal grant that stipulates that you must match 15 percent of the stipend dollars received with private sector funds and 50 percent of all operating funds with non-federal dollars, and (2) having an additional incentive (like presidential candidates in the primaries) to essentially write your own grant by convincing private organizations and citizens to support you, and then getting their contributions matched. Individuals and corporations easily understand and gravitate towards dollar for dollar matching programs. While there are obvious differences, in general, there is wide spread support for the *concept* of the F.E.C. presidential campaign matching program, and the key to this type of matching program is that the candidate can challenge a potential funder: "your money can be doubled, but you have to trigger it by first giving your contribution."

This type of matching incentive pool program seems essential if the legislation is going to encourage aggressive marketing of national service to the private sector, especially by national, multi-site programs that could seek national private sector sponsorships. Local and state programs, however, could also benefit from this incentive.

One possible objection to this challenge grant proposal is that not every program or every area of the county is as adept at marketing itself to the private sector, and therefore the challenge grant pool would be discriminatory. The key here is that this would be an incentive program — in addition to the regular direct grant program — and not a requirement. Programs need not participate in the incentive pool, and therefore programs in even the poorest communities could operate programs. On the other hand, the incentive pool could actually increase the level of private sector support to lower income areas; programs operated by national non-profits would have an incentive to raise national private sector contributions which could be spread across its many sites. For example, a national soft drink company could be solicited for a \$500,000 contribution for team sponsors in ten program sites. With the match, these ten sites could share \$1 million, or \$100,000 per site.

On the other side of these possible objections is the very real possibility that failure to provide a strong incentive for private sector engagement could easily lead to a lowest common denominator effect with many programs having no more than 5% of their total budgets covered by private sector dollars. In the long run, major private sector buy in to national service is critical to the viability of the idea. Programs that excite and engage the private sector and individuals are programs that will, in general, excite the public, policymakers, and Congress, and build a strong constituency for federal national service funding; strong private and public support go hand in hand.

We realize, of course, that many details of this idea would have to be worked out, and that the hour for introducing legislation is coming soon. However, we feel very strongly that an incentive challenge grant program is needed, and well worth the effort to work out the details and include in proposed legislation. It would be a centerpiece of the administration's commitment to reinvent government by having private sector demand for national service programming trigger increased levels of federal support. We would be delighted, of course, to help work through details with you on the tightest of schedules.

We continue to wish you well in the final stages of drafting this landmark legislation. Please let us know if we can be of further service.

- 61 Can national service expand existing activities?
- 75 Ensuring that students don't drop out to enter national service.
- 78 Can credit be received for service for a portion of a year?
- 83 Can positions designated in one year lose their designation in a subsequent year?
- 98 ✓ Can students who have not completed a bachelor's degree perform post college service?
- 97 and 77 Is there a conflict between "one year" and "two terms"?
- 102 Can service be used to pay off non-Federal student loans?
- 107 Aid packaging requires that a benefit be considered (or not considered) a resource consistently in determining need.

add new 122 (b) -- The Corporation (Board) shall establish quality criteria for each type of program eligible to receive funding or national service positions under this subtitle. Such criteria shall be applied by states in making decisions to allocated funding and national service positions. In developing such criteria, the Corporation may convene panels of experts in service programs and in delivering human, education, environment, and public safety service to advise the Corporation.

add new (D) to 123 (c): grant programs to be conducted by establish nonprofit organizations with extensive experience in related service.

add new 127: The Corporation (or the State Commission) shall apply the criteria below in determining whether to approve an application submitted under section 123(a), to provide assistance under section 121, and to award national service positions under section 137:

(1) In the case of an application submitted by a State National Service Commission, the quality of the national service plan for the State required under section 178A.

(2) The quality of the national service programs to be conducted directly or supported by the applicant.

(3) The innovative aspects of the program, and its ability to be replicated.

(4) The sustainability of the program, including evidence of strong and broad-based community support for the program, multiple funding sources, and private funding.

(5) The extent to which the proposed program builds on existing programs, the past performance of such programs and the leaders of such programs.

(6) The extent to which services are provided where they are needed most, such as in communities designated as enterprise zones or redevelopment areas or otherwise targeted for special economic incentives, areas that are environmentally distressed, and areas affected by defense conversion.

(7) Such other factors that the Corporation considers to be appropriate.

On page 88, line 15, after "conducted", put "(1) by the State .

.
Add new 139(a)(2): "consistent with the nondiscrimination requirements of section xxx and without regard to political affiliation."

Drop (c) on page 89 and insert in lieu:

*Need
auth
lev
training
program
• compensation
for leaders*

(c) NATIONAL LEADERSHIP POOL. From among individuals recruited under (b), the Corporation may select individuals with significant leadership potential to receive special training to enhance their leadership ability. Such individuals shall be assigned to work with funded programs (including programs funded under the DVSA) requesting the assistance of such individuals as the Corporation deems appropriate. Such individuals shall be considered participants of the program.

Subtitle E

Fund for Quality and Innovation

The Corporation is authorized to make grants and enter into contracts and interagency agreements to improve the quality of national service programs, to support innovation and model programs, and for other purposes described below.

To support Summer of Service programs conducted May through September, inclusive, (with year-round part-time components if appropriate).

To involve youth corps and other programs assisted under the national service Acts in disaster relief efforts.

To provide training and technical assistance, and other assistance to community-based organizations that will provide service opportunities to improve the ability of such organizations to use participants supported under the national service Acts and other volunteers in a manner that will result in high quality service and a positive service experience for the participant.

To make challenge grants to programs funded under subtitle C that have been designated high quality model programs by the Corporation in the amount of one dollar for each dollar raised from private sources up to a ceiling established by the Corporation.

To provide training and technical assistance to individuals, programs, state educational agencies, state national service commissions, local educational agencies, local governments, community-based organizations and others to enable them to apply for funding under the national service Acts, to conduct high quality programs, to evaluate such programs, or for other purposes.

To support national service fellows.

To support Presidential awards as described in section 193B.

To support conferences and publish materials designed to improve the quality of national service programming by disseminating information and promoting the sharing of information among practitioners.

To develop, establish, expand, or replicate model or innovative national service programs, including programs for rural youth, employer-based retiree programs, intergenerational programs, and programs sponsored by Governors.

To provide training assistance to the Peace Corps and national service programs (including VISTA) to be conducted on college campuses (take other information out of existing Subtitle E program).

To conduct a campaign to promote and recruit participants for programs assisted under the national service Acts.

To support national and regional participant and supervisor training, including training in specific types of service and in building a national service ethic.

To support research on national service, including service-learning.

To evaluate programs funded under the national service Acts, as described in sections ____.

To support one or more regional service clearinghouses, including the clearinghouses described in section 117N and in ____ of the DVSA.

To assist programs in integrating an intergenerational service component.

To coordinate community-wide planning among service programs and providers.



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

April 8, 1993

NOTE TO PAUL JAMISON

Notes on Subtitle B - Programs for Students and Out-of-School Youth.

- A. General: As drafted, The Bill does not seem to complement other efforts to improve the education of secondary school students. For instance, it does not directly address the national goals, nor does it relate to school reform efforts. In addition, it does not now contain a connection to the proposed apprenticeship program, though, in some ways, it parallels it. I suggest it be made more a part of a comprehensive approach to reform of the education of secondary school efforts.
- B. Specifically:
1. The Bill needs to reflect state efforts at reform. As drafted, it, in essence, requires states (in order to participate) to develop a service-learning curricula. Do we know if they wish to do this? How will it tie in with state plans for secondary education and dropout prevention?
 2. It is not clear what is meant by a "service learning" curriculum, other than it will provide an opportunity for kids to perform some service. Some clarity, perhaps in the purpose or a findings section regarding the promise or effect of the approach would help.
 3. The program properly targets at risk kids, but runs the risk of tracking them. Some means must be found to insure this is not a lesser curriculum for these kids.
 4. Section 111(a)(1)(D) calls for research of the value of the approach. Shouldn't this be done before we launch a full scale program?

5. The \$20,000,000 authorization level for the state formula grant program may not provide sufficient funds to have impact. States tend to spread the funds they receive, so individual locals may not receive much.
6. I'm not sure states and locals will be willing to match funds for this program, and don't know how community agencies can.
7. Why are there two funding streams - SEAs and state commissioners? How will they work together?
8. I don't understand Section 111(b), grants to LEAs when states don't participate. Is this when states fail in competition to get an award or when they choose to not participate? If the latter, do we wish to go around them?
9. Who are the service learning experts, at secondary level, on whom this proposal rests? Are they out there? Do we have any research to back this idea up?
12. A prickly point - There is no authorization for Subpart C.
13. How many regional clearinghouses are envisioned? Is there now information to put in them, or should they be delayed until programs have operated and data is collected?

Mostly, I'm concerned about two things:

- 1) The research rationale for this approach; and
- 2) How it fits with reform efforts?


Tom Fagan

Comments on National and Community Service Act of 1990

✓ p. 61 - Does §125(a)(1) preclude the expansion of already existing services.

✓ p. 64 - §125(c)(2) provides for "consultation" with local labor organization. Should there be ⁱⁿdisplacement rules similar to those in the College Work-Study Program?

AgS p. 75-76 - Re out-of-school youth. In order to ensure students do not drop out of school to enter national services, should there be a minimum period time set for them to have been out of school before entering national service?

✓ tied to benefit p. 76 (c)(2) and P. 96 (a)(3) - There appears to be a conflict here. In (c)(2) the individual is able to enter into an agreement and serve and to achieve the high school diploma while serving. (a)(3) of p. 96 says such an individual may complete the high school diploma within ____ numbers of years after completing the service. Which do they want?

yes p. 83 - Since positions are designated annually, is it possible that a position could be designated for a benefit in one year and then not designated in a subsequent year?

✓ p. 97 -Subsection (d)(2) cites "subsection (a)," but should cite

subsection (d)(1).

P. 97 (d)(1) - It is unclear what the "final" term of required service is because on p. 76 Section 132(a) specifies that only "a term of service" is required. Anything beyond one full-time term or one part-time term as defined on p. 77 appears optional.

is it

(d)(1) is very difficult to understand. If they mean the individual must use the educational benefit "no later than 5 years after the last day of the final term of service," they should say it that way.

yes

(d)(2) The cross-reference to subsection (a) should be to "subsection (1)" I think. I think they are creating an exception to the 5-year requirement in (d)(1).

yes

p. 97-98 - There appears to be some confusion between the use of the term "one year" on page 77 and "two terms" in §147(a). Is there a one-year maximum? Is there a one-year calendar length for a "term"?

T/S
is defined
and consistent

p. 98 - Does service after college require that the student has completed a baccalaureate degree? Can a student leave school before receiving the 4 year degree and still serve? What about completion of a shorter program, i.e., 2 years?

Y
N

If the service comes after college and the person does not have

outstanding loans, what is the method of payment? Is it correct that the borrower would receive cancellation in twice the amount that a nonborrower would receive?

✓ p. 98 Section 147 (b) Wouldn't this apply to individuals who begin a term of service after school as the title states? I also think it is clear in Section 148 that the individual does not get a cash payment of \$10,000 (\$5,000 for each of not more than two such terms of service). However, it is not clear in (b)(1). Or do they intend to give the post-baccalaureate individual a cash payment? If so, it's not really an "educational benefit." Shouldn't it be an educational benefit for further post-baccalaureate study?

✓ p. 98 (b)(2) - It appears from Section 148 that when you say balance, you mean balance of outstanding principal and interest. Either say that or cross reference 148(b)(1)(B).

✓ (b)(2) - It is unclear until Section 148 what "qualified" loans are. Add a cross reference to §148(b)(6).

Defer ✓ (b)(2) - They are paying the loan payment after service has been completed but basing the amount on the outstanding principal and interest on the loan on the first day service began. Assuming the borrower will be paying on the loan while performing the service (except for grace period and any possible eligible deferment periods), you could be paying out more than the student

owes by the time payment is made. Is it your intention that the borrower gets a refund from the lender of any balance? Also, a more basic question is what is the status of borrower during the service period. Under current law, they may or may not qualify for a deferment. If they don't, the borrower must pay. If they are deferred, who pays - the Department or the Corporation.

PR/post comp.
(b) (2) - It appears that you can get a maximum loan payment of \$20,000 - but in (b) (1) for the same amount of service you only get \$10,000. Why the difference of we are correct that (b) (1) is not a cash payment but it is intended for post-baccalaureate studies?

97-98 (Section 147) and p. 77 (b) (3)

✓
handship only
(b) (3) talks about a corresponding reduction in the amount of educational benefits for a reduction the amount of part-time service. However, there is no discussion in Section 147 on how to prorate these reduced amounts. This seems overly complicated to administer anyway - recommend no benefit if you don't keep original agreement to term of service.

there is
p. 99 - Subsection (d) cites "an individual described in subsection (b), but there is no description in that subsection.

p. 99 "means-tested Federal programs" - These can include food stamps and AFDC and a wide variety of federal programs. If you

mean only Title IV higher education programs or higher education programs in general, this conflicts with (c)(1) on p. 107 where you are counting the education benefit as estimated financial assistance and reducing the individual's eligibility for the "means tested" Federal Stafford Loan program.

p. 100 Section 148 (b)(1)(A) - You will be paying off Federal Direct Student Loans under this program. They will not be held by lenders but by the Secretary. Payment will be to the servicer acting as an agent of the Secretary. Also loans may be sold by the originating lender. You may want to use the term "holder" rather than lender.

p. 101 (b)(1)(B) - Should indicate this is principal and interest outstanding as of the "first day of service" as specified in (b)(2) on p. 98.

(b)(2) - If this is payable by check (what about wire transfer?) on behalf of the borrower, why require borrower endorsement? It would be easier and as efficient to just require the lender or Secretary to provide the borrower with a confirmation of application of funds received and how the funds have been applied.

p. 102 - Re Subsection (6) - Can national service be used to pay off other than non-Federal student loans?

Should benefits be available to student attending training program offered by institutions that are not of title IV eligible?

✓ p. 102 (b)(6) - Can "qualified" loans be in a delinquent or defaulted status? (We recommend that they be non-defaulted loans since there can be varying degrees of delinquency and some delinquencies are inadvertent on the part of the borrower.

✓ *Need language* p. 102 (a)(6) - Do you want to consider paying off state sponsored or other private education loans?

✓ p. 103 - Requests for payment should be a "shall."

? *o* (c)(2)(C) - Why does the educational benefit have to go to a Title IV participating institution. Why not just an institution of higher education as defined in §481(a) of the Act?

✓ (c)(4) - If you are insisting on multiple disbursement, does the school have to provide a schedule for disbursement as part of the request for payment under (c)(2) p. 103? (See §428(G)(c)(1)).

check (c)(4) - Also should this read "none of which exceeds 1/2 of such total amount of "need" as specified in (c)(6) on p. 105?

get language from Ed. Dept p 105-106 - Cost minus estimated financial assistance. More elaboration concerning the programs in Title IV part A is needed.

p 107 - It appears that Sub Section (c) would require educational benefits to be included as a resource for loan aid but excluded for grant aid. Since students generally get both in their aid package, this creates a serious complexity in creating aid packages at a time when the Administration is planning to simplify the programs as part of its student aid reform efforts.

Stafford (copy)
p. 107 - We strongly disagree with reducing the eligibility of the individual for other Title IV assistance based on receipt of these educational benefits. What's the incentive (other than pure altruism on the part of the individual) to do pre-college service if it only reduces your eligibility for other subsidized Title IV aid? At least consider allowing it to be used to meet family contribution by amending §428(a)(2)(E). If you do this, you will need a reference to Federal Direct Loan as well as §428(a)(2)(C)(i).

✓
p. 108 - (3) No, you don't need to amend this.