

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: 2391
FolderID:

Folder Title:
[National Service Bill-Amendments] [2]

Stack:	Row:	Section:	Shelf:	Position:
S	25	7	10	2



Office of Government Liaison

3211 4th Street N.E. Washington, DC 20017-1194 (202) 541-3140 FAX: (202) 541-3313 TELEX 7400424

FACSIMILE Transmittal Cover Sheet

DATE:

JUNE 3, 1993

TO:

Eugene Sofer - Fax 225-9070
Shirley Sagawa - Fax 456-2878
Jack Lew - Fax 456-6420

FAX:

VOICE:

FROM:

Pat Canaw

Office of Government Liaison

FAX:

202/541-3313

VOICE:

202/541-3140

MESSAGE

Attached: A U.S. Catholic Conference
suggested Amendment TO H.R. 2010,
The "National Service Trust Act of 1993."
Documentation to the referenced Statute
also included. We would appreciate your
consideration of this amendment and we are
available to meet with you concerning this.

Pages (including Cover) 4

Acct. No.: 03-003

Thank you,

Pat Canaw
Assistant Director

SUGGESTED AMENDMENT TO H.R. 2010 -

NATIONAL SERVICE TRUST ACT OF 1993

1. Amend subsection (d) of section 140 of subtitle C of Title I of the National and Community Service Act of 1990, as amended by section 101 of H.R. 2010, by adding at the end of subsection (d), line 14, page 56, the following:

"The provisions of Pub. L. 100-259, § 3(b) (20 U.S.C. § 1688) shall apply to the minimum health care standards established by the Corporation. No entity shall be required to include abortion, sterilization or contraceptive services in its health care policy if the inclusion of such services is prohibited by the entity on the basis of religious beliefs or moral convictions."

The first sentence of the suggested amendment incorporates by reference the provisions of 20 U.S.C. § 1688 - Neutrality With Respect To Abortion. Under the first sentence States and other recipients of assistance under section 121 could elect, but not be required, to include abortion services in their health care policies for participants in the program.

The second sentence of the suggested amendment would provide protection for entities whose religious beliefs or moral convictions prohibit them from including abortion, sterilization or contraceptive services in their health care policies. Such entities could not be required under section 140(d) to include such services. The second sentence is patterned after the conscience clause protection for hospitals and medical personnel found at 42 U.S.C. § 300a-7.

"(1) certain aspects of recent decisions and opinions of the Supreme Court have unduly narrowed or cast doubt upon the broad application of title IX of the Education Amendments of 1972 (this chapter), section 504 of the Rehabilitation Act of 1973 [section 794 of Title 29, Labor], the Age Discrimination Act of 1975 [section 6101 et seq. of Title 42, The Public Health

and Welfare], and title VI of the Civil Rights Act of 1964 [section 2000d et seq. of Title 42]; and

"(2) legislative action is necessary to restore the prior consistent and longstanding executive branch interpretation and broad, institution-wide application of those laws as previously administered."

WESTLAW ELECTRONIC RESEARCH

See WESTLAW guide following the Explanation pages of this volume.

§ 1688. Neutrality with respect to abortion

Nothing in this chapter shall be construed to require or prohibit any person, or public or private entity, to provide or pay for any benefit or service, including the use of facilities, related to an abortion. Nothing in this section shall be construed to permit a penalty to be imposed on any person or individual because such person or individual is seeking or has received any benefit or service related to a legal abortion.

(Pub.L. 92-318, Title IX, § 909, as added Pub.L. 100-259, § 3(b), Mar. 22, 1988, 102 Stat. 29.)

HISTORICAL AND STATUTORY NOTES

Revision Notes and Legislative Reports
1988 Act. Senate Report No. 100-64,
see 1988 U.S. Code Cong. and Adm. News,
p. 1.

References in Text

This chapter, referred to in text, was in the original "this title", meaning title IX of Pub.L. 92-318 which enacted this chapter and amended sections 203 and 213 of Title 29, Labor, and sections 2000c, 2000c-6, 2000c-9, and 2000h-2 of Title 42, The Public Health and Welfare. For complete classification of title IX to the Code, see Tables.

Abortion Neutrality

Section 8 of Pub.L. 100-259 provided that: "No provision of this Act or any amendment made by this Act [enacting this section, section 1687 of this title, and section 2000d-4a of Title 42, The

Public Health and Welfare, amending section 706 and 794 of Title 29, Labor, and section 6107 of Title 42, and enacting provisions set out as notes under sections 1681 and 1687 of this title] shall be construed to force or require any individual or hospital or any other institution, program, or activity receiving Federal Funds [sic] to perform or pay for an abortion."

Construction

This section not to be construed to extend the application of the Education Amendments of 1972 [Pub.L. 92-318] to ultimate beneficiaries of Federal financial assistance excluded from coverage before Mar. 22, 1988, see section 7 of Pub.L. 100-259, set out as a note under section 1687 of this title.

WESTLAW ELECTRONIC RESEARCH

See WESTLAW guide following the Explanation pages of this volume.

90 Stat. 392, set out as a note under
section 390c of Title 7, Agriculture.

LIBRARY REFERENCES

American Digest System
Duties of officers and agents and performance thereof, see United States § 41.
Encyclopedias
Duties of officers, agents, and employees, see C.J.S. United States § 41.

WESTLAW ELECTRONIC RESEARCH

United States cases: 393k(add key number).
See, also, WESTLAW guide following the Explanation pages of this volume.

§ 300a-7. Sterilization or abortion

- (a) Omitted
- (b) Prohibition of public officials and public authorities from imposition of certain requirements contrary to religious beliefs or moral convictions

The receipt of any grant, contract, loan, or loan guarantee under the Public Health Service Act [42 U.S.C.A. § 201 et seq.], the Community Mental Health Centers Act [42 U.S.C.A. § 2689 et seq.], or the Developmental Disabilities Services and Facilities Construction Act [42 U.S.C.A. § 6000 et seq.] by any individual or entity does not authorize any court or any public official or other public authority to require—

(1) such individual to perform or assist in the performance of any sterilization procedure or abortion if his performance or assistance in the performance of such procedure or abortion would be contrary to his religious beliefs or moral convictions;
or

(2) such entity to—

(A) make its facilities available for the performance of any sterilization procedure or abortion if the performance of such procedure or abortion in such facilities is prohibited by the entity on the basis of religious beliefs or moral convictions, or

(B) provide any personnel for the performance or assistance in the performance of any sterilization procedure or abortion if the performance or assistance in the performance of such procedure or abortion by such personnel would be contrary to the religious beliefs or moral convictions of such personnel.

(c) Discrimination prohibition

(1) No entity which receives a grant, contract, loan, or loan guarantee under the Public Health Service Act [42 U.S.C.A. § 201 et

Same as
Natl Collaboration
for youth



June 3, 1993

Mr. Eli Segal
Office of National Service
The White House
Washington, DC 20500

YMCA of the USA
Washington Office
1701 K Street, N.W., Suite 903
Washington, D.C. 20006
202-835-9043

Barbara C. Roper
Chairman, National Board

David R. Mercer
National Executive Director

Dear Mr. Segal:

The YMCA of the USA applauds the leadership of both yourself and President Clinton in spearheading a federal initiative to expand the ethic of service among youth today. The YMCA of the USA strongly endorses the National Service Trust Act of 1993 and is working hard to ensure its passage. We believe the initiative will go far in strengthening the service ethic in all Americans and challenge all to respond to the social and environmental needs of our communities.

While we acknowledge the steps you have already taken to include nonprofit community-based organizations in the National Service Trust Act of 1993, we would like to recommend the following language to strengthen the role of community-based youth service providers:

Distribution of Funding to National Service Projects Provided by States, Federal Agencies and Other Organizations [Section 129 (a) (1) and (d) (1) and (2)].

- 1) **Current Language:** Currently, states are allocated 1/3 of the funding for national service programs, may compete for 1/3 of the funding, and may compete with Indian tribes, public and private not-for-profit organizations, institutions of higher education, and Federal agencies for the remaining 1/3 of the funding.

Proposed Changes: Delete Federal agencies and subdivisions of states from eligibility under the remaining 1/3 of the national service funding, OR: 1) require Federal agencies to comply with the same matching requirements as other applicants; and 2) cap the amount of funding available to Federal agencies and subdivisions of states to no more than 25%, combined.

Rationale: The size, influence, and access to resources that Federal agencies and subdivisions of states enjoy afford them an unfair advantage when competing with other applicants under the remaining 1/3rd of the national service funding. As a result, deleting eligibility or capping the funding for Federal agencies and subdivisions of states is warranted. Additionally, the lack of a matching requirement for Federal agencies creates an unlevel playing field between Federal agencies and other applicants.

YMCA Mission:
To put Christian principles
into practice through
programs that build healthy
body, mind, and spirit for all.

Subtitle B- School-based and Community-based Service Learning Programs [Section 111 (a) (2) (B) (i)].

- 1) **Current Language:** Funding may be provided to service learning projects operated by partnerships among local educational agencies and public or private not-for-profit organizations.

Proposed Change: Specify that local educational agencies shall collaborate with private not-for-profit organizations with a demonstrated and extensive expertise in the provision of services to meet human, educational, environmental, or public safety needs; and that was in existence 1 year before the date on which the organization submitted the application.

Rationale: The proposed language is consistent with eligibility requirements specified elsewhere in the Act (e.g. Sections 117 (2) (B) and 133 (d) (2) (E)). In addition, the language would ensure the development of effective programs between schools and private not-for-profit community-based organizations with the experience and expertise of developing and implementing enriching service programs.

Subpart B- Community-based Service Programs for Youth [Section 117C (b)].

- 1) **Current Language:** To be eligible to receive a grant from the Corporation under section 117A (a) to implement, operate, expand, or replicate a community service program, an organization must submit an application that proposes a community-based service program to be carried out at multiple sites, or that proposes an innovative community-based service program.

Proposed Change: Delete the requirement that programs be multi-site or innovative; require instead that organizations develop a meaningful service program that meets unmet human, educational, environmental, or public safety needs.

Rationale: The proposed language: 1) is consistent with eligibility requirements specified elsewhere in the Act (e.g. Section 122 (a) (1) and (2) (A)); 2) supports one of the key purposes of the Act, (Section 2 (b) (5) and (6)): reinvent government to eliminate duplication, support locally established initiatives....build on the existing organizational service infrastructure of Federal, State, and local programs...; and 3) does not prohibit organizations with well-established, single-site programs from applying for funding.

Local Application Requirements [Section 117C (d) (3) (I)].

- 1) **Current Language:** An organization interested in applying for funding to support a community-based service program shall submit an application that includes a description of how participants will be organized into teams, with team leaders.

Proposed Change: Delete the requirement that programs organize participants into teams with team leaders.

Rationale: Many effective community-based programs with long histories of serving youth do not organize program participants into teams, but allow youth to participate in individual placement opportunities. For example, youth in YMCA child care programs, leaders clubs, or family programs participate in service projects to improve the community, but do not participate in regular group or team activities while in the program. The Act should support diverse program models, including individual placement programs, to address diverse community needs.

Availability of Appropriations [Section 120 (1) (A) and (B)].

- 1) **Current Language:** Of the amount appropriated to carry out the Serve-America title of the Act, 75% is allocated for K-12 service programs -- 85% of that funding is allocated to school-based programs and 15% for community-based programs.

Proposed Change: Fifty percent of the funding should be allocated for school-based programs and 50% should be allocated for community-based programs.

Rationale: Community-based organizations have well established youth service programs and are ready to expand and provide these programs in communities across the country. Existing youth programs with a proven track record offer an efficient and effective way to involve more youth in service programs without the cost of creating duplicate programs, delivery systems, and administrations.

Funding to State Departments of Education Rather than State Commissions on National Service [Section 113 (a)].

- 1) **Current Language:** Funds provided to support service programs provided by school/community-based organization partnerships are allocated to state educational agencies, rather than state commissions on national service.

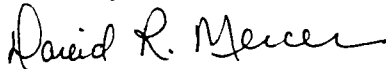
Proposed Changes: Funding for school-based service learning programs shall be allocated to state commissions on national service.

Page Four
Eli Segal

Rationale: As state commissions on national service are comprised of a broad range of public and private representatives, they may be in better position than state departments of education, to bring schools together in collaborative work with community-based organizations. Additionally, the proposed language is consistent with funding distribution requirements specified under Subtitle C, the National Service Trust Program.

If you have any questions regarding the proposed changes to the National Service Trust Act of 1993, please contact Eden Fisher Durbin, Assistance Director of Public Policy, YMCA of the USA, (202) 835-9043.

Sincerely,

A handwritten signature in cursive script that reads "David R. Mercer".

David R. Mercer
National Executive Director

MEMO ()
June 1, 1993

TO: Gene Sofer/Kathy Gillespie
FR: Sherry Kaiman (Rep. Gunderson's Office)
Phone: 5-5506

RE: National Service Mark-Up

Below are several (proposed) changes that Mr. Gunderson would like to see incorporated into the National Service Bill. I would appreciate having your feedback within the next couple of days. Thanks.

* Page 12, line 5: Insert the word "primarily" before crew-based.

No

Rationale: Not all national service projects will involve crews. This is especially true for health care projects.

Yes
labor
organization
only
low
in 5 of 11)

* Page 21, lines 18 and 19: Replace lines 18 and 19 with the listing of entities that appears on Page 7, lines 9-11.

Rationale: Consistency in the bill

Page 38, line 3: Strike all words appearing on line 3 after "served," through line 6.

Rationale: Many rural communities do not have community-based agencies nor labor organizations.

Page 38, line 18: Strike (A) and (B).

Rationale: Mr. Gunderson believes that the Corporation should establish the evaluation procedures, not the applicant.

Page 44, lines 9 and 10: Add after the word "installations", language reflecting adversity due to national trade policies.

Rationale: Over the last decade, rural communities have suffered from adverse economic conditions, partially due to poor trade policies. Mr. Gunderson would like to include language that will also address the adversity endured by many farmers because of inability to trade products on an international basis.

(CONTINUED ON NEXT PAGE)

Page 54, line 3, (5): Mr. Gunderson and I would like a clarification of this section. As we interpret this section, it allows someone to receive full welfare benefits or disability benefits above the living allowance. Is our interpretation correct?

yes

Package #2 -- Suggested amendments to assure appropriate outreach and technical assistance to ensure access and diversity in host communities and locally based recipient organizations.

State Commissions should be required to provide technical assistance. Proposed section 178(e) enumerates the mandatory duties of State Commissions, which includes in subsection (8) "development of projects, training methods, curriculum materials, and other materials and activities related to national service programs that receive assistance directly from the Corporation or from the State. . . ." This language may be read to refer to programs once selected, however, and therefore may not adequately address the need for pre-selection outreach through the provision of technical assistance.

In addition, section 198A provides for the establishment of one or more clearinghouses, which may perform a variety of services, including, under subsection (5), providing information, curriculum materials, technical assistance relating to planning and operation of community service programs to States and entities eligible to receive funds. The information provided by clearinghouses could provide a tool for state technical assistance programs.

Proposed Amendment

On page 161, after line 13, insert a new subparagraph (5) as follows:

"(5) Making technical assistance available to enable communities and locally-based organizations to plan and implement national service programs and to apply for assistance, utilizing, as appropriate, information and materials available through the clearinghouses established under section 198A."



Renumber all succeeding subparagraphs accordingly.

FAX



Minority Staff
Labor and
Human
Resources Committee

Nancy Landon Kassebaum
Ranking Member

Phone: (202) 224-6770
Fax: (202) 224-6510

Date: 06/01/93
Time: 6:25

To: JACK Lew
NAT'L ~~OFF~~ Service -

From: Kimberly Barnes-O'Connor

Page 1 of: 3

Message: _____

ELEMENTS OF A NATIONAL SERVICE PROPOSAL

1. PROBLEM AREA: Use of limited educational dollars as part of National Service

RECOMMENDATION: Set aside funds and mandate the Corporation for National Service to conduct demonstrations on various education components as part of national service; require report to Congress after 4 years to determine if educational assistance is a necessary element in successful national service programs, and if so, which model works best.

2. PROBLEM AREA: Creation of large bureaucratic structure to administer the Administration's national service proposal--subsuming existing federal programs and imposing an umbrella type administrative structure to administer

RECOMMENDATION: Streamline the structure of the Corporation and collapse all appropriate federal national service and domestic volunteer type programs under the Corporation--create a "pass through" mechanism which will allocate substantial funds for national service* and domestic volunteer services** to state commissions where community needs can be identified and resources allocated

3. PROBLEM AREA: National service cost and rate of expansion in out years is too rapid -- 10 fold increase over 4 years anticipated (15,000 to 150,000)

RECOMMENDATION: By folding in more of the existing national service and domestic volunteer services into Corporate structure the base is expanded to

* National service = full time commitment for 1 year of service or part time for a 2 year service commitment, at least minimum wage stipends, 1 re-enrollment permitted for up to 2 years of full time service, 4 years of part time, health care and child care benefits provided when needed by participant

**Domestic volunteer service = part time participation (can include summer only programs, minimum wage or lower stipends, variable commitment dependent upon specific task, not to exceed 6 month intervals, unlimited re-enrollment can be used to assure continuous service if volunteer requests, limited work related expenses reimbursed.

an estimated 20,000 participants in national service, increase to 30,000 year 1, 50,000 year 2, 75,000 year 3, 100,000 year 4 - a 5 fold increase in four years

EXPLANATORY NOTES: Programs to be merged into the Corporation for National Service, by program type

National Service (FY93 appropriations)

Conservation and Youth Service Corps (\$21.5 mill)
National Service Demonstration Projects (\$20.1 mill)
VISTA (\$34.7 mill)
VISTA Literacy Corps (\$5 mill)
Civilian Community Corps (\$20 mill)
Urban Revitalization Demonstration (\$30 mill est.) questionable??
Innovative Projects for Community Service (1.4 mill)

Domestic Volunteer Services

Serve America (16.3 mill)
Higher Education Innovative Programs (\$5.2 mill)
Student Community Service (\$.9 mill)
ACTION Drug Alliance (\$.9 mill)
Retired Senior Volunteer Program (\$33.7 mill)
Foster Grandparent Program (\$64.8 mill)
Senior Companion Program (\$29.5 mill)
Student Literacy Corps (\$5.3 mill)
Urban Community Service (\$9.4 mill)
Youth Conservation Corps (\$1-3 mill)
Points of Light (\$5 mill)

To: Jack Lew, Robert Gordon, Tom Sanders, Marty Rodgers, Gene Sofer

From: Wendy Kopp

Re: Suggestions for the National Service Legislation

Date: May 17, 1993

Sec. 122 (a) (8)

We feel that this section should read: "a professional corps program that recruits, *trains* and places qualified participants in positions...." (Addition italicized.) Successful professional corps involve extensive training and ongoing professional development, and we want to be sure that program assistance for professional corps can be used to cover these costs.

may
provide
training

Sec. 129 (d) (2)

We hope that the report of the Committee will clarify the intention of the drafters that the funding allocated directly by the Corporation be allocated to a mix of private and public agencies. We would hope that no more than 60% of this funding would be allocated to public agencies, except in the case of insufficient proposals from the private sector.

no

Sec. 130 (b) (3)

This requires that organizations which apply for a renewal of program assistance demonstrate success in "reducing their reliance on Federal funds." This seems potentially problematic given that the private sector is also looking for a demonstration of reduced reliance on private funds. As one example, Teach For America is currently supported 100% by private sources. Yet, based on what we are hearing from these sources, we feel that we must find half of our budget from the federal government if we are to continue to exist. We are hoping to *perpetuate* Teach For America as a public/private partnership. Therefore, we have two concerns: (1) we feel this language should apply only to Federal funds gained through this Act (i.e. programs could gain more funding from other federal agencies, etc.); and (2) we feel that programs should be required only to demonstrate that they are *not increasing* their reliance on these funds. We believe this language should be: "if the application is submitted for the purpose of seeking a renewal of assistance, *a demonstration that the program is not increasing its reliance on the funding provided through this Act.*"

5/13

read
pattern

Sec. 130 (c)

This reads: "In the case of an applicant that proposes to serve as the service sponsor, the application shall include the written concurrence of any local labor organization representing employees of the applicant who are engaged in the same or substantially similar work as that proposed to be carried out." We may not have to demonstrate union concurrence given that Teach For America does not directly employ other teachers, although the spirit of this section seems to imply that we would. Would it be possible to clarify this in the Committee's report? If there is a possibility that we will have to demonstrate union concurrence, we would feel much more comfortable if the language "*which may not be unreasonably withheld*" were added after the word *concurrence*.

sh

Sec. 131 (e) (1), Sec. 140 (c)

Given that professional corps will not always directly provide corps members' salaries, the word "provide" should be changed to "*ensure the provision of.*"

Sec. 131 (d) (1) (A)

This language states that programs receiving assistance must arrange for independent evaluations. This certainly seems reasonable, and yet our experience with independent

ch
evaluators leads me to question it. Teach For America has spent hundreds of thousands of dollars looking for good independent evaluators, with no success, and I have heard from numerous education organizations and non-profits that we are not alone in our experience with this. Finally, we established an internal evaluation team of three people which is responsible for ensuring effective evaluations for internal program development and external communication to our constituencies. (An independent Advisory Panel guides this evaluation effort.) We feel that the legislation would enable programs to save a great deal of money and energy, while at the same time enabling more effective evaluations, if the language in this part were as follows: "arrange for an independent evaluation, *or an internal evaluation approved by the Corporation, of any national service program....*"

7
Sec. 131 (f)

This gives the Corporation authority to require that national service programs receiving assistance select a portion of the participants from among prospective participants recruited by the Corporation or State Commissions. We believe that the Corporation should not have the authority to make this requirement of programs that select participants on the basis of their qualifications, although these programs could be required to allow such "prospective participants" to apply to their programs. In fact, we think it would probably be better for all programs (even those in which participants are chosen randomly) if the language "will select a portion of the participants for the program from among prospective participants recruited by the Corporation or State Commissions" was replaced with "will consider, through their regular selection processes, prospective participants recruited by the Corporation or State Commissions...."

nb
Sec. 140 (c) (2)

This section states that professional corps may only apply directly to the Corporation for assistance. Because we feel that professional corps should be an integral piece of the national service framework, we believe that they should be able to apply for those funds which are awarded to states on a competitive basis. We do not believe there is a danger that such a provision would enable states to use funds received through this Act to supplant state or local dollars given that corps members' salaries cannot be subsidized by the Act. Thus, any funds provided by the Act would be spent in recruiting, selecting, and training individuals to meet *unmet* needs; these functions are clearly not already performed by states and localities. Thus, we believe that this language should read: "the applicant shall apply for such assistance only by submitting an application to the Corporation *or by applying for assistance under Sec. 129(d).*"

X
7
Sec. 178 (e) (8)

This explains that State Commissions are responsible for development of projects, training methods, curriculum materials, and other materials and activities related to national service programs that receive assistance directly from the Corporation or from the State using assistance provided under section 121. Because it is important for national professional corps to provide all of their corps members with a common experience, we would be concerned if professional corps which receive funding directly from the Corporation were required to take part in different training activities in each of the states in which they operated. We believe that "*directly from the Corporation or*" should be eliminated from this language.



AFSCME®

American Federation of State, County and Municipal Employees, AFL-CIO

1625 I Street, N.W., Washington, D.C. 20036-5687

Telephone (202) 425-1000

Telex 89-2376

Facsimile (202) 429-1293

TDD (202) 659-0446

June 1, 1993

Gerald W. McEntee
President

William Lucy
Secretary-Treasurer

Vice Presidents

Ronald C. Alexander
Columbus, Ohio

Dominic J. Badolato
New Britain, Conn.

Henry L. Bayer
Chicago, Ill.

Peter J. Benner
St. Paul, Minn.

Joseph M. Bonavita
Boston, Mass.

George Boncoraglio
New York, N.Y.

Gloria C. Cobban
Detroit, Mich.

Stephen M. Cullen
Chicago, Ill.

Albert A. Diop
New York, N.Y.

Danney Donohue
Albany, N.Y.

William T. Endsley
Columbus, Ohio

Stanley W. Hill
New York, N.Y.

Carolyn J. Holmes
Williamstown, N.J.

William S. Hudson, Jr.
Sykesville, Md.

Blondie P. Jordan
Orlando, Fla.

Edward J. Keller
Harrisburg, Pa.

Joseph E. McDermott
Albany, N.Y.

Donald G. McKee
Des Moines, Iowa

Gary Moore
Olympia, Wash.

Michael D. Murphy
Madison, Wis.

Henry Nicholas
Philadelphia, Pa.

Russell K. Okita
Honolulu, Hawaii

George E. Poppyack
Berkeley, Calif.

Joseph P. Puma
Albany, N.Y.

Michael E. Rhynes, Sr.
Indianapolis, Ind.

Joseph P. Ruggia
Columbus, Ohio

Kathy J. Sackman
Pomona, Calif.

Burman D. Smith
Philadelphia, Pa.

Larry R. Smith
East Lansing, Mich.

Linda Chavez-Thompson
San Antonio, Tex.

Carlene W. Webb
Baton Rouge, La.

FAX

TO: Jack Lew 456-6420
Shirley Sagawa 456-2557
Tom Sander 224-3533
Gene Sofer 225-9070

FR: Nanine Meiklejohn NM

RE: National Service Trust Act - Technical Changes

There are several technical changes to the National Service Trust Act which we urge you to incorporate into the substitute bill:

1. SUBTITLE A. PART II. Section 130(e). SPECIAL RULE FOR CERTAIN SERVICE SPONSORS (Union Concurrence):

The intent of this provision was to establish a union concurrence rule for an entity with employees who are organized. Our concern with the current wording in the bill is that a state applicant could apply to run service programs through a variety of public and non-profit agencies within the state, but the concurrence rule would not apply because the state applicant would not be considered a service sponsor and local service sponsors would not be considered an applicant. We recommend the following rewrite of the requirement:

"An application shall include the written concurrence of any local labor organization representing employees of a service sponsor who are engaged in the same or substantially similar work as that proposed to be carried out."

2. SUBTITLE B. PART I. SUBPART A. SCHOOL-BASED PROGRAMS FOR STUDENTS (Cross-reference to grievance procedure):

The application requirements for local school-based programs require assurances that the entity comply with both the non-displacement and grievance procedure requirements, but the requirements for state and Indian applications omit the reference to the grievance procedure. We recommend the following:

Sec. 113(b)(2)(B): the applicant will comply with the non-duplication and non-displacement requirements of Section 177 and grievance procedure requirements of Section 176(f); and (additional language underlined)

in the public service

3. SUBTITLE B. Application of Union Consultation Requirement

Local applicants for school-based service-learning programs under Subpart A, Section 114, are required to comply with the union consultation rule, but state and Indian applicants under Subpart A, Section 113, and applicants for community-based programs for school-age youth under Subpart B are not. We recommend that the following language, which applies to local applicants under Subpart A, be extended to Section 113(b)(2) and Section 117C(d):

"provide assurances that prior to the placement of a participant, the entity carrying out the program will consult with any local labor organization representing employees in the area who are engaged in the same or similar work as that proposed to be carried out by such program, to prevent the displacement and protect the rights of such employees"

cc: Chuck Loveless
Don Wasserman

NM:dmb

VAN NESS, FELDMAN & CURTIS

A PROFESSIONAL CORPORATION

1050 THOMAS JEFFERSON STREET, N. W.

SEVENTH FLOOR

WASHINGTON, D. C. 20007

CHARLES B. CURTIS
HOWARD J. FELDMAN
WILLIAM J. VAN NESS, JR.*
BEN YAMAGATA
ROBERT G. SZABO
GRENVILLE GARSIDE
ROSS D. AIN
ALAN L. MINTZ
ROBERT R. NORDHAUS
PETER D. DICKSON
D. ERIC HULTMAN
GARY D. BACHMAN
SUSAN TOMASKY
MARGARET A. MOORE
J. CURTIS MOFFATT
RICHARD A. AGNEW*+
HOWARD ELIOT SHAPIRO
MICHAEL A. SWIGER
DANIEL S. PRESS
JULIA R. RICHARDSON
RICHARD A. PENNA

(202) 298-1800

FACSIMILE

(202) 338-2416

SEATTLE OFFICE

THE NATIONAL BUILDING, SUITE 506

1008 WESTERN AVENUE

SEATTLE, WASHINGTON 98104

(206) 623-9372

FACSIMILE

(206) 623-5670

WRITER'S DIRECT DIAL NUMBER

(202) 298-1833

June 1, 1993

ELLEN S. YOUNG

SAM KALEN

BRUCE S. DEMING

BENJAMIN L. ISRAEL

STEPHEN C. FOTIS

NOREEN TAMA BELLEGARDE

JOHN J. BUCHOVECKY

PAUL C. BLACKBURN

CHERYL M. FEIK+

MARY JANE GRAHAM

JEANNE MARIE GALICICH+

PAMELA J. ANDERSON

JENNIFER B. CORWIN

DANIEL J. WHITTLE

HOWARD BLEICHFELD

THERESA I. ZOLET

MIRIAM S. ARONOFF

T. ARAM FASANO+

BRUCE W. STECKLER+

JOSEPH B. NELSON+

OF COUNSEL

CYNTHIA INGERSOLL

*RESIDENT MEMBER SEATTLE OFFICE

+NOT ADMITTED IN DISTRICT OF COLUMBIA

Jack Lew, Esq.
Special Assistant to the President
and General Counsel
Office of National Service
145 Old Executive Office Building
Washington, D.C. 20500

Dear Jack:

On behalf of Young People For National Service (YPFNS), I would like to thank you and Kate Frucher for taking time to meet with Malkia Lydia, Diane Jackson, Ellen Young and me on May 24th.

With the benefit of our discussions, YPFNS has been able to further prioritize legislative and grassroots efforts to support the enactment of the National Service Trust Act. YPFNS has crafted the enclosed series of amendments to strengthen the legislation by providing for 1) assured roles for young people in developing and implementing national service plans and programs; 2) technical assistance at the state level to encourage broad and diverse participation; 3) opportunities for public input into the development of State national service plans; and 4) adjustments in the amount of the national service award to assure that the value of the award is adequate to keep pace with rising educational costs.

YPFNS is also undertaking a grassroots effort to develop support for the legislation, and will be meeting with Congressional members and staff before the June 9th markups to advocate passage of the national service legislation.

VAN NESS, FELDMAN & CURTIS

Jack Lew, Esq.
June 1, 1993
Page 2

If you have any comments or questions regarding the proposed amendments, please let us know.

With best wishes,

Sincerely,

A handwritten signature in cursive script, appearing to read "Charles B. Curtis".

Charles B. Curtis

Enclosures

cc: Kate Frucher

Young People *for* National Service

(formerly the Young People's National Service Coalition)

Rationales for Amendment Packages to the National Service Trust Act of 1993

Young People for National Service ("YPFNS") welcomes the National Service Trust Act of 1993 as a landmark initiative which will provide vital opportunities for individuals to address pressing needs of diverse communities and populations throughout the United States. As a target constituency, American young people have raised their voices in support of the national service legislation. YPFNS proposes three packages of amendments to this legislation to ensure a successful service initiative. The rationale behind these amendment packages is as follows:

RATIONALE FOR AMENDMENT PACKAGE #1: Enhancing Young Peoples' Roles

YPFNS Amendment Package #1 seeks to enhance the role of young people in all aspects of the national service program. The proposed amendment package would (1) mandate the inclusion of young people on the Board of the National Service Corporation and the State Commissions on National Service; and, (2) assure youth involvement in local program design and implementation.

Young people are key to the national service initiative. The mandate for national service in fact pivots around the program's primary intended constituents: Americans between the ages of 16-25. These participants include those who will serve through the K-12 service programs, college students, and out of school service participants. Therefore, direct involvement of diverse young people in all aspects of program design and implementation is key to realization of a program that will ensure successful youth commitment.

Mandated direct involvement of young people throughout program design and implementation will also help create a leadership cadre vital to our national future. Having non-youth attempt to represent young people's interests is not only ineffective in ensuring that the needs of young people are met -- it also impedes necessary development of strong and effective leadership skills for future generations. In short, without bona fide youth representation throughout all aspects of the program, the communities and populations to be served will be deprived of vital input, resources and abilities. YPFNS's proposed amendments will make sure the capable voices of the young people of America are heard.

RATIONALE FOR AMENDMENT PACKAGE #2: Ensuring Appropriate Outreach and Technical Assistance

YPFNS Amendment Package #2 seeks to assure appropriate outreach and technical assistance to ensure access and diversity in host communities and locally-based recipient organizations. Most importantly, the proposed amendments would (1) impose technical assistance requirements on the State Commissions; and, (2) create a mandatory public involvement process for development and implementation of State plans.

Outreach and technical assistance are the best methods of ensuring that the primary purpose of the national service legislation, to serve American communities and populations in need, is met. Only through state-level community outreach and training will access to diverse host communities and locally-based recipient organizations be possible. Furthermore, public participation in the development and monitoring of the service programs on state and local levels is essential to ensure that the program has a suitable impact on target communities. Thus, YPFNS's proposed amendments increasing outreach and technical assistance comports with the overall purpose of the legislation.

RATIONALE FOR AMENDMENT PACKAGE #3: Safeguarding Diversity Through Realistic Parameters for Education Awards

YPFNS Amendment Package #3 seeks to assure diversity in national service program participants by providing for adequate post-service national educational awards. The proposed amendment package would (1) increase the amount of the education award to at least \$6,500, and (2) provide for adjustments indexing the education award to average increases in state university costs. Only adequate benefits will guarantee access to service opportunities for diverse populations throughout the country. Furthermore, appropriate benefits for participants are necessary to ensure that the national service initiative can be an effective means of involving young people in helping address the unmet needs of communities nationwide.

For Further Information Contact

YPFNS, MLK Station, Post Office Box 34603, Washington DC 20043
or call Malkia Lydia at 202/659-8475 or Diane Jackson at 202/347-4136

**Note: Amendments are keyed to page and line number of H.R. 2010.
Alternative formulations of some amendments are provided.**

Package #1 -- Suggested amendments to enhance the role of young people in program design.

Include young people on the Board of the Corporation for National Service. Mandate youth representation on the Board, through an amendment to proposed section 192(a)(1):

Proposed Amendment

On page 166, strike lines 14-17 and insert in lieu thereof the following:

"(A) 11 members, including the Chairperson appointed under section 193, to be appointed by the President, by and with the advise and consent of the Senate, at least one of whom shall be a young person who is between the ages of 16 and 25 at the time of selection who is a participant or leader in service programs; and"

Package #1 -- Suggested amendments to enhance the role of young people in program design.

Include young people on the Board of the Corporation for National Service. Mandate youth representation on the Board, through an amendment to proposed section 192(a)(1). Also, increase the size of the Board to 15 members.

Proposed Amendment

On page 166, strike lines 14-17 and insert in lieu thereof the following:

"(A) 15 members, including the Chairperson appointed under section 193, to be appointed by the President, by and with the advise and consent of the Senate, at least one of whom shall be a young person who is between the ages of 16 and 25 at the time of selection who is a participant or leader in service programs; and"

Package #1 -- Suggested amendments to enhance the role of young people in program design.

Include young people on the State Commissions on National Service. Mandate youth representation on the State Commissions on National Service, through an amendment to proposed section 178(c)(1)(A):

Proposed amendment

On page 158, add a new subsection (D) after subsection (C) on line 1, to read

"(D) Young persons who are between the ages of 16 and 25 who are participants or leaders in service programs."

Package #1 -- Suggested amendments to enhance the role of young people in program design.

Include young people on the State Commissions on National Service. Mandate youth representation on the State Commissions on National Service, through an amendment to proposed section 178(c)(1)(A). Also, increase the size of the State Commissions to 15 members, through an amendment to proposed section 178(b).

Proposed amendment

On page 157, delete lines 13 through 15 and insert in lieu thereof the following:

"of the State. A State Commission shall consist of 15 voting members."

On page 158, add a new subsection (D) after subsection (C) on line 1, to read

"(D) Young persons who are between the ages of 16 and 25 who are participants or leaders in service programs."

Package #1 -- Suggested amendments to enhance the role of young people in program design.

Assure that young people are involved through the design and implementation of programs on a local level. Amend provisions setting forth the information that applicants may be required to provide to the National Corporation to clarify that participants must be involved in designing programs:

Proposed amendment

On page 32, delete lines 7-8 and insert in lieu thereof the following"

"(B) in leadership positions in designing, implementing and evaluating the program."

Package #1 -- Suggested amendments to enhance the role of young people in program design.

Make mandatory the requirements that states submit information to the National Corporation to enable the Corporation to consider the application. Proposed section 130(b) authorizes the Corporation to require information to be provided in an application to receive assistance and approved national service positions. Among the information that may be required is information describing the manner and extent of consultation with participants, representatives of the community and others in developing national service programs. The Corporation may also require information to be provided that describes the involvement of participants in implementing and evaluating national service programs. The proposed amendment builds on other amendments seeking to further involve participants and the public in the design of national service plans and programs, by mandating that the Corporation require that information that addresses the involvement of participants and the public be provided:

Proposed amendment

On page 30, line 12, delete "may" and insert "shall".

Package #1 -- Suggested amendments to enhance the role of young people in program design.

Section 131 requires applicants to provide assurances regarding the community impact and impact on participants of the national service programs to be carried out. Section 131 further requires applications to include assurances that consultation will be undertaken in design, recruitment and operation of the program. Section 131 should be amended to clarify that input from potential program participants must be sought:

Proposed amendment

On page 38, line 3, after "served," insert "potential participants,".

Package #1 -- Suggested amendments to enhance the role of young people in program design.

Provide, through report language or statutory language, for participation by young people and participants in task forces created to assist in design, implementation and evaluation of programs/advisory councils to ensure youth participation and involvement in all levels of decision-making in the State Commission's processes. Proposed section 195(e) provides for the Chairperson, on advice of the Board of the National Corporation, to establish advisory committees. Any such advisory committee should include representation by young people.

Proposed amendment

On page 190, line 16 insert the following new sentence:

"Young persons, as represented by participants and leaders in service programs who are youth, including participants in K-12 service programs, college students and out of school service participants, shall be included on all advisory committees."

Package #1 -- Suggested amendments to enhance the role of young people in program design.

Provide, through report language or statutory language, for participation by young people and participants in task forces created to assist in design, implementation and evaluation of programs in which young people will be participants/advisory councils to ensure youth participation and involvement in all levels of decision-making in the State Commission's processes. Proposed section 195(e) provides for the Chairperson, on advice of the Board of the National Corporation, to establish advisory committees. Any such advisory committee that is charged with responsibility for issues involving the design, implementation and evaluation of national service programs involving young people as participants should include representation by young people.

Proposed amendment

On page 190, line 16 insert the following new sentence:

"Young persons, as represented by participants and leaders in service programs who are youth, including participants in K-12 service programs, college students and out of school service participants, shall be included on all advisory committees formed to address issues that will affect the design, implementation and evaluation of national service programs involving young people as participants."

Package #2 -- Suggested amendments to assure appropriate outreach and technical assistance to ensure access and diversity in host communities and locally based recipient organizations.

Existing authority in the legislation for the provision of technical assistance by the National Corporation should be made mandatory. Section 125, which provides authority for the National Corporation to provide appropriate technical assistance to a variety of groups, including organizations operated by young adults, subdivisions of States, and public and private non-profit organizations, should be amended:

Proposed Amendment

On page 21, line 17, delete "may" and insert in lieu thereof "shall".

Package #2 -- Suggested amendments to assure appropriate outreach and technical assistance to ensure access and diversity in host communities and locally based recipient organizations.

State Commissions should be required to provide technical assistance. Proposed section 178(e) enumerates the mandatory duties of State Commissions, which includes in subsection (8) "development of projects, training methods, curriculum materials, and other materials and activities related to national service programs that receive assistance directly from the Corporation or from the State. . . ." This language may be read to refer to programs once selected, however, and therefore may not adequately address the need for pre-selection outreach through the provision of technical assistance.

In addition, section 198A provides for the establishment of one or more clearinghouses, which may perform a variety of services, including, under subsection (5), providing information, curriculum materials, technical assistance relating to planning and operation of community service programs to States and entities eligible to receive funds. The information provided by clearinghouses could provide a tool for state technical assistance programs.

Proposed Amendment

On page 161, after line 13, insert a new subparagraph (5) as follows:

"(5) Making technical assistance available to enable communities and locally-based organizations to plan and implement national service programs and to apply for assistance, utilizing, as appropriate, information and materials available through the clearinghouses established under section 198A."

Renumber all succeeding subparagraphs accordingly.

Package #2 -- Suggested amendments to assure appropriate outreach and technical assistance to ensure access and diversity in host communities and locally based recipient organizations.

Impose a mandatory technical assistance requirement on the National Corporation. Proposed section 198(e) authorizes the National Corporation to provide training and technical assistance to enable individuals, local governments, community-based agencies, and other entities to apply for funding under one of the national service laws. This requirement should be made mandatory.

Proposed Amendment

On page 124, line 17, delete "may" and insert in lieu thereof "shall".

Package #2 -- Suggested amendments to assure appropriate outreach and technical assistance to ensure access and diversity in host communities and locally based recipient organizations.

Assure adequate involvement in the development and implementation of national service plans for the State by State Commissions through a mandatory public involvement process. The duties of state commissions enumerated in proposed section 178(e) should explicitly include requirements for conducting a process to solicit public views and comments in the development/design stage of State national service plans.

Proposed Amendment

On page 160, line 24, delete "and" and insert the following new subsection:

"(C) has been developed with appropriate opportunities provided for the presentation and consideration of public views and comments; and"

and renumber the succeeding section accordingly.

Package #3 -- Assuring diversity in national service program participants by providing for adequate post-service national service educational awards.

Increase the amount of the post-service award, and provide that the amount of the award will be adjusted annually to take into account increases in college costs.

Proposed Amendment

On page 64, lines 7 and 8, delete "equal to \$5,000" and insert in lieu thereof "of at least \$6,500".

On page 64, line 9, add a new sentence:

"The value of a national service educational award shall be adjusted annually by the Corporation based on the average increase in costs at state universities."

Package #3 -- Assuring diversity in national service program participants by providing for adequate post-service national service educational awards.

Provide that the amount of the post-service award will be adjusted annually to take into account increases in college costs.

Proposed Amendment

On page 64, line 7, delete "equal to" and insert in lieu thereof "of at least".

On page 64, line 9, add a new sentence:

"The value of a national service educational award shall be adjusted annually by the Corporation based on the average increase in costs at state universities."

Package #3 -- Assuring diversity in national service program participants by providing for adequate post-service national service educational awards.

Provide that the value of the post-service award will be preserved by empowering the Corporation to determine whether adjustments in the amount of the award are necessary to account for inflation/increases in tuition costs.

REVISED Proposed Amendment

On page 64, line 9, add a new sentence:

"The Corporation shall annually consider the need for adjustments to preserve the value of the national service educational award to account for inflation and/or increases in the cost of attending institutions of higher education, and may provide for an increase in the amount of the award in any succeeding year, Provided that the amount of increase shall not exceed, in any one year, the average increase in costs of attending state universities, measured against such costs in the previous year."



"Organizing and Advocating for Students Across the Country"

United States Student Association / 815 15th St., NW Suite 838 / Washington D.C. 20005 / (202) 347-USSA
FAX# (202) 393-5886

March 19, 1993

Preliminary List of United States Student Association Recommendations National Service Trust Fund Act of 1993

USSA affirms our support for the overall direction and many of the specifics of the National Service Trust Fund Act of 1993. Specifically we would like to express our support for the following provisions:

- The allowance of part-time service, which will allow many non-traditional students to participate;
- The federal requirement of and contribution to child care and health care costs, allowing individuals who are supporting themselves to do service;
- The exemption of the educational award from taxes and from consideration in eligibility for financial aid and other federal benefits and of the stipend from consideration in eligibility for federal benefits;
- The diversity of programs that are eligible to participate, including many campus-based programs;
- The commitment to involve participants in meaningful experience and in leadership positions;
- The many provisions to require consultation with labor leaders and prevent job displacement.

At the same time, we wish to express our concerns. First and foremost, we have continually stated (and been reassured by administration officials) that National Service in no way replaces the need for the need based federal financial aid programs. Yet while new money is being requested for National Service, President Clinton has at the same time proposed to cut campus based aid programs, to eliminate State Student Incentive Grants, and to reduce the average Pell Grant by \$120 per student. We feel that passage of the National Service Trust Fund Act of 1993 must be accompanied by a renewed Congressional commitment to these critical financial aid programs. Otherwise the promise that National Service will enhance educational access is an empty one. Secondly, we propose some specific changes to the legislation in order to make it live up to its true promise. These proposals follow.

(1) FORBEARANCE

Section 148 (e) Interest Payments During Forbearance on Loan Repayment

(e) change to "The Corporation SHALL provide by regulation for the payment..."

Those individuals who are doing National Service are supposed to benefit from loan forgiveness. If interest continues to accrue on their loan while they are doing service, this program will provide a nominal benefit (especially if the educational award remains at \$5000.) It will not provide a significant

educational benefit to those with high loan debt. We therefore suggest that for those individuals who do not qualify for an economic hardship deferment, the Corporation pay the interest accruing on their loan.

if in 10/1/82
(2) PART-TIME SERVICE

Sec 139 TERMS OF SERVICE (b) (2) Part-time Service

"Except as provided in paragraph (3), an individual performing part-time national service in an approved national service position shall agree to participate in the program sponsoring the position for not less than 1,700 hours during a period of not less than 1 year and not more than 2 years."

Change 2 years to 3 years.

An individual would need to work 17 hours per week for 50 weeks in order to do 1700 hours in two years. We suggest allowing programs a little more flexibility to demand a commitment of 10-12 hours and still achieve the full educational award.

(3) STIPEND LEVELS

Sec 140 LIVING ALLOWANCES FOR NATIONAL SERVICE PARTICIPANTS

(a) Provision of Living Allowance

Insert between (1) and (2)

"(2) The Corporation shall certify programs with a diversity of living allowance levels in order to insure that there are opportunities for national service which pay the average VISTA subsistence allowance and above."

While we understand the reluctance of Congress to force programs to pay minimum wage, we would hope that the legislation would urge the Corporation to make the commitment that there will be opportunities available for those individuals who require a living wage in order to support themselves.

(4) CHILD CARE

Sec 140 LIVING ALLOWANCES FOR NATIONAL SERVICE PARTICIPANTS

(e) Child Care (1) Availability (A) "make child care available for children of each full-time participant...or (B) provide a child care allowance to each full-time participant"

Strike "full-time."

Many individuals who need child care will not be able to make a full-time commitment, but will be doing service part-time in order to also hold a job to support themselves and their children. Making the requirement that individuals must serve full-time in order to receive child care assistance defeats the purpose of seeking to open this program up to those with dependents.

(5) GED REQUIREMENT

A. Sec 146 INDIVIDUALS ELIGIBLE TO RECEIVE A NATIONAL SERVICE EDUCATIONAL AWARD FROM THE TRUST (a) Eligible Individuals

"(3) has received a high school diploma, or the equivalent of such diploma, at the time the individual uses the national service educational award; and"

Add "or is accepted by an institution on an ability to benefit basis and is deemed eligible for funds under the Higher Education Act, Title IV, Sec. 484."

Confirm -
change to
Sec. 137(a)(5)

State Commission

B. Sec 131 National Service Program Assistance Requirement

(b) (2) "provide support services to participants, such as the provision of appropriate information and support — (A) to those participants who are completing a term of service and making the transition to other educational and career opportunities; and (B) to those participants who are school dropouts in order to assist those participants in earning the equivalent of a high school diploma."

Add a provision which states "The Corporation will provide programs with financial and informational resources and support in meeting this requirement."

SEA information to program about

Regarding A, those individuals who are attending institutions which judge them to have an ability to benefit (such as a California community college) should not be prohibited from using their educational award by the lack of a GED. This principle has been affirmed by Congress in voting to allow ability to benefit students to be eligible for federal financial aid. The requirements for ability to benefit students are very strict and are currently being worked out in negotiated rulemaking over the Higher Education Act Amendments of 1992. Regarding B, we hope that the Corporation will provide assistance so that all programs can meet this need. (ED)

(6) FIVE YEAR REQUIREMENT

Sec 146 INDIVIDUALS ELIGIBLE TO RECEIVE A NATIONAL SERVICE EDUCATIONAL AWARD FROM THE TRUST (d) Time for Use of Educational Award

"(1) Five-year Requirement. An individual eligible to receive a national service educational award under this section may not use such award after the end of the 5-year period beginning on the date the individual completes the term of service in an approved national service position that is the basis of the award. (2) Exception — the Corporation may extend the period within which an individual may use a national service educational award if the Corporation determines that the individual — (A) was unavoidably prevented from using the national service educational award during the original five-year period; or (B) performed another term of service in an approved national service position during that period."

Add "or (C) is pursuing, and has been pursuing for a minimum of two years, a course of study as determined by an eligible institution."

Many students will not be able to begin college right away and, particularly if they are attending part-time, will need a longer period of time in order to utilize their educational award. This is particularly true of individuals attending low cost public institutions.

(7) EDUCATIONAL AWARD AMOUNT

Sec 147 DETERMINATION OF THE AMOUNT OF THE NATIONAL SERVICE EDUCATIONAL AWARD

(a) "Amount Generally — Except as provided in subsection (b), an individual described in section 146(a) who successfully completes a required term of service in an approved national service position shall receive a national service educational award having a value equal to \$5000 for each of not more than 2 of such terms of service"

Change \$5000 to \$10,000

Add "The amount shall be adjusted each year by the Corporation according to the change in average public college costs as determined by the Secretary."

↓ does award have to be used within 5 years or finished within 5 years.

The promise of this program to many students was that it would pay off all of their loan debt. Even if the program cannot do this, it should make a more serious commitment to eradicating loan debt than is currently provided by the \$5000 figure. Many students are graduating \$20,000 or more in debt, and these students should be able to benefit from participation in national service. Moreover, the amount of the educational award should be adjusted each year to keep up with increases in college costs.

(8) LOAN REPAYMENT

Sec 148 DISBURSEMENT OF NATIONAL SERVICE EDUCATIONAL AWARDS

Yes (b) Use of Educational Award to repay outstanding student loans (1) "an eligible individual under section 146 who desire to apply his or her national service educational award to the repayment of qualified student loans shall submit, in a manner prescribed by the Corporation, an application to the Corporation that — (A) identifies, or permits the Corporation to identify readily, the holder or holders of such loans; (B) indicates, or permits the Corporation to determine readily, the amounts of principal and interest outstanding on the loans; and" Add "(C) specifies, if the outstanding balance is greater than the amount disbursed under paragraph (2), which of the loans the individual prefers to be paid by the Corporation."

Sec 148 DISBURSEMENT OF NATIONAL SERVICE EDUCATIONAL AWARDS

Yes (b) Use of Educational Award to repay outstanding student loans (3) Application of Disbursed Amounts "If the amount disbursed under paragraph (2) is less than the principal and accrued interest on any qualified student loan, such amount shall first be applied to the repayment of principal."

Yes Add "If the amount disbursed under paragraph (2) is less than the total outstanding balance and the individual holds multiple loans, such amount shall be applied according to the specified priorities of the individual."

use of benefit for costs of attendance

Sec 148 DISBURSEMENT OF NATIONAL SERVICE EDUCATIONAL AWARDS

Yes (b) Use of Educational Award to repay outstanding student loans

Between (4) and (5) insert "(5) Notification of Individual — The Corporation upon disbursing the national service educational award, shall notify the individual of the amount paid for each outstanding loan and the date of payment."

Trust

These provisions allow individuals to choose which of their loans they want to be forgiven, and insures that individuals are notified fully of which of their loans have been repaid.

(9) PRE-COLLEGE EDUCATIONAL BENEFIT

Sec 148 DISBURSEMENT OF NATIONAL SERVICE EDUCATIONAL AWARDS

No (c) Use of Educational Awards to pay current educational expenses (3) Disbursement of Payment — "Upon receipt of a statement from an institution of higher education that complies with paragraph (2), the Corporation shall, subject to paragraph (4), disburse the total amount of the national service educational awards for which eligible individuals who have submitted applications to that institution under paragraph (1) are qualified. Such disbursement shall be made by check or other means that is payable to the institution and requires the endorsement or other certification by the eligible individual.

There must be a provision for the educational benefit to be usable for costs of attendance that are not paid directly to the university. Does this legislation intend to allow students to utilize

use of benefit for costs of attendance

their educational award for costs such as books, supplies, travel, and room and board not paid directly to the university?

Since Section 472 of the Higher Education Act of 1965 protects against fraudulent use of Title IV funds, and allows for the use of such funds for other "educational expenses" after tuition, National Service Educational Awards should be disbursed on the same basis (first for tuition, the remainder to the student for said "educational expenses"), as Pell Grants. Section (c)(6) specifies that only the amount needed for cost of attendance will be disbursed, which will insure that the award will not be used for other purposes. Students who do service before college must be able to use their award for education related expenses just as those who took out student loans which are forgiven through post-college national service.

(10) NON-DISCRIMINATION

Sec 175 NONDISCRIMINATION (a) (1) "An individual with responsibility for the operation of a project that receives assistance under this title shall not discriminate against a participant in, or member of the staff of, such project on the basis of race, color, national origin, sex, age or political affiliation of such participant or member, or on the basis of disability, if the participant or member is a qualified individual with a disability."

Add "sexual orientation" to the list.

This program should not discriminate against any student. This is especially important since the only other service available to individuals to help pay for college are military scholarship programs, which are closed to lesbian, gay and bisexual individuals.

(11) STUDENT ROLE IN GOVERNANCE

Title II ORGANIZATION Sec 178 STATE COMMISSIONS ON NATIONAL SERVICE

(c) Required Members (a national service program, local government, labor union) or (d)

Sources of other Members (CBO's, youth participants, educators, experts in delivery of service, business)

(c) add to Required Members "a current national service participant."

Subtitle G Sec 192 BOARD OF DIRECTORS (a) Composition (2) Qualifications

Add "(F) so that young people and students are represented on the Board."

(12) DISABILITY RELATED EXPENSES

Section 140 LIVING ALLOWANCES FOR NATIONAL SERVICE PARTICIPANTS

We suggest adding a provision specifying that the federal government will provide programs with funds needed in order to pay for participants' disability related expenses.

This is critical in terms of making sure that individuals with disabilities can participate. Currently the Pell Grant formula takes disability related expenses into account. We suggest that the federal government also do so with National Service and set the stipend level accordingly.



COUNCIL OF CHIEF STATE SCHOOL OFFICERS

One Massachusetts Avenue, NW, Suite 700, Washington, DC 20001-1431 • 202/408-5505 • FAX 202/408-8072
Resource Center on Educational Equity State Education Assessment Center

May 21, 1993

The Honorable William Ford
Chairman
Committee on Education and Labor
2181 Rayburn House Office Building
Washington D.C. 20515

p 78, line 11 "State" to
"State educational agencies"
p 82, line 23,

Dear Mr. Chairman:

I am writing on behalf of the Council of Chief State School Officers to commend the President and Congress's efforts to develop the "National Service Trust Act of 1993." The Act provides the framework for the creation of essential service and educational opportunities for America's citizens. We write to offer particular support for Section 103 of Title I, which extends the school-based service-learning programs begun under Serve America of the National and Community Service Act of 1990, and to suggest two important revisions to this component of the legislation.

- The legislation makes clear that the state education agency (SEA) is responsible for developing the application and implementing service-learning programs. However, specific provisions are need to assure funds for service-learning programs are directed to the SEA. Routing the funding for school-based programs through another agency, entity, or the governor's office impedes smooth and effective program development and implementation, delaying funds to the local level and inhibiting the creation of sustainable and system-wide programs.

education agency instead of state

Section 113 (a) makes the SEA responsible for preparing and submitting the service-learning plan to the Corporation. Since the SEA is the primary agency responsible for elementary and secondary programs in which service-learning will be developed and expanded under this legislation, this structure is essential to effective operation of the programs.

However, as in the National and Community Service Act of 1990, the legislative provisions channel funds to the "State," which means the governor's office. Section 111 (a) reads: "The Corporation, in consultation with the Secretary of Education, may make grants... and allotments... to States and Indian Tribes...".

State experiences under the National and Community Service Act of 1990 have proved that this funding structure impedes smooth development and operation of service-learning programs.

The National and Community Service Act created a state administrative structure headed by a lead agency, designated by the governor in each state, to function as a coordinating and fiscal agent for the state grant. In many states, the SEA was not the designated lead agency. Where this occurred, bureaucratic delays -- and in some states outright stoppage -- in transfer of funds from the lead agency to the SEA delayed funds to the local level, prevented development of system-wide programs, and resulted in programs that were not sustainable. Pennsylvania, North Carolina, and Washington provide just three examples.

In Pennsylvania, a recognized leader in service-learning, the SEA was not designated the lead agency. Funds were not immediately transferred to the SEA, and this caused nearly a full year's delay in funding local schools and districts.

In North Carolina, the SEA was integrally involved in planning the application for funds under the Act. However, when the state received funding, funds were channeled from the governor's office directly to private agencies and local education agencies (LEAs), without regard for the statewide plan or the local application process. In this instance, the development of service-learning programs occurred only piece-meal in the state. There was no systemic nor system-wide integration of service-learning into the state's curriculum -- and many students had no access to the service-learning program.

In Washington state, the agency designated as the lead agency by the governor is now being dissolved. It is unclear what will be the fate of the service learning programs. Without the leadership of the SEA in the development and implementation of service-learning programs, such programs may not be sustained.

To efficiently deliver funds to the local level and to create systemic and sustainable service-learning programs, the Council recommends that the new legislation specifically authorize the Corporation to award grants for the school-based program directly to SEAs.

- The legislation requires the creation of State Commissions to oversee the national service program, wherein participants will be placed in education, human services, environmental and other service slots. The Commission, to be most effective, should include representation from the state agencies responsible for the programs providing service slots.

While the legislation includes specifications about the composition of the State Commission, it does not include representation of state agencies. Inclusion of state agency representatives, especially from agencies with primary responsibility in areas such as health and human services, education, and the environment, is essential to

assure that national service activities are aligned with other state programs. For example, if a state chooses to provide service opportunities primarily in educational services for disadvantaged children, the State Commission will need to be knowledgeable about the state's programs for disadvantaged children. A representative of the state agency primarily responsible for elementary and secondary education (as defined in the Elementary and Secondary Act of 1965) should function in this capacity as a member of the State Commission.

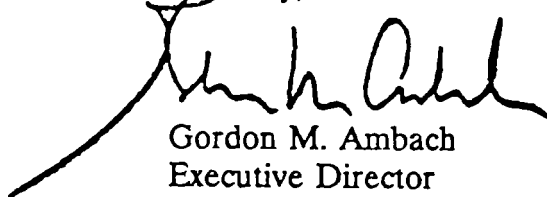
In education specifically, it is essential that efforts under the national service plan be coordinated with the overall systemic improvement plans for education under Goals 2000. Likewise, the state's national service priorities could then be fed back into the state's systemic improvement plan for education. Inclusion of an SEA representative on the State Commission would promote such coordination.

In addition, state agency representatives could also provide assistance to the Commission in its planning process by helping to identify important state needs.

To integrate national service with other state programs and to build a long-lasting state infrastructure for national service in a state, the Council recommends that state agencies be represented in the composition of State Commissions.

Providing service-learning opportunities to all K-12 students is a high priority of the Council of Chief State School Officers. The National Service Trust Act of 1993, with the above-mentioned revisions, would greatly expand such opportunities for school children. Again, we commend you for your leadership in this area, and we look forward to working with you to help enact this important legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Gordon M. Ambach", with a long, sweeping horizontal line extending to the left.

Gordon M. Ambach
Executive Director

cc: Members of the Education and Labor Committee

To: Jack Lew, Robert Gordon, Tom Sanders, Marty Rodgers, Gene Sofer

From: Wendy Kopp

Re: Suggestions for the National Service Legislation

Date: May 17, 1993

Sec. 122 (a) (8)

We feel that this section should read: "a professional corps program that recruits, *trains* and places qualified participants in positions...." (Addition italicized.) Successful professional corps involve extensive training and ongoing professional development, and we want to be sure that program assistance for professional corps can be used to cover these costs.

may train / may not

Y/EJ

OK

Sec. 129 (d) (2)

We hope that the report of the Committee will clarify the intention of the drafters that the funding allocated directly by the Corporation be allocated to a mix of private and public agencies. We would hope that no more than 60% of this funding would be allocated to public agencies, except in the case of insufficient proposals from the private sector.

OK

Sec. 130 (b) (3)

This requires that organizations which apply for a renewal of program assistance demonstrate success in "reducing their reliance on Federal funds." This seems potentially problematic given that the private sector is also looking for a demonstration of reduced reliance on private funds. As one example, Teach For America is currently supported 100% by private sources. Yet, based on what we are hearing from these sources, we feel that we must find half of our budget from the federal government if we are to continue to exist. We are hoping to *perpetuate* Teach For America as a public/private partnership. Therefore, we have two concerns: (1) we feel this language should apply only to Federal funds gained through this Act (i.e. programs could gain more funding from other federal agencies, etc.); and (2) we feel that programs should be required only to demonstrate that they are *not increasing* their reliance on these funds. We believe this language should be: "if the application is submitted for the purpose of seeking a renewal of assistance, a demonstration that the program is not increasing its reliance on the funding provided through this Act."

Y/EJ

OK

Sec. 130 (e)

This reads: "In the case of an applicant that proposes to serve as the service sponsor, the application shall include the written concurrence of any local labor organization representing employees of the applicant who are engaged in the same or substantially similar work as that proposed to be carried out." We may not have to demonstrate union concurrence given that Teach For America does not directly employ other teachers, although the spirit of this section seems to imply that we would. Would it be possible to clarify this in the Committee's report? If there is a possibility that we will have to demonstrate union concurrence, we would feel much more comfortable if the language "*which may not be unreasonably withheld*" were added after the word *concurrence*.

Y/EJ

OK/None

Sec. 131 (e) (1), Sec. 140 (c)

Given that professional corps will not always directly provide corps members' salaries, the word "provide" should be changed to "*ensure the provision of*."

Y/EJ

OK

Sec. 131 (d) (1) (A)

This language states that programs receiving assistance must arrange for independent evaluations. This certainly seems reasonable, and yet our experience with independent

Y/EJ

evaluators leads me to question it. Teach For America has spent hundreds of thousands of dollars looking for good independent evaluators, with no success, and I have heard from numerous education organizations and non-profits that we are not alone in our experience with this. Finally, we established an internal evaluation team of three people which is responsible for ensuring effective evaluations for internal program development and external communication to our constituencies. (An independent Advisory Panel guides this evaluation effort.) We feel that the legislation would enable programs to save a great deal of money and energy, while at the same time enabling more effective evaluations, if the language in this part were as follows: "arrange for an independent evaluation, *or an internal evaluation approved by the Corporation*, of any national service program...."

OK

Sec. 131 (f)

This gives the Corporation authority to require that national service programs receiving assistance select a portion of the participants from among prospective participants recruited by the Corporation or State Commissions. We believe that the Corporation should not have the authority to make this requirement of programs that select participants on the basis of their qualifications, although these programs could be required to allow such "prospective participants" to *apply* to their programs. In fact, we think it would probably be better for all programs (even those in which participants are chosen randomly) if the language "will select a portion of the participants for the program from among prospective participants recruited by the Corporation or State Commissions" was replaced with "*will consider, through their regular selection processes, prospective participants recruited by the Corporation or State Commissions....*"

ND

Sec. 140 (c) (2)

This section states that professional corps may only apply directly to the Corporation for assistance. Because we feel that professional corps should be an integral piece of the national service framework, we believe that they should be able to apply for those funds which are awarded to states on a competitive basis. We do not believe there is a danger that such a provision would enable states to use funds received through this Act to supplant state or local dollars given that corps members' salaries cannot be subsidized by the Act. Thus, any funds provided by the Act would be spent in recruiting, selecting, and training individuals to meet *unmet* needs; these functions are clearly not already performed by states and localities. Thus, we believe that this language should read: "the applicant shall apply for such assistance only by submitting an application to the Corporation *or by applying for assistance under Sec. 129(d).*"

ND

Sec. 178 (e) (8)

This explains that State Commissions are responsible for development of projects, training methods, curriculum materials, and other materials and activities related to national service programs that receive assistance directly from the Corporation or from the State using assistance provided under section 121. Because it is important for national professional corps to provide all of their corps members with a common experience, we would be concerned if professional corps which receive funding directly from the Corporation were required to take part in different training activities in each of the states in which they operated. We believe that "*directly from the Corporation or*" should be eliminated from this language.

KJ
α



TO: Gene Sofer
House Education and Labor Committee

FROM: Ellie Young
Executive Director

DATE: May 20, 1993

RE: National Service Trust Act of 1993

Volunteer Maryland is one of the national service demonstration projects funded by the Commission on National and Community Service. We, and the other seven demonstration projects, can offer the opportunity for Congress to see models of national service in action and to learn practical "lessons" in operating national service programs.

We have learned that to recruit and retain a diverse body of national service participants -- poor and rich, young and old, rural and urban, and more -- it is important to offer post-service benefits. Post-service benefits play a major role in reducing attrition of participants. Service is a tough job ("the toughest job you'll ever love" is what we tell our corps members) and hence, the post-service benefit is an incentive for the participant to get through the most challenging and trying times during their year of service.

We offer two ideas to make the post-service benefits in the National Service Trust Act of 1993 more useable and relevant to a broad range of participants:

1. Ensure that the educational award can be used for full-time and part-time enrollment in an institution of higher education. For example, we know of low-income national service participants who will not have the financial resources to study full-time even with the aid of their \$5,000 educational award. These individuals would like to further their educations. Hence, they will benefit greatly from the ability to use their educational award for part-time study while holding down a 40 hour a week job.

YES



WILLIAM DONALD SCHAEFER, GOVERNOR
STATE OF MARYLAND

Governor's Office on Volunteerism
100 Community Place
Crownsville, Maryland 21032

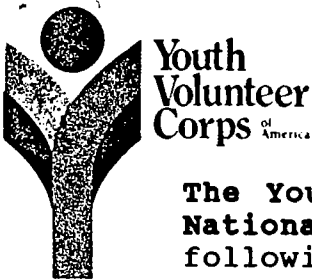
phone: 410-514-7270
fax: 410-514-7277

2. Enable educational awards to be transferable (or portable) to family members. We know of many national service participants, especially part-time participants and older participants, who would like the ability to use their educational voucher to further the education of their child or grandchild. In some cases, participants will benefit from the ability to transfer their voucher towards their spouses' student loan payments.

NO

We can provide specific examples and stories of national service participants in Volunteer Maryland who will benefit from the above ideas. We believe that these ideas will enable and result in a broader range of national service participants from all economic, cultural and social backgrounds.

We appreciate your interest and attention to this matter. Please do not hesitate to contact me if you need further information. I can be reached at 410-514-7270.



The Youth Volunteer Corps of America strongly supports the National Service Trust Act of 1993. We suggest that the following changes would substantially strengthen the Act:

1. Competitive Distribution of Funds for National Service Slots to Federal Agencies and Other Applicants [Sec. 129(d)(2), pp. 26-27]

Currently, Federal agencies -- along with subdivisions of States, Indian tribes, public and private not-for-profit organizations (including labor organizations), and institutions of higher education -- are eligible to compete for one-third of the national service slots.

Proposed change: ~~Delete Federal agencies and subdivisions of States from eligibility for this competitive one-third. Or, at a minimum, hold Federal agencies to the same 25 percent matching funds requirement that other applicants must satisfy.~~ And, add a provision stating that no more than 25 percent of these funds can be awarded to Federal agencies and subdivisions of states, combined.

NO
workout
YES

Rationale: Federal agencies, because of their size and influence, are likely to overshadow the other eligible applicants for these funds. The lack of a match requirement gives Federal agencies yet another comparative advantage over other applicants. Finally, without a cap on the percent of funds that can be awarded to Federal and state agencies, it is quite possible that such agencies would swallow up virtually all of this competitive funding.

2. School-Based Programs to Implement, Operate, or Expand School-Based Service-Learning Programs through Local Partnerships Among Local Education Agencies and Community Partners [Sec. 111(a)(2)(B)(i)]

Currently, such programs may be operated by LEAs and "one or more community partners that shall include a public or private not-for-profit organization", with no qualifying requirements for such not-for-profit organization.

Proposed change: Specify that the community partners shall include "a public or private not-for-profit organization with a demonstrated and extensive expertise in the provision of services to meet human, educational, environmental, or public safety needs; and that was in existence 1 year before the date on which the organization submitted the application."

YES

Rationale: The proposed language mirrors qualifying language elsewhere in the Bill (e.g., Sec. 117(2)(B); and Sec. 133(d)(2)(E). Also, the proposed change would increase the likelihood that such programs would be successful, by ensuring that LEAs join with community partners that have a track record in providing relevant services.

3. Composition and Membership of State Commissions on National Service [Sec. 178(c)(1)(A), p. 156]

Currently, The State Commission must include as voting members at least one member from three categories; one of those categories is "(A) A national service program, such as a youth corps program, a service program for school-age youth, and a program in which older Americans are participants." ND

Proposed change: Rather than mandate that one of the three aforementioned types of service programs be represented, each of the three should be represented. Thus, the language for Sec. 178(c)(1) should specify "... at least one representative from each of the following categories:

- (A) A national service program, such as a youth corps program.
- (B) A service program for school-age youth.
- (C) A program in which older Americans are participants.
- (D) Local governments in the State.
- (E) Local labor organizations.

Rationale: National service programs, service programs for school-age youth, and programs in which older Americans are participants are likely to have quite different policy positions and program biases; none of the three could be expected to adequately represent the interests of all three.

The Youth Volunteer Corps of America is a coast-to-coast network of proven, cost-effective programs involving young people from diverse ethnic and socio-economic backgrounds in sustained community service. Volunteers, ages 11-18, participate in service projects that address pressing social issues such as homelessness, illiteracy, the environment, and care of the elderly and disabled. Since 1987, thousands of young people participating in YVC programs across the country have contributed over 300,000 hours of local community service.



To: Tom Sanders, Senior Advisor for National Service
Fr: Eden Fisher Durbin, Assistant Director
Re: National Service Trust Act of 1993
Date: May 27, 1993

YMCA of the USA
Washington Office
1701 K Street, N.W., Suite 903
Washington, D.C. 20006
202-835-9043

Barbara C. Roper
Chairman, National Board

David R. Mercer
National Executive Director

The YMCA of the USA heartily endorses the National Service Trust Act of 1993. YMCAs believe that government should support initiatives that strengthen the service ethic and challenge all to respond, collectively as well as individually, to the social and environmental needs of their communities. These initiatives should be locally based and should offer a wide range of opportunity for involvement. To this end, the YMCA recommends the following changes to the National Service Trust Act:

Distribution of Funding to National Service Projects Provided by States, Federal Agencies and Other Organizations [Section 129 (a) (1) and (d) (1) and (2)].

- 1) **Current Language:** Currently, states are allocated 1/3 of the funding for national service programs, may compete for 1/3 of the funding, and may compete with Indian tribes, public and private not-for-profit organizations, institutions of higher education, and Federal agencies for the remaining 1/3 of the funding.

Proposed Changes: Delete Federal agencies and subdivisions of states from eligibility under the remaining 1/3 of the national service funding, OR: 1) require Federal agencies to comply with the same matching requirements as other applicants; and 2) cap the amount of funding available to Federal agencies and subdivisions of states to no more than 25%, combined. NO

Rationale: The size, influence, and access to resources that Federal agencies and subdivisions of states enjoy afford them an unfair advantage when competing with other applicants under the remaining 1/3rd of the national service funding. As a result, deleting eligibility or capping the funding for Federal agencies and subdivisions of states is warranted. Additionally, the lack of a matching requirement for Federal agencies creates an unlevel playing field between Federal agencies and other applicants.

Subtitle B- School-based and Community-based Service Learning Programs [Section 111 (a) (2) (B) (i)].

- 1) **Current Language:** Funding may be provided to service learning projects operated by partnerships among local educational agencies and public or private not-for-profit organizations. NO

YMCA Mission:
To put Christian principles
into practice through
programs that build healthy
body, mind, and spirit for all.

Proposed Change: Specify that local educational agencies shall collaborate with private not-for-profit organizations with a demonstrated and extensive expertise in the provision of services to meet human, educational, environmental, or public safety needs; and that was in existence 1 year before the date on which the organization submitted the application.

Rationale: The proposed language is consistent with eligibility requirements specified elsewhere in the Act (e.g. Sections 117 (2) (B) and 133 (d) (2) (E)). In addition, the language would ensure the development of effective programs between schools and community-based organizations with the experience and expertise of developing and implementing enriching service programs.

Subpart B- Community-based Service Programs for Youth [Section 117C (b)].

- 1) **Current Language:** To be eligible to receive a grant from the Corporation under section 117A (a) to implement, operate, expand, or replicate a community service program, an organization must submit an application that proposes a community-based service program to be carried out at multiple sites, or that proposes an innovative community-based service program.

Proposed Change: Delete the requirement that programs be multi-site or innovative; require instead that organizations develop a meaningful service program that meets unmet human, educational, environmental, or public safety needs.

Rationale: The proposed language: 1) is consistent with eligibility requirements specified elsewhere in the Act (e.g. Section 122 (a) (1) and (2) (A)); 2) supports one of the key purposes of the Act, (Section 2 (b) (5) and (6)): reinvent government to eliminate duplication, support locally established initiatives....build on the existing organizational service infrastructure of Federal, State, and local programs...; and 3) does not prohibit organizations with well-established, single-site programs from applying for funding.

Local Application Requirements [Section 117C (d) (3) (I)].

- 1) **Current Language:** An organization interested in applying for funding to support a community-based service program shall submit an application that includes a description of how participants will be organized into teams, with team leaders.

Proposed Change: Delete the requirement that programs organize participants into teams with team leaders.

Rationale: Many effective community-based programs with long histories of serving youth do not organize program participants into teams, but allow youth to participate in individual placement opportunities. For example, youth in YMCA child care programs, leaders clubs, or family programs participate in service projects to improve the community, but do not participate in regular group or team activities while in the program. The Act should support diverse program models, including individual placement programs, to address diverse community needs.

If you have any questions regarding the proposed changes to the National Service Trust Act of 1993, please contact Eden Fisher Durbin, Assistant Director, Public Policy, YMCA of the USA, (202) 835-9043.

① may where appropriate organize people into teams

*P109
line 10
"when appropriate,
after "teams,"*

✓

FOX, BENNETT & TURNER

750 17TH STREET N.W. SUITE 1100 WASHINGTON, D.C. 20006

T R A N S M I T T A I

NAME: Jack Lew

FIRM: Office of the National Service

RECEIVING TELECOPIER: 456-6420

FROM: Michael Brown

DATE: May 28, 1993

TIME: 4:59pm

TOTAL NUMBER OF PAGES: 4
(INCLUDING COVER SHEET)

IF TRANSMISSION PROBLEMS OCCUR, CALL: Wanda Dawkins

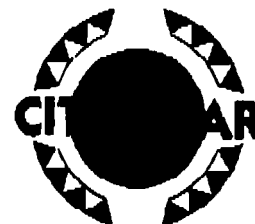
REGARDING:

THIS FACSIMILE MESSAGE IS CONFIDENTIAL AND MAY CONTAIN ATTORNEY-CLIENT, WORK PRODUCT OR OTHER PRIVILEGED COMMUNICATIONS OR INFORMATION INTENDED ONLY FOR THE INDIVIDUAL OR COMPANY NAMED ABOVE.

If the reader is not the intended recipient, you are hereby notified that any use, dissemination, distribution, or copying of this facsimile or any communication or information in it is strictly prohibited. If you have received this facsimile in error, please immediately notify us by telephone so that we may arrange for the return of the original message to us. Thank you.

TELEPHONE 202.778.2313

FAX 202.778.2330



May 28, 1993

HAND DELIVERED

Mr. Jack Lew
Office of the National Service
Old Executive Office Building
Room 145
Washington, D.C. 20500

RE: Waiver of National Service Education Benefit

Dear Jack:

It is very exciting that the House and Senate are scheduled to markup the National Service Trust Act on June 9th. We have been working, together with Chris Doherty our pro bono counsel and his firm, to help secure its passage. Thank you for all of your dedication and hard work to get to this point. The legislation is truly landmark, and all of us at City Year pledge our strongest possible support for its passage and successful implementation. As events move forward, if City Year can help in any way (calls, letters, etc.), please let us know.

We also appreciate your offer to us to bring you provisions of the legislation which we think are problematic for City Year's program. For reasons detailed below, we need the legislation to allow a program seeking to maximize the diversity of its participants, like City Year, to offer its graduates an alternative post-service benefit in lieu of the federal National Service Education Benefit, providing that (1) the program pays for the alternative benefit itself from non-Corporation funds; and (2) that the participant waives his/her right to the National Service Education Benefit.

This result could be achieved by adding a "Subsection (h)" to Sec. 148:

"(h) EXCEPTION --

"With the approval of the Director, an approved national service program funded under Sec. 121, may offer participants the option of waiving their right to receive a National Service Education Award in order to receive an alternative post-service benefit funded by the program entirely with non-Corporation funds."

no Federal

Mr. Jack Lew
May 28, 1993
Page 2

As you know, the single most important objective of City Year's programming has been to unite a truly diverse corps of participants for community service. In our five years of program experience we have found that young people join City Year for many reasons. We have designed our post-service benefit award so that it has the flexibility to appeal to young people with different backgrounds, experiences and dreams. Our flexible post-service benefit, which includes a cash readjustment option, is absolutely critical to a diverse corps' ability to attract and retain a cross-section of young people (see City Year demographics sheet attached), including and especially many low-income young people for whom a post-service educational award, as described in the legislation, is not a motivating incentive for entering a year of service. We believe that if we cannot maintain flexible options, City Year will lose its central rationale: uniting diverse young people for a common service experience.

In short, City Year's continued viability as a diverse corps is at stake.

It is vital that any alternative post-service benefit must be offered with the condition that a corps member waive his or her right to the federal National Service Education Award. Merely allowing a program to offer post-service benefits on top of the federal education benefit increases the overall cost of a national service initiative, and cannot be cost-justified. While we also support the Coalition's efforts to have the federal post-service benefit award more flexible in its use, City Year's programming depends upon the ability to offer young people an alternative post-service benefit with a waiver of the federal benefit.

We feel there is strong precedent for such a provision, in that the proposed legislation (Sec. 141(b) "Special Rule for VISTA Volunteers") offers VISTA participants an option of waiving their Federal National Service Education Award for a cash award. Non-federal programs, like City Year, especially those already operating successfully, should at least be allowed, with the approval of the Corporation, to use non-federal funds to provide a similar option.

Our hope is that such a provision could take effect immediately and, with the approval of the Director, be retroactive for programs currently funded by the Commission on National and Community Service. As you may know, the inability

Mr. Jack Lew
May 28, 1993
Page 3

for City Year to offer a waiver of the federal education benefit has already been problematic under the 1990 legislation.

We have concerns about certain other aspects of the legislation as well, which we hope to be able to address with you next week. We wanted to highlight our most pressing concern in a separate this letter.

Again, thank you for your work to move national service rapidly forward, and for considering our proposal. We have sent a similar letter to Shirley Sagawa. Chris Doherty, Gary Orren or myself will be in touch with you soon.

Sincerely,



Michael Brown
Co-Director

MB/cdd
Enclosure



CITY YEAR DEMOGRAPHICS FY90-FY93

		FY 1990	FY 1991	FY 1992	FY 1993	TOTAL
Enrollment	Fall	50	74	100	214	438
	Mid-Year	7	2	7	20	36
	Total	57	76	107	234	474
Gender	Male	54%	49%	30%	33%	52%
	Female	46%	51%	50%	47%	48%
Ethnicity	African American	39%	29%	35%	33%	33%
	Asian American	2%	8%	7%	8%	7%
	Caucasian	47%	45%	42%	43%	43%
	Latino	12%	14%	15%	14%	14%
	Native American	0%	3%	1%	< 1%	1%
	Other	0%	1%	0%	2%	1%
Highest Pre-CY Education	High School Drop-out	23%	30%	24%	27%	26%
	High School Graduate	61%	50%	60%	54%	55%
	Some College/College Graduates	16%	20%	16%	19%	18%
Socio-Economic (Annual Family Income)	Low (up to \$30,000)	na	57%	61%	68%	na
	Mid. (\$30,001-\$60,000)	na	20%	26%	12%	na
	High (above \$60,000)	na	23%	13%	20%	na
Geography	Boston/Other Urban MA	67%	59%	65%	50%	58%
	Suburban MA	23%	22%	22%	35%	29%
	Out-of-State	11%	18%	12%	12%	13%

CITY YEAR COMPLETION AND ATTENDANCE RATES

Completion Rate *	77%	83%	86%	na	83%
Average Length of Stay (months) †	7.9	8.2	8.2	na	8.1
Daily Attendance	na	na	95%	94% •	na
Lateness (% on time)	na	na	92%	96% •	na

PROFILE OF CITY YEAR GRADUATES **

Educational Pursuits					
College (2 & 4 year)	36.4%	52.4%	40.2%	na	na
Vocational Program	0.0%	4.8%	2.2%	na	na
Senior Corps Member	0.0%	1.6%	17.4%	na	na
Alumni Staff	4.5%	11.0%	16.3%	na	na
Working	40.9%	27.0%	15.2%	na	na
Parenting	6.8%	1.6%	2.2%	na	na
Unemployed	6.8%	0.0%	4.3%	na	na
Unknown	4.5%	1.6%	2.2%	na	na

* Annual graduation rates include a small number of corps members who enter at mid-year and graduate after four months of service (7 corps members in FY90, 2 in FY91, and 7 in FY92).

† This is calculated for corps members with maximum possible length of stay of 9 months.

• Year-to-date

** As of December, 1992



National Association of
Service & Conservation Corps

May 21, 1993

Chairman William Ford
House Education and Labor Committee
2181 Rayburn
Washington, D.C. 20515

Dear Chairman Ford:

On behalf of the youth corps community, I am writing to you about the National Service Trust Act of 1993. NASCC represents more than 80 youth corps across the country, including local urban corps and statewide conservation corps. The corps community is excited about the prospect of increased service opportunities, and supports the Trust Act. However, we have a number of recommendations and areas of concern. Broadly described, NASCC recommends the following:

*Enhanced language regarding the enrollment of disadvantaged/low-income youth and young adults and the involvement of low-income communities; *OK*

*Ensuring that a key purpose of the Act is to expand and strengthen the existing network of programs with demonstrated experience in providing structured service opportunities with visible benefits to the participants and community. At the same time, duplication of effort should be avoided; *OK*

*Providing greater funding at the state level and relaxing the population-based funding criteria; *NO*

*Adding a provision which would allow the GED scholarship requirement to be waived for individuals who are assessed to be unable to achieve a GED; *held with learning disabilities / programs now conduct assessments ?*

*Establishing a minimum living allowance for all programs;

*Providing more information about the child care guidelines;

*Developing more detailed legislative language about the responsibilities of the State Commissions;

*Adding language that would increase the size of the Board of the Corporation for National Service as well as ensure that the Corporation Board and the State Commissions are more inclusive of existing programs.

I have attached our specific recommendations and areas of concern. We look forward to working with you on the National Service Trust Act of 1993.

Sincerely,

Kathleen Selz
Executive Director

**NASCC RESPONSE TO THE NATIONAL SERVICE TRUST ACT OF 1993
RECOMMENDATIONS AND AREAS OF CONCERN**

Finding and Purposes: Low-Income Emphasis

~~p. 4, sec. 2(a)~~

To further emphasize low-income participants, we recommend adding this paragraph: "Residents of low-income communities, especially youth and young adults, can be empowered through their service to help provide future community leadership."

YES
JL

Findings and Purposes: Expand and Strengthen Existing Programs

p. 6, sec. 2(b)(6)

Add new para. 6 which reads: "expand and strengthen existing service programs with demonstrated experience in providing structured service opportunities with visible benefits to the participants and community." Existing paragraphs (6) and (7) are renumbered.

YES

Agreements with federal agencies

p. 7, sec. 121(b)

In order to ensure that federal agencies utilize existing programs and do not duplicate effort, add this at the end of the first sentence: "Such federal agencies must consult with State Commissions in order to ensure that the federal program will not duplicate existing local or state programs. ~~Federal programs are also encouraged to develop contracts and cooperative agreements with existing state and local programs.~~"

YES

Administrative Costs

p. 8, sec. 121(d)(1)

The five percent limitation on administrative costs is too low. We recommend a ceiling of 15%. A definition of administrative costs should be provided. We recommend using the JTPA definition of administrative costs (see attached definition).

NO

Alteration of Youth Corps Definition

p. 11, sec. 122(a)(2)

Before "youth corps programs" insert the following: "full time, year-round or full-time summer" and strike "full-time" from before "service-projects."

YES

Qualification Criteria to Determine Eligibility

p. 16, sec. 122(b)

Strike "organizations and individuals who are experts regarding national service" and substitute "organizations and individuals who have extensive experience in developing and administering effective national service programs."

YES

Change in Priorities

p. 17, sec. 122(c)(2)(A) and (B).

At the end of (A), add the following language: "During the three-year grant cycle for any program, the Corporation cannot require programs to alter the priorities, but can send notices describing any new priorities they would like to encourage programs to address."

NO

We recommend deleting (B) as programs should be chosen by quality, not by prioritizing one over the other.

State Commissions

p. 22, sec. 126(a)(2)

More information needs to be provided in this section. The language provides no information on whether the Commissions must have staff, whether there is a limitation on what can be spent, what

NO

their relationship with the ACTION state/regional offices will be, and how they are accountable to existing service programs in their state.

We recommend that State commissions utilize the demonstrated expertise of existing service programs to provide technical assistance to new national service programs within the state.

Challenge grants

p. 23, sec. 126(c)(1)

In line twelve, after "high-quality national service programs" insert: "with demonstrated experience in providing ~~structured~~ service opportunities with visible benefits to the participants and community." YES

Division of National and State Grants

We urge that the allocation formula be changed from up to 1/3 national-2/3 state to up to 20% national-80% state. NO

Grants based on population

p. 24, sec. 129(a)(1)

There should be provision so that states do not receive a 33 1/3 percent grant regardless of the quality of their proposal. Therefore, we recommend the following changes:

In paragraph (1), sentence 2, after "shall be" add the following "at minimum a planning grant and at maximum an amount..." At the end of paragraph 1, add: "If a State or Indian tribe fails to produce a quality application, they are eligible to receive a small planning grant, but will not receive a grant based on their population." NO

Competitive grants

p. 27, sec. 129(d)(1)

Add at the end of the sentence: "Funding priority shall be given to programs with demonstrated experience in providing structured service opportunities with visible benefits to the participants and community." NO

Application Information

p. 30, sec. 130(b)(2).

Some states do not allow agencies to undertake a RFP unless the funds are already available. Thus, we recommend adding at the end of this sentence, "unless such a process conflicts with state or local law, regulation or policy." YES

Anti-Poverty Emphasis

p. 31, sec. 130(b)(4)

After "public safety needs," add the following: "particularly needs related to poverty." NO

Service Emphasis

p. 32, sec. 130(10)

After "comparable" add "service." YES

Information Included in Application

p. 33, sec. 130(12). We recommend the following language so that youth corps are part of the application process. After "community-based agencies" insert "including representatives of existing state and local youth corps programs." NO

Assistance to Non-State Entities

p. 35, (3). NO

Add the following language: "State agencies which operate youth corps and distribute funds for local corps programs shall not be subject to this percentage limitation."

GED Requirement

p. 37, sec. 131(b)(2)(B). ~~Yes~~ NO

Strike everything after participants and add "assist those participants with an educational development plan that makes progress towards a general equivalency diploma."

Evaluation and Performance Goals

p. 38, sec. 131(d)(1)

What will happen to these evaluations when they are completed? We recommend that evaluations be utilized as incentives to determine which programs are most effective, and thus most worthy of funding.

Selection of Participants

p. 40, sec. 131(f). YES

Some of our state corps require that all participants be state residents, so it is unclear whether national recruits could serve in these programs. Thus, we recommend that the following be added at the end of this paragraph: "unless such selection process conflicts with state or local law, regulation or policy."

p. 44, sec. 133(c)(6)(A). NO

Strike "high concentrations" and substitute "a high percentage."

p. 44, sec. 133(d)(1). NO

Strike "conducted in those urban and rural areas in" and substitute "conducted in those urban and rural areas within"

GED Requirement

p. 47, sec. 137(a)(5). YES

Some provision needs to be made so that programs can do an assessment of participants who are unable to ever achieve a GED, (such as developmentally disabled participants, etc.) and thus can be waived from the GED requirement. Thus we recommend that after "agrees to obtain a high school diploma or its equivalent" add "unless this requirement has been waived based on an individual education assessment conducted by the program. "

Terms of service

p. 51, sec. 139(b) NO

Strike "1,700 hours" and substitute "35 hours per week"

Living Allowances for Participants in Existing Programs

p. 52, sec. 140(a) NO

The Educational Awards section makes provision for requesting awards for individuals who are not "funded" by the national service program. Thus, corpsmembers in an existing corps can be grandfathered into the award and thus be equal with the corpsmembers who will be added with national service funding.

It would make sense to allow the same to be done with the living allowances (particularly as we also request a minimum living allowance). Thus, we recommend that language be added which would allow existing programs to apply for funds to bring the participants already in the program up to the living allowance that the participants under the national service program will be paid (in the event that they are below that level).

Through these two provisions, existing programs will not have to worry about running a 2-tier program.

Minimum Living Allowances

p. 52, sec. 140

NO
We urge that the Congress adopt a minimum living allowance . At the end of paragraph (a)(1), add the following: "except that no allowance may be less than the average annual subsistence allowance provided to VISTA volunteers."

Child Care

p. 57, sec. 140(e)(2)

NO
More information is needed about what these child care guidelines will be. NASCC understands the need for child care and is supportive of such care, however, corps directors want Congress and the Administration to know that:

- *current corps efforts to find child care require an enormous amount of staff time and many corps lack the staff to undertake this effort;
- *many corps directors report that there are not sufficient numbers of quality, day care slots available in the areas in which they operate;
- *corps are concerned that child care costs will be so high that they will "eat-up" a great deal of the program budget.

GED Requirement

p. 62, sec. 146(a)(3).

Yes
After "educational award" add "unless this requirement has been waived based on an individual education assessment conducted by the program. "

Use of Educational Awards to Pay Current Educational Expenses

Use of Educational Awards for Full or Part-Time Education

p. 68, sec. 148(c)

~~Yes~~ NO
After "payment of current educational expenses" add "including job training or vocational education expenses, undertaken as a full or part-time student,"

Grievance Procedures

p. 148(f)

NO
The legislation should allow state and local programs to bring grievances before the Corporation if they feel their problem has not been resolved at the state level. Additionally, the definition of parties eligible to bring a grievance is overly broad. It will also be very costly to service programs to bear the cost of a lost arbitration. This language may preclude them from considering an action.

Composition and Membership of State Commissions

p. 157, sec. 178(c)(1)(A)

NO
It is insufficient to require only one representative of a national service program. More representation should be required from the groups funded both by ACTION and the Commission. We recommend the following language: Strike (c)(1)(A)(B)(C) and substitute:

"The State Commission for a State shall include as voting members at least one representative from the each of the following categories, assuming that such programs exist in that state:

- (A) a youth corps program
- (B) VISTA program
- (C) Older American volunteer program
- (D) a service program for school-age youth

- (E) local governments in the state
- (F) local labor organizations

Additionally, at the end of (2)(D), add the following: "particularly services related to poverty."

Corporation for National Service Board of Directors

p. 166, sec. 192

Eleven Corporation board members are not enough. We recommend at least 16 and no more than 20. We recommend deleting the requirement that 8 members of the Corporation Board be appointed from the Commission Board. Additionally, there should be at least one representative of the corps community on the board.

After (2)(C), add the following: "particularly services related to poverty."

Additionally, it is not clear why the Board Chair and the Executive Director of the Corporation need to be the same person as it could negate a system of checks and balances.

JTPA Administrative Costs

Administrative program costs are that portion of necessary and allowable costs associated with the overall management and administration of the JTPA program and which are not directly related to the provision of services to participants or otherwise allowable to the direct-training or training-related and supportive services categories.

Cost of administration include:

- overall program management, program coordination, and general administrative functions;
- preparing program plans, budgets, schedules;
- monitoring of programs, projects, and related systems and processes;
- procurement activities;
- public relations;
- development and operation of systems and procedures for assuring compliance with requirements (including management information systems);
- preparing required program reports;
- resolving audit findings;
- program evaluation; and
- legal, accounting, audit, personnel, and property and payroll services.

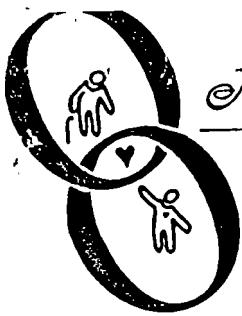
Costs for goods and services required for administration of the program, such as rental or purchase of equipment, insurance, utilities, office supplies, postage, and rental and maintenance of office space.

Costs of organization-wide management functions.

Travel costs associated with program management or administrative activities.

Costs may be allocated to the benefitting cost category based on documented distributions of time worked and related costs.

Indirect and overhead costs shall be charged to administration.



National Association of Senior Companions Project Directors

President

Dwight Rasmussen
2201 S. State
S-1500
Salt Lake City, UT 84190-2300

Vice President

Ann Churchill
P. O. Box 2029
3203 West Main
Russellville, AR 72801

Secretary

Gail Pinner
P. O. Box 5988
No. Little Rock, AR 72119

Treasurer

Marlene Pear
2373 Gordon Road
Alpena, MI 49707

FOR
JEAN HARMAN

STATEMENT ON

THE PROPOSED "NATIONAL SERVICE TRUST ACT OF 1993 (H.R. 2010)

BY

DWIGHT RASMUSSEN, PRESIDENT
NATIONAL ASSOCIATION OF SENIOR COMPANION PROJECT DIRECTORS

ACCOMPANIED BY

FRANCES F. BUTLER, WASHINGTON REPRESENTATIVE

THE NATIONAL ASSOCIATION OF SENIOR COMPANION PROJECT DIRECTORS
THE NATIONAL ASSOCIATION OF FOSTER GRANDPARENT PROGRAM DIRECTORS
THE NATIONAL ASSOCIATION OF RETIRED SENIOR VOLUNTEER PROGRAM (RSVP) DIRECTORS

AT A

JOINT HEARING OF THE

SUBCOMMITTEE ON HUMAN RESOURCES
HONORABLE MATTHEW G. MARTINEZ, CHAIRMAN

&

THE SUBCOMMITTEE ON SELECT EDUCATION AND CIVIL RIGHTS
HONORABLE MAJOR R. OWENS, CHAIRMAN

COMMITTEE ON EDUCATION AND LABOR
U.S. HOUSE OF REPRESENTATIVES

MAY 25, 1993

SENIOR
COMPANIONS

STATEMENT ON
THE PROPOSED "NATIONAL SERVICE TRUST ACT OF 1993 (H.R. 2010)

BY

DWIGHT RASMUSSEN, PRESIDENT
NATIONAL ASSOCIATION OF SENIOR COMPANION PROJECT DIRECTORS

May 25, 1993

Mr. Chairmen, Members of the Subcommittees, I am pleased to be here today to testify on the proposed "NATIONAL SERVICE TRUST ACT OF 1993 (H.R. 2010). I particularly want to speak to those provisions in the proposed legislation which impact on older persons in general, and those that impact on the Older American Volunteer Programs currently authorized by the Domestic Volunteer Service Act of 1973, as amended, and administered by ACTION.

My name is Dwight Rasmussen. I am the Director of both the Senior Companion and the Foster Grandparent Project in Salt Lake City, Utah. I am here in my capacity as President of the National Association of Senior Companion Project Directors, and today, I am also representing the National Association of Foster Grandparent Program Directors and the National Association of Retired Senior Volunteer Program (RSVP) Directors as well. I am accompanied by Frances F. Butler, Washington Representative for our three Associations, who is prepared to join me in responding to any questions you may have.

Together, our National Directors Associations represent the majority of the more than 1,100 project directors in communities around the nation who administer the Senior Companions, Foster Grandparents, and RSVP programs. The volunteer force in these programs combined approaches nearly 500,000!

- Currently over 10,000 Senior Companion volunteers are providing more than one million hours of service annually, working to prevent or delay the institutionalization of nearly 36,000 chronically ill elderly persons nationwide. Senior Companions play a critical role in providing long-term care by assisting adults with mental, emotional, and physical illnesses to achieve and maintain their fullest potential for independent living. Considering that the average cost for nursing home care is over \$30,000 per year and the average cost for a Senior Companion volunteer who serves 20 hours per week is approximately \$3,500 annually, the fiscal value and cost-effectiveness of this program becomes unquestionable.
- More than 23,000 Foster Grandparent volunteers provide 24 million hours of service annually to 77,000 children and teenagers with special or exceptional needs. These include babies born HIV positive, severely handicapped youngsters in special education settings, teenage parents, children enrolled in Head Start, children who have been abused or neglected, children residing in shelters for the homeless, and teenagers in the juvenile court system.
- This year over 450,000 older Americans volunteering through the Retired Senior Volunteer Program (RSVP) will assist more than 65,000 public and non-profit agencies meet critical community needs. RSVP volunteers contribute 78 million hours of service annually, providing such assistance as literacy enhancement, in-home care, assistance in homeless shelters, driving for meals on wheels, and working with children in a variety of intergenerational settings.

This year the Independent sector calculates the value of volunteer service at \$11.58 per hour. Using this figure, the value of services rendered to communities across this country by older volunteers in these three programs approximates \$1.3 billion annually -- yet the federal budget to support Senior Companions, Foster Grandparents, and RSVP is less than \$130 million annually.

Administrative Issues:

Board of Directors

- The proposed Corporation for National Service would include an 11 Member Board of Directors, eight members of which would be drawn initially from the members of the Commission on National and Community Service. With nearly 500,000 volunteers currently enrolled in Senior Companions, Foster Grandparents, and RSVP, and with a focus on intergenerational programs under the proposed Act, senior volunteer representation on the Board must be mandated. Representation must reflect and give recognition to the value of service by older persons who give back so conscientiously to the nation they continue to help build.

We recommend that the Board be expanded so as to enable broad representation, and that there be a legislative requirement that the Board include representatives of the senior volunteer constituency.

- We object to the provisions in the proposed legislation that would draw an initial 8 members of the Board from those serving on the Commission. H.R. 2010 calls for a joining of ACTION and the Commission under the new Corporation -- a twenty year old agency and a two year old Commission. It establishes two divisions within the Corporation, the "Federal Programs Division" to administer those programs currently in ACTION, and the "Investment Division to administer Commission programs and the new National Service Trust. Having the new Board be comprised of 8 members of the existing Commission gives too much focus to the one side, and undervalues the importance of the other.

We recommend that an expanded Board be developed, with no seats reserved by Commission representatives.

Conflict of interest issues

- We are concerned about conflict of interest issues, both on the National Board and State Commission level. We understand that more than 60 percent of grants awarded under the National and Community Service Act have gone to organizations represented by members of the National Commission established by that Act. Even the appearance of conflict of interest is not healthy. One solution might be to have the National and State Boards set policy on grant making, but the grants awards themselves be selected by objective staff, supported by expert outside proposal reviewers.

We recommend that safeguards, such as those suggested above, be included in the legislation to ensure against conflict of interest in grantmaking.

State Commissions and their relationship to the ACTION field structure

- The proposed Corporation for National Service would include State Commissions on National Service, of no more than 13 voting members, to mirror the national structure. Initial fact sheets from the White House indicated that representatives of the older American volunteer programs would be required members of the State Commissions. We applauded this. Yet when the legislation was introduced, we found that, rather than including a requirement that representation of the older American volunteer programs be mandated on the State Commissions, the proposed legislation mandates instead that States choose *one* representative from the following three essential groups: "A national service program, such as a youth corps program, a service program for school-age youth, and a program in which older Americans are participants." Mr. Chairmen, even Solomon himself would have difficulty with this one. Clearly, each of these groups deserves separate representation.

We recommend that the State Commissions be expanded, and that voting representation of senior volunteer programs on the State Commissions be mandated.

• *Edman says ACTION person will be Commission representative*

- The proposed legislation further provides that a Corporation representative will be a voting member of the State Commission. It has been suggested that this "Corporation representative" will be a representative of the ACTION field structure, yet the proposed legislation lacks clarity as to the role of the ACTION field structure. The ACTION field structure offers the capacity to provide technical assistance to community-based programs as well as to monitor funding streams and provide for program evaluation, roles critical to the success of the new national service proposals. The strengths of this field structure should be utilized and built upon.

We recommend that there be more clarity in the legislation as to the importance of the role of the ACTION field structure in relationship to the State Commissions, and that the ACTION field structure be officially represented on the State Commission.

Funding stream issues

- Because of the lack of clarity in the legislation regarding the Corporation's field structure, questions have arisen about the funding stream of programs in the Federal Programs Division. Currently when a grant is made to an ACTION sponsor, no administrative overhead is taken from the grant by ACTION or its field offices. We seek assurances that this process will continue, and that state structures, such as State Commissions, we not take administrative overhead out of grants made by the Federal Programs Division.

We recommend that safeguards be included in the legislation to assure that Federal Programs grants are awarded directly to grantees, and to prohibit any other entity from diluting these grants by assigning administrative overhead expenses to them. *OK*

National Competitions

- The proposed legislation allocates one-third of its funding for national competition among subdivisions of States, public and not-for-profit organizations, institutions of higher education, and Federal Agencies. Clarity is needed as to how programs in the Corporation's Federal Programs Division -- including Foster Grandparent, Senior Companions, and RSVP can compete for these funds as well.

We recommend that, regarding national competition, the reference to "Federal agencies" should be qualified to read: "including programs in the Federal Programs Division of the Corporation."

Support functions

- NO*
- The proposed legislation includes provisions for training, research, evaluation, demonstration, and promotion in both the Investment and Federal Programs Divisions of the Corporation. In order to provide for maximum coordination and prevent unnecessary duplication, these functions should be administered in a separate program support arm of the Corporation.

We recommend the addition of a third Division of the Corporation to provide for training, research, evaluation, demonstration, promotion, and other Corporation-wide support services. Provisions in the proposed legislation relating to these functions in the Federal Programs Division and those in the Investment Division should be moved to a new support Division. There should be a separate authorization of appropriations for this new support Division.

Clarity regarding administrative provisions in the Domestic Volunteer Service Act

- Sections 401 and 402 of the Domestic Volunteer Service Act provide for the administrative structure of programs currently operating under that Act. The proposed legislation lacks clarity regarding how that structure will be continued. Will there continue to be a Director of the Older American Volunteer Programs (redesignated National Senior Volunteer Corps)? Will there continue to be a separate individual responsible for administering Senior Companions, Foster Grandparents, and RSVP, as provided for currently in section 401 of the Domestic Volunteer Service Act, and which our National Directors Associations have long advocated?

The identity of these programs cannot be submerged in a bureaucratic structure. Their identity must be protected and promoted by the authorizing statute of the Corporation.

The proposed legislation both repeals sections 401 and 402 of the Domestic Volunteer Service Act and later amends them. As these legislative drafting errors are corrected, we are concerned that the underlying principles established in sections 401 regarding program identity be retained.

Providing "flexibility" for an Administration which is supportive of service might be the undoing of these programs and this agenda in a less supportive political climate. This legislation must be crafted for the long term institutional support.

We recommend that this Committee reconcile conflicting provisions in H.R. 2010 regarding sections 401 and 402 of the Domestic Volunteer Service Act in a manner that preserves the Directors of VISTA and the Older American Volunteer Programs and separate individuals to head the Foster Grandparent, RSVP, and Senior Companions Programs.

Investment Division Issues relating to senior volunteers:

Intergenerational programs

- Intergenerational programs are one of 12 categories listed in the proposed Act which will be eligible for program assistance under the Investment Division. But since the Corporation Board can establish priorities among these twelve, we are concerned that this important focus may be lost. Particularly given the number of potential senior volunteers who could be involved as providers in programs under the Act, as well as older persons who might be recipients of youth service, and because insufficient attention has been given to intergenerational programming in the past, special consideration should be given to intergenerational programming under the proposed legislation.

We recommend that each of the categories listed as eligible for program assistance should include intergenerational action to the extent appropriate. Such a cross-cutting requirement would insure that rather than losing the intergenerational focus of the legislation, greater recognition will be given to the importance of this aspect of the legislation.

Head Start Assistance

- The proposed Act includes Subtitle H - "Investment for Quality & Innovation" which is similar to Subtitle E "Demonstration" programs in the National and Community Service Act. The new Subtitle H includes most of the old Subtitle E provisions, but, with respect to the "Assistance to Head Start" provisions that called for placement of Foster Grandparents in Head Start Centers, the new language refers only to "older adults" placements.

One of the strengths of involving Foster Grandparent volunteers in Head Start Centers is the consistency and intensity of their service. Foster Grandparents serve 20 hours per week, year round, and have an extremely low attrition rate. To dilute the Head Start Assistance provisions by

deleting the reference to Foster Grandparents would reduce the effectiveness of this marvelous example of intergenerational partnership.

But the story gets even worse. Not only are the references to Foster Grandparents dropped, but the entire Head Start assistance provision is diluted by relegating it to one of many intergenerational programs that "may include" a program in which older adults provide services to children who participate in Head Start programs!

We recommend that the provisions for Head Start Assistance from Subtitle E of the current National and Community Service Act legislation be substituted for the much weakened version proposed in H.R. 2010.

Federal Programs Division Issues relating to senior volunteers:

Mr. Chairmen, we are pleased that many of the recommendations which our National Directors Associations included in our testimony to the Subcommittee on Human Resources on March 24, 1993 have been picked up for inclusion in the the proposed National Service Trust Act of 1993. They, and other suggested legislative changes which we support, with our recommendations for changes noted, include the following:

- "Older American Volunteer Programs" are redesignated "National Senior Volunteer Corps."
- "Retired Senior Volunteer Program (RSVP)" is redesignated "Retired and Senior Volunteer Program (RSVP)" so as to include volunteers such as homemakers who may never have "retired" from the paid work force, and to include older volunteers may still be in the workforce.
- The minimum age for participation in RSVP is lowered from 60 to 55.

We recommend that provisions be included in the legislation to insure that the number of volunteers over the age of 60 does not diminish in order to make room for younger volunteers.

- Older persons who are in the work force can still participate in RSVP, Senior Companions, and the Foster Grandparent Program.
- Foster Grandparents are allowed to work with more than one child, as appropriate, depending on the project site. For instance, it would be difficult to restrict a Foster Grandparent volunteer to interaction with one child only in a school or child care situation.
- A stipend increase corresponding to cost of living increases is authorized during the four year reauthorization period for Foster Grandparent and Senior Companion volunteers.
- The Director is encouraged to enter into agreements with other Federal Agencies to partner RSVP and Foster Grandparents with Head Start; coordinate activities with the Administration on Aging In-home Care program, coordinate with the Department of Education for mentoring projects involving senior volunteers; and coordinate activities with the Environmental Protection Agency for senior involvement in environmental programs.

We recommend the addition of a specific provision relative to inter-Agency agreements with the Health Care Financing Administration's (HCFA) Medicaid Waiver program and the Senior Companion and Foster Grandparent programs. Volunteers in both these programs work with Medicaid recipients, be they handicapped children or the frail elderly. Integration of Senior Companions and Foster Grandparents in the Medicaid Waiver program would go a long way towards cutting the cost of community-based care, while providing new resources for expanded involvement by Senior Companion and Foster Grandparent volunteers.

- Programs of National Significance (PNS) categories are expanded to include categories we recommended, such as: seniors in environmental projects; ethnic outreach; criminal justice programs; and apprenticeship programs that match skilled older volunteers with young people in transition from school to the workforce.

With regard to the PNS provisions, the legislation includes the *elimination* of the requirement that one-third of new funding must be spent on PNS grants before being allocated for other purposes.

We recommend that the PNS earmarking in the current legislation be retained. This provision was included in the 1989 Domestic Volunteer Service Act Amendments by this Committee, under the sponsorship of Congressman Dale Kildee. As a result of this earmarking, over 300 PNS grants have been awarded since then, enabling existing projects, with grants in the \$5,000 to \$20,000 range, to expand the numbers of volunteers involved in national significance activities. We are confident that these grants never would have been made were it not for the earmarking. We feel strongly that it should be retained.

- Authorizes provision of technical assistance to other nations about Domestic Volunteer Service Act programs. We support this provision. Our National Directors Associations have worked informally in the past to share the wealth of our experience in senior volunteerism with other nations. We have produced manuals with the American Association for International Aging on how to start RSVP, Foster Grandparent, and Senior Companion Programs in other nations. We have hosted international visitors at our projects so that they can see first hand the value of senior volunteerism. RSVP projects have even become involved in "sister city" type arrangements with similar projects in other nations. We support the systematic promotion of this kind of interaction such as is proposed in H.R. 2010.

- Provides copyright protection for the RSVP, Foster Grandparent, and Senior Companion Programs.

- Provides a five year Authorization of Appropriations, with minor funding increases authorized for the fiscal year beginning October, 1994.

We recommend higher authorization increases over current funding levels than the amounts provided in the proposed bill. These are reasonable authorization levels, given the Administration's pledge to expand these programs under the proposed legislation. It is important to keep in mind, too, that all three of these programs offer potential cost effective tools for health care delivery, as volunteers in each program are involved in efforts to relieve the drain on health care dollars through their service to the frail, the disabled, and the homebound.

Our recommendations for FY 1994 authorizations of appropriations are as follows (dollars in millions):

	<u>Directors Assns Recommendations</u>	<u>H.R. 2010</u>	<u>current funding</u>
<u>RSVP</u>	\$45.000	\$35.800	\$33.686
<u>FGP</u>	\$80.000	\$68.800	\$64.804
<u>SCP</u>	\$40.000	\$31.700	\$29.548

We recommend the retention of the funding floor for the Older American Volunteer Programs that exists in current law, which stipulates that "there is authorized to be appropriated not less than the amount appropriated in the previous fiscal year."

additional concerns

new demonstration authority under title II of the Domestic Volunteer Service Act

- H.R. 2010 proposes a new part E of Title II of the Domestic Volunteer Service Act to fund innovative projects involving senior volunteers. There is no authorization of appropriations for this section.

We recommend that the proposed new part E of Title II of the Domestic Volunteer Service to fund innovative projects involving senior volunteers be included in Subtitle H -- the Demonstration authority -- which we propose be moved to a third "support division" in the Corporation. This will ensure that funding that might otherwise be available for Senior Companions, Foster Grandparents, and RSVP is not diverted for purposes of funding the proposed new title E, and it will ensure that programming for senior service is integrated throughout the Corporation's activities.

Center for Research and Training

- H.R. 2010 proposes a new section 426 of the Domestic Volunteer Service Act for a "Center for Research and Training." There is no authorization of appropriations for this section, rather, the legislation proposes that funding would come from VISTA and Senior volunteer program appropriations -- "not less than 1/2 percent or more than 1 percent." Since the function for research and training is one that cuts across Corporation activities, we have questions about the appropriateness of this placement in the legislation. 

We recommend that the proposed "Center for Research and Training" in the Federal Programs Division be moved to a new "support division" in the Corporation, and that a separate and meaningful authorization of appropriations be provided for this function that is so important to the success of the national service movement.

cost of living adjustments

- H.R. 2010 includes an amendment to section 226 of the Domestic Volunteer Service Act regarding cost of living adjustments to sponsoring agencies operating Senior Companions, Foster Grandparents, and RSVP. The amendment would delete requirements in existing law that annual reports be made to the House Committee on Education and Labor and the Senate Labor and Human Resources Committee with regard to the extent of project needs for cost of living increases. Our Associations testified at the March hearing with regard to the importance of these reporting requirements to our programs. We sought relief after a decade of frozen grants and a lack of acknowledgement by ACTION Agency leadership concerning our cost of living needs. It was only after Congress required these reports that the Agency began to acknowledge the extent of the difficulties we faced at the local level. We continue to feel that these reporting requirements are vital to the continued health of our projects.

We recommend that the provisions in H.R. 2010 which would delete the section 226 reporting requirements be deleted, and that the reporting requirements be retained.

We recommend that additional language be added to ensure that prior to funding new projects, cost of living adjustments must first be allocated to existing projects so that they will remain healthy and able to carry out their program responsibilities effectively and responsibly.

FRAN BUTLER

JAN 11 2010

additional suggested amendments to the Domestic Volunteer Service Act provisions in H.R. 2010

When our National Directors Associations testified in March, we made several additional suggestions for legislative changes relative to the reauthorization of the Domestic Volunteer Service Act which I would like to revisit today, as follows:

We recommend that H.R. 2010 be amended to include the following provisions:

- authorization for the development and use of bilingual recruitment and training materials.
- authorization for formal partnerships between the Corporation and the National Directors Associations so that we can utilize our experience and networks to enhance the National Senior Volunteer Corps programs as well as other senior volunteer initiatives of the Corporation.
- increase the current \$250,000 funding floor in section 221 of the Domestic Volunteer Service Act for promotion of Senior Companions, Foster Grandparents, and RSVP. We would be pleased to work with the Committee and ACTION to determine a reasonable, but responsible, higher figure.
- ensure that "non-ACTION" Senior Companions, Foster Grandparents, and RSVP volunteers and projects are considered full partners with regard to mandated stipend increases and eligibility to apply for special funding opportunities, such as Programs of National Significance grants and other funding opportunities made available through the Corporation.

Conclusion

Mr. Chairmen, this concludes my testimony on H.R. 2010. You can see that our National Directors Associations have given much thought to the proposed legislation. We urge you to give every consideration to our suggestions. They are born out of our experience in the field, our commitment to the power of older volunteers to make a difference in the lives of others in their communities.

Leadership

Before closing, however, there is one important addition I must add to my testimony. That has to do with leadership. Those of us involved with ACTION over the past decade have suffered from lack of leadership at the agency -- from lack of a strong voice advocating for our programs. I think it is fair to say that had that leadership been present at ACTION when the National and Community Service Act legislation was considered in 1989, ACTION would have been the administering arm, and this Congress and this Administration would not be faced with the dilemma today of how to merge two federal volunteer agencies.

Let us learn from our past experience as we move forward now to make H.R. 2010, the proposed National Service Trust Act of 1993, the best it can be. If the proposed National Service Corporation is to thrive, it needs strong, visionary, inspirational leadership with full access to the President -- "a Sargent Shriver of the '90's." And if the Federal Programs Division of the Corporation is to thrive as a full partner in the Corporation, it needs strong, visionary, inspirational leadership. And if Senior Companions, Foster Grandparents, and RSVP are to reach their potential, they need that kind of leadership as well.

Our final request to this Committee is that as you exercise your oversight responsibility, you work to ensure that we get the best in leadership, because that is what we need and what our programs deserve.

Thank you for this opportunity to take part in the development of this landmark legislation.

OLDER AMERICAN VOLUNTEER PROGRAMS NATIONAL DIRECTORS ASSOCIATIONS



Retired Senior Volunteer
Program Directors



Foster Grandparent
Program Directors



Senior Companion
Project Directors

THE CASE FOR SENIOR VOLUNTEERS IN NATIONAL SERVICE

The challenge to policy makers is to recognize the changing dynamic of aging in America and to work for the transformation of social structures so that the resources offered by older persons can help shape America today and into the next century.

- Current population estimates indicate 37.7 million Americans over the age of 60.
- In 1900 persons over 65 numbered 3.1 million, or 4.1% of the population. By 1989 persons over 65 years of age increased 10 times to 31 million, and the percentage tripled to 12.4 % of the population.
- By the year 2000 persons 65+ are expected to represent 13% of the population, and this percentage is expected to climb to 21.8% by the year 2030 when the baby boom generation reaches age 65.
- Over just this one century in the United States, 28 years have been added to the average length of a persons life -- more than was previously added in all of human history. Life expectancy for Americans in 1900 was 47 years; by 1990 it had increased to 75 years.
- In 1988, persons reaching age 65 had an average life expectancy of an additional 16.9 years (18.6 for females and 14.8 for males)
- Only 5% of those over 65 years of age reside in institutions and another 17% say they are unable to engage in their major activity; but a full 81% of the non-institutionalized 65+ population has no limitation in their activities of daily living. This healthy, active segment of the senior population represents a vast untapped resource for contributing to the betterment of America's communities.
- According to a 1991 U.S. Administration on Aging/Marriott Senior Living Services volunteerism survey, over 41% (15.1 million) of the 37.7 million Americans 60+ performed some form of volunteer work in the past year. An additional 37.5 percent (14 million) indicate they would volunteer if asked.
- In 1990 Seniors volunteered an estimated 992 million days, generating an estimated 3.6 billion hours of volunteer service, or ten times this number when considered in dollar value.
- The Federally supported Senior Volunteer Programs, Foster Grandparents, Senior Companions, Retired Senior Volunteer Program (RSVP) provide opportunities for volunteer service for less than one percent of senior Americans.
- The current youth focus of the national service dialog needs to be expanded to include America's senior population.

A major imbalance exists between the strengths and capacities of the increasing numbers of long-living older persons in America and the lack of role opportunities provided by current social structures to tap into this vast resource which could contribute to the betterment of our society.

Frances F. Butler, Washington Representative
11481 Bingham Terrace
Reston, Virginia 22091
(703) 860-9570



To: Tom Sanders, Senior Advisor for National Service
Fr: Eden Fisher Durbin, Assistant Director
Re: National Service Trust Act of 1993
Date: May 27, 1993

YMCA of the USA
Washington Office
1701 K Street, N.W., Suite 903
Washington, D.C. 20006
202-835-9043

Barbara C. Roper
Chairman, National Board

David R. Mercer
National Executive Director

The YMCA of the USA heartily endorses the National Service Trust Act of 1993. YMCAs believe that government should support initiatives that strengthen the service ethic and challenge all to respond, collectively as well as individually, to the social and environmental needs of their communities. These initiatives should be locally based and should offer a wide range of opportunity for involvement. To this end, the YMCA recommends the following changes to the National Service Trust Act:

Distribution of Funding to National Service Projects Provided by States, Federal Agencies and Other Organizations [Section 129 (a) (1) and (d) (1) and (2)].

- 1) **Current Language:** Currently, states are allocated 1/3 of the funding for national service programs, may compete for 1/3 of the funding, and may compete with Indian tribes, public and private not-for-profit organizations, institutions of higher education, and Federal agencies for the remaining 1/3 of the funding.

Proposed Changes: Delete Federal agencies and subdivisions of states from eligibility under the remaining 1/3 of the national service funding, OR: 1) require Federal agencies to comply with the same matching requirements as other applicants; and 2) cap the amount of funding available to Federal agencies and subdivisions of states to no more than 25%, combined.

Rationale: The size, influence, and access to resources that Federal agencies and subdivisions of states enjoy afford them an unfair advantage when competing with other applicants under the remaining 1/3rd of the national service funding. As a result, deleting eligibility or capping the funding for Federal agencies and subdivisions of states is warranted. Additionally, the lack of a matching requirement for Federal agencies creates an unlevel playing field between Federal agencies and other applicants.

Subtitle B- School-based and Community-based Service Learning Programs [Section 111 (a) (2) (B) (i)].

- 1) **Current Language:** Funding may be provided to service learning projects operated by partnerships among local educational agencies and public or private not-for-profit organizations.

YMCA Mission:
To put Christian principles into practice through programs that build healthy body, mind, and spirit for all.

Proposed Change: Specify that local educational agencies shall collaborate with private not-for-profit organizations with a demonstrated and extensive expertise in the provision of services to meet human, educational, environmental, or public safety needs; and that was in existence 1 year before the date on which the organization submitted the application.

Rationale: The proposed language is consistent with eligibility requirements specified elsewhere in the Act (e.g. Sections 117 (2) (B) and 133 (d) (2) (E)). In addition, the language would ensure the development of effective programs between schools and community-based organizations with the experience and expertise of developing and implementing enriching service programs.

Subpart B- Community-based Service Programs for Youth [Section 117C (b)].

- 1) **Current Language:** To be eligible to receive a grant from the Corporation under section 117A (a) to implement, operate, expand, or replicate a community service program, an organization must submit an application that proposes a community-based service program to be carried out at multiple sites, or that proposes an innovative community-based service program.

Proposed Change: Delete the requirement that programs be multi-site or innovative; require instead that organizations develop a meaningful service program that meets unmet human, educational, environmental, or public safety needs.

Rationale: The proposed language: 1) is consistent with eligibility requirements specified elsewhere in the Act (e.g. Section 122 (a) (1) and (2) (A)); 2) supports one of the key purposes of the Act, (Section 2 (b) (5) and (6)): reinvent government to eliminate duplication, support locally established initiatives....build on the existing organizational service infrastructure of Federal, State, and local programs...; and 3) does not prohibit organizations with well-established, single-site programs from applying for funding.

Local Application Requirements [Section 117C (d) (3) (I)].

- 1) **Current Language:** An organization interested in applying for funding to support a community-based service program shall submit an application that includes a description of how participants will be organized into teams, with team leaders.

Proposed Change: Delete the requirement that programs organize participants into teams with team leaders.

Rationale: Many effective community-based programs with long histories of serving youth do not organize program participants into teams, but allow youth to participate in individual placement opportunities. For example, youth in YMCA child care programs, leaders clubs, or family programs participate in service projects to improve the community, but do not participate in regular group or team activities while in the program. The Act should support diverse program models, including individual placement programs, to address diverse community needs.

If you have any questions regarding the proposed changes to the National Service Trust Act of 1993, please contact Eden Fisher Durbin, Assistant Director, Public Policy, YMCA of the USA, (202) 835-9043.

May where appropriate organize people into teams

L. F. PAYNE
5TH DISTRICT, VIRGINIA

1119 LONGWORTH BUILDING
WASHINGTON, DC 20515-4605
(202) 225-4711
FAX: (202) 226-1147

ADMINISTRATIVE ASSISTANT
JIM JOHNSON
TOLL-FREE 1-800-535-4008

Congress of the United States
House of Representatives
Washington, DC 20515-4605

May 21, 1993

WAYS AND MEANS COMMITTEE
SUBCOMMITTEES
TRADE
SELECT REVENUE MEASURES

Peter
Gene
Alan
Pierce
But

Honorable William D. Ford
Chairman
Committee on Education and Labor
2181 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman:

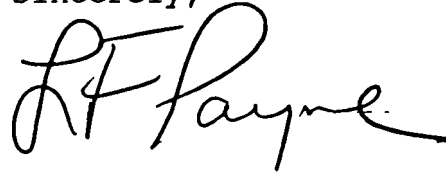
As a cosponsor of H.R. 2010, the National Service Trust Act of 1993, I would like your comments regarding language that is of particular interest to me.

I am interested in including language that would allow young people to be placed in a Community Action Agency to complete their service obligation. These young people would have an opportunity to assist with program development in the areas of home building, health and education related endeavors.

Community Action Agencies (CAAs) are non-profit agencies that assist low-income communities and individuals to promote meaningful employment and lift the residents of these areas out of poverty. CAAs have proven to be beneficial in Virginia and particularly in my Congressional District. Therefore, I feel they would play a vital role in the modified national service program.

Thank you for your consideration, I would appreciate the Committee's views on the feasibility of this concept.

Sincerely,



L. F. Payne

LFPJr:ap

DISTRICT OFFICES:

☐ JENNIFER MOOREFIELD, CASEWORK SUPERVISOR
DAN DANIEL P.O. BUILDING
700 MAIN STREET, SUITE 301
DANVILLE, VA 24541-1827
TELEPHONE (804) 792-1280
FAX: (804) 797-5942

☐ MARGARET WATKINS, OFFICE MANAGER
ABBOTT FEDERAL BUILDING
103 SOUTH MAIN STREET
FARMVILLE, VA 23901-1701
TELEPHONE: (804) 392-8331
FAX: (804) 392-6448

☐ GREG KELLY, DISTRICT MANAGER
P.O. BOX 2017
103 EAST WATER STREET, SUITE 302
CHARLOTTESVILLE, VA 22902-2017
TELEPHONE: (804) 295-6372
FAX: (804) 295-6059

FAX MESSAGE

Maggie Fogarty

FROM:

INTERNATIONAL LIAISON OF LAY VOLUNTEERS IN
MISSION
SR ELLEN CAVANAUGH, EXECUTIVE DIRECTOR
4121 HAREWOOD RD NE
WASHINGTON DC 20017-1593

FAX: 202-526-1094

TEL: 202-529-1100

TO:

Gene Soper

DATE:

24 May 93

SUBJECT:

Church-state law

NUMBER OF PAGES TO FOLLOW:

2

MESSAGE

*Thanks!
Maggie*

MEMORANDUM

To: Gene Sofer
House Education and Labor Committee
From: Maggie Fogarty, Volunteer/Government Affairs
International Liaison of Lay Volunteers in Mission
(ILLVIM)
Date: May 24, 1993

The attached is a draft copy of changes we would like to see in the Church-State language of H.R. 2010. This draft was agreed upon by a coalition of about 200 religious volunteer service programs in consultation with the National Council of Churches this past week. I have shared it with Cathy Gillespie of the Minority staff, as well as with the Government Liaison Office of the United States Catholic Conference. This language is also currently being reviewed by the American Jewish Committee as well as a broad range of religious liberty groups. Furthermore, as I explained, we have requested an opportunity to meet with the ONS team to discuss this with them. I would really appreciate some comment and critique from you as well as some guidance.

Our primary concern is that religiously affiliated programs are mentioned in a back-handed fashion. Under "Ineligible Service Categories" it is stated that our groups are ineligible unless we don't do such and such. This could very easily be perceived as a bias against religious voluntary agencies in the legislation. So, we have asked for a mention of religious organizations under the "Types of National Service Positions Eligible..." section (see Item #1) so as to make it clear that we are, in fact, eligible to be included.

Item #2 rewords the prohibition against using funds from the Act to conduct religious activities. We feel our language makes it clearer that the religious organization need not denature itself of all religious character in order to participate. We accept without hesitation the restrictions on the duties of the volunteer and on all direct use of Act funds.

Items #3 and #4 are identical and are concerned with the Religious Discrimination Provisions. Here we are relying on language in the ABC Bill which allows religious child care providers (which receive federal funds) to discriminate on the basis of religion when hiring their administrative personnel.

Please contact me with any questions or comments. Thanks so much for your time and attention to this matter.

PROPOSED CHANGES IN CHURCH-STATE LANGUAGE OF H.R. 2010,
NATIONAL SERVICE TRUST ACT OF 1993

1.) Title I, Subtitle C, Part I, Section 123, 2 (A):
after "...a public or private not-for-profit
organization," add "including a religious or charitable
organization,". (page 18, line 19)

2.) Title I, Subtitle C, Part II, Section 132, 4: delete
#4 in its entirety; add "None of the assistance provided
under Section 121 shall be used to give religious
instruction, conduct worship services, engage in any form
of proselytization or fundraising for a religious
organization. However, nothing in this Act shall be
construed to prevent any religious organization from: (A)
displaying religious symbols or decorations; (B) allowing
persons to pray voluntarily, whether silently or vocally;
(C) allowing persons to sing religious hymns; or (D)
affirming or promoting any moral tenet that may be based
on religious precepts." (page 41, lines 14-18)

(note: This last sentence is lifted almost verbatim from
Subdivision 72, Section 173 "Prohibition on Use of Funds"
from the National and Community Service Act of 1990.)

3.) Title I, Subtitle B "Related Provisions", Section
115: under Section 175 (c) "Religious Discrimination,"
after "against a participant in such project" delete "or a
member of the staff of such project". Also, delete
paragraph (2) of (c) ("Exceptions") in its entirety. (page
147, lines 10-11, 13-19)

4.) Title III, Chapter III, Section 367
"Nondiscrimination Provisions": under Section 417 (c)
"Religious Discrimination," after "against a participant
in such project" delete "or a member of the staff of such
project". Also, delete paragraph (2) of (c)
("Exceptions") in its entirety. (page 232, lines 12-13,
15-21).

1119 LONGWORTH BUILDING
WASHINGTON, DC 20515-4605
(202) 225-4711
FAX: (202) 226-1147

ADMINISTRATIVE ASSISTANT
JIM JOHNSON

TOLL-FREE 1-800-535-4008

Congress of the United States
House of Representatives
Washington, DC 20515-4605

May 21, 1993

Peter
Gene
Alan
Pierce
Cat

Honorable William D. Ford
Chairman
Committee on Education and Labor
2181 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman:

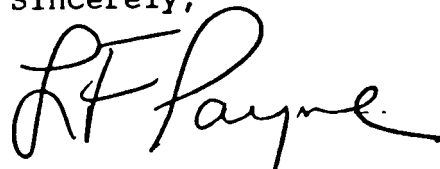
As a cosponsor of H.R. 2010, the National Service Trust Act of 1993, I would like your comments regarding language that is of particular interest to me.

I am interested in including language that would allow young people to be placed in a Community Action Agency to complete their service obligation. These young people would have an opportunity to assist with program development in the areas of home building, health and education related endeavors.

Community Action Agencies (CAAs) are non-profit agencies that assist low-income communities and individuals to promote meaningful employment and lift the residents of these areas out of poverty. CAAs have proven to be beneficial in Virginia and particularly in my Congressional District. Therefore, I feel they would play a vital role in the modified national service program.

Thank you for your consideration, I would appreciate the Committee's views on the feasibility of this concept.

Sincerely,



L. F. Payne

LFPJr:ap

DISTRICT OFFICES

☐ JENNIFER MOOREFIELD, CASEWORK SUPERVISOR
DAN DANIEL P.O. BUILDING
700 MAIN STREET, SUITE 301
DANVILLE, VA 24541-1827
TELEPHONE: (804) 792-1280
FAX: (804) 797-5942

☐ MARGARET WATKINS, OFFICE MANAGER
ABBOTT FEDERAL BUILDING
103 SOUTH MAIN STREET
FARMVILLE, VA 23901-1701
TELEPHONE: (804) 392-8331
FAX: (804) 392-6448

☐ GREG KELLY, DISTRICT MANAGER
P.O. Box 2017
103 EAST WATER STREET, SUITE 301
CHARLOTTESVILLE, VA 22902-2017
TELEPHONE: (804) 295-6372
FAX: (804) 295-6059



UNITED STATES
OFFICE OF PERSONNEL MANAGEMENT
WASHINGTON, D.C. 20415

2 PM

~~Recomm~~

Recomm - John

Office of the General Counsel
Legislative Analysis Staff

Fax: 606-2526

Office: 606-1424

Gene

TELECOPIER TRANSMITTAL SHEET

FROM: J. M. [Signature]

TO: Pierce Myers

Receiving Telecopier Number: _____

Pages sent (including transmittal sheet): _____

Pierce --

Here is a copy of the suggested changes
for H.R. 2010 that I've sent to Bob.

JM

5/21

“(B) APPOINTMENT EXTENSIONS.—The appointment of an employee may be extended if the Chairperson determines that such an extension is necessary to ensure the continuity of functions under this Act.

“(C) APPOINTMENT IN THE COMPETITIVE SERVICE AFTER EMPLOYMENT IN THE CORPORATION.—

The Director of the Office of Personnel Management may grant competitive status for appointment to the competitive service, under such conditions as the Director may prescribe.

~~“(i) EMPLOYEES WITH NOT LESS THAN 3 YEARS OF EMPLOYMENT.—If an employee, other than a representative described in section 195(b),^{who} is separated from the Corporation (other than by removal for cause), and has been continuously employed by the Corporation for a period of not less than 3 years, such period shall be treated as a period of service in the competitive service for purposes of chapter 33 of title 5, United States Code.~~

~~“(ii) EMPLOYEES WITH NOT LESS THAN 1 BUT LESS THAN 3 YEARS OF EMPLOYMENT.—If an employee, other than a representative described in section 195(b), is separated from the Corporation (other than by removal for cause), and has been~~

—The
ided if
exten-
uity of

RITIVE

COR-

LESS

—If an
ive de-
arated

by re-

ontinu-

for a

period

vice in

ses of

Code.

LESS

OF EM-

than a

195(b),

(other

is been

~~continuously employed by the Corporation
for a period of not less than 1 year, but
less than 3 years, such period shall be
treated as a period of service in the com-
petitive service for purposes of chapter 33
of title 5, United States Code, until the
date that is 3 years after the date of sepa-
ration.~~

~~“(iii) DEFINITION.—As used in this
subparagraph, the term ‘competitive serv-
ice’ has the meaning given the term in sec-
tion 2102 of title 5, United States Code.~~

“(3) APPOINTMENT AND COMPENSATION.—

“(A) IN GENERAL.—Except as provided in
subparagraphs (B)(iv) and (C)(ii), the Chair-
person may appoint and determine the com-
pensation of employees under this subsection
without regard to the provisions of title 5, Unit-
ed States Code, governing appointments in the
competitive service, and without regard to the
provisions of chapter 51 and subchapter III of
chapter 53 of such title relating to classification
and General Schedule pay rates.

“(B) CORPORATION SELECTION AND COM-
PENSATION SYSTEMS.—

1 “(i) ESTABLISHMENT OF SYSTEM.— 1

2 The Chairperson, ~~after consultation with~~ 2
 3 ~~the Director of the Office of Personnel~~ 3
 4 ~~Management~~ and after reviewing the rec- 4
 5 ommendations of the Board under section 5
 6 192A(h)(3), shall issue regulations estab- 6
 7 lishing selection and compensation systems 7
 8 for the Corporation. In issuing such regu- 8
 9 lations, the Chairperson shall take into 9
 10 consideration the need for flexibility in 10
 11 such a system. 11

6 and after
 7 obtaining the
 8 approval of
 9 the Director
 10 of the
 Office of
 Personnel
 Management,

12 “(ii) APPLICATION.—The Chairperson 12
 13 shall appoint and determine the compensa- 13
 14 tion of employees referred to in paragraph 14
 15 (1), other than representatives described in 15
 16 section 195(b), in accordance with the se- 16
 17 lection and compensation systems referred 17
 18 to in clause (i). 18

19 “(iii) SELECTION SYSTEM.—The se- 19
 20 lection system shall provide for the selec- 20
 21 tion of such an employee for such a 21
 22 position— 22

23 “(I) through a competitive proc- 23
 24 ess; and 24

1 enjoined under an action filed by the Attorney General,
2 on a complaint by the Director.”.

3 **SEC. 371. CENTER FOR RESEARCH AND TRAINING.**

4 Title IV (as amended by section 370 of this Act) is
5 further amended by adding at the end the following new
6 section:

7 **“SEC. 426. CENTER FOR RESEARCH AND TRAINING.**

8 “The Director may establish, directly or by grant or
9 contract, a Center for Research and Training on Vol-
10 unteerism to carry out research concerning the impact of
11 volunteerism on individuals, organizations, and commu-
12 nities, provide training to help improve programs across
13 the United States, and carry out such other functions as
14 the Director determines to be appropriate.”.

15 **SEC. 372. DEPOSIT REQUIREMENT CREDIT FOR SERVICE AS**
16 **A VOLUNTEER.**

17 **(a) CIVIL SERVICE RETIREMENT SYSTEM.—**

18 **(1) CREDITABLE SERVICE.—**Section 8332(j) of
19 title 5, United States Code, is amended—

20 **(A) in paragraph (1)—**

21 **(i) in the first sentence, by inserting**
22 **“the period of an individual’s services as a**
23 **full-time volunteer enrolled in a program of**
24 **at least 1 year in duration under part A,**
25 **B, or C of title I of the Domestic Volun-**

eneral,

1

teer Service Act of 1973," after "Economic
Opportunity Act of 1964,";

2

3

(ii) in the second sentence, by insert-

Act) is

4

ing ", as a full-time volunteer enrolled in

ig new

5

a program of at least 1 year in duration

6

under part A, B, or C of title I of the Do-

7

mestic Volunteer Service Act of 1973,"

ant dr

8

after "Economic Opportunity Act of

n Vol-

9

1964,"; and

act of

10

(iii) in the last sentence—

mmu-

11

(I) by inserting "or under the

across

12

Domestic Volunteer Service Act of

ons as

13

1973" after "Economic Opportunity

14

Act of 1964"; and

ICE AS

15

(II) by inserting "or the Director

16

of ACTION, as appropriate," after

17

"Director of the Office of Economic

2(j) of

18

Opportunity"; and

19

(B) by adding at the end the following new

20

paragraph:

erting

21

"(3) The provisions of paragraph (1) relating to

s as a

22

credit for service as a volunteer or volunteer leader

am of

23

under the Economic Opportunity Act of 1964 ~~of~~ the

art A,

24

Domestic Volunteer Service Act of 1973, ~~shall~~ not

Volun-

25

apply to any period of service as a volunteer or vol-

or the Peace
Corps Act
[Chapter 34
of title
22]

1 unteer leader of an employee or Member with re-
 2 spect to which the employee or Member has made
 3 the deposit with interest, if any, required by section
 4 8334(1).".

5 (2) DEDUCTIONS, CONTRIBUTIONS, AND DEPOS-
 6 ITS.—

7 (A) IN GENERAL.—Section 8334 of title 5,
 8 United States Code, is amended by adding at
 9 the end the following new subsection:

10 "(1)(1) Each employee or Member who has performed
 11 service as a volunteer or volunteer leader under part A
 12 of title VIII of the Economic Opportunity Act of 1964,
 13 ~~or~~ as a full-time volunteer enrolled in a program of at least
 14 1 year in duration under part A, B, or C of title I of the
 15 Domestic Volunteer Service Act of 1973, before the date
 16 of the separation from service on which the entitlement
 17 to any annuity under this subchapter is based may pay,
 18 in accordance with such regulations as the Office of Per-
 19 sonnel Management shall issue, ~~to the agency by which~~
 20 ~~the employee is employed or, in the case of a Member or~~
 21 ~~a congressional employee, to the Secretary of the Senate~~
 22 ~~or the Clerk of the House of Representatives, as appro-~~
 23 ~~priate,~~ an amount equal to 7 percent of the readjustment
 24 allowance paid to the employee or Member under title VIII
 25 of the Economic Opportunity Act of 1964, ~~or~~ title I of the

or as a
 volunteer
 or volunteer
 leader under
 the Peace
 Corps Act
 [Chapter 34
 of title 22]

1 Dom
 2 of se
 3
 4 than
 5
 6
 7
 8
 9
 10 shall
 11 com
 12 tion
 13 ble i
 14 shall
 15 such
 16
 17 reta
 18 rese
 19 mitt
 20 in tl
 21 Fun
 22
 23 the
 24 dete
 25 sub

or Section 5(c) or 6(1)
of the Peace Corps Act
[Section 2504(c) or 2505(1)
of title 22]

1 Domestic Volunteer Service Act of 1973, for each period
2 of service as such a volunteer or volunteer leader.

3 "(2) Any deposit made under paragraph (1) more
4 than 2 years after the later of—

5 "(A) the date of enactment of this subsection;
6 or

7 "(B) the date on which the employee or Mem-
8 ber making the deposit first becomes an employee or
9 Member,

10 shall include interest on such amount, computed and
11 compounded annually beginning on the date of the expira-
12 tion of the 2-year period. The interest rate that is applica-
13 ble in computing interest in any year under this paragraph
14 shall be equal to the interest rate that is applicable for
15 such year under subsection (e).

16 ~~"(3) Any payment received by an agency, the Sec-~~
17 ~~retary of the Senate, or the Clerk of the House of Rep-~~
18 ~~resentatives under this subsection shall be immediately re-~~
19 ~~mitted to the Office of Personnel Management for deposit~~
20 ~~in the Treasury of the United States to the credit of the~~
21 ~~Fund.~~

22 ³ ~~"(4)~~ The Director ^{s of ACTION and the Peace Corps} shall furnish such information to
23 the Office of Personnel Management as the Office may
24 determine to be necessary for the administration of this
25 subsection."

1 (B) CONFORMING AMENDMENT.—Section
2 8334(e) of title 5, United States Code, is
3 amended in paragraphs (1) and (2) by striking
4 “or (k)” each place that such term appears and
5 inserting “(k), or (l)”.

6 (b) FEDERAL EMPLOYEES RETIREMENT SYSTEM.—

7 (1) CREDITABLE SERVICE.—Section 8411 of
8 title 5, United States Code, is amended—

9 (A) in subsection (b)(3), by striking “sub-
10 section (f)” and inserting “subsection (f) or
11 (h)”; and

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

14 “(h) An employee or Member shall be allowed credit
15 for service as a volunteer or volunteer leader under part
16 A of title VIII of the Economic Opportunity Act of 1964,
17 ~~as~~ as a full-time volunteer enrolled in a program of at least
18 1 year in duration under part A, B, or C of title I of the
19 Domestic Volunteer Service Act of 1973, performed at any
20 time prior to the separation from service on which the en-
21 titlement to any annuity under this subchapter is based
22 if the employee or Member has made a deposit with inter-
23 est, if any, with respect to such service under section
24 8422(f).”.

or as a
volunteer or
volunteer
leader under
the Peace
Corps Act
[chapter 34
of title 22]

Section
code, is
striking
ars and
TEM.—
411 of
r "sub-
(f) or
ing new
credit
r part
1964,
t least
of the
at any
be en-
based
inter-
ction

(2) DEDUCTIONS, CONTRIBUTIONS.—Section
8422 of title 5, United States Code, is amended by
adding at the end the following new subsection:
“(f)(1) Each employee or Member who has performed
service as a volunteer or volunteer leader under part A
of title VIII of the Economic Opportunity Act of 1964,
X as a full-time volunteer enrolled in a program of at least
1 year in duration under part A, B, or C of title I of the
Domestic Volunteer Service Act of 1973, ^{or as} before the date
of the separation from service on which the entitlement
to any annuity under this subchapter, or subchapter V of
this chapter, is based may pay, in accordance with such
regulations as the Office of Personnel Management shall
issue, ~~to the agency by which the employee is employed~~
~~or, in the case of a Member or a congressional employee,~~
~~to the Secretary of the Senate or the Clerk of the House~~
~~of Representatives, as appropriate,~~ an amount equal to 3
percent of the readjustment allowance paid to the em-
ployee or Member under title VIII of the Economic Oppor-
tunity Service Act of 1964, ^{or title I of the Domestic Vol-}
unteer Service Act of 1973, ^{or section 5(c) or 6(1)} for each period of service as
such a volunteer or volunteer leader.
“(2) Any deposit made under paragraph (1) more
than 2 years after the later of—

a volunteer
or volunteer
leader
under the
Peace Corps
Act [chapter
34 of
title 22]

of the
Peace
Corps
Act [section
2509(c)
or 2505(1)
of title
22]

1 “(A) the date of enactment of this subsection,
2 or

3 “(B) the date on which the employee or Mem-
4 ber making the deposit first becomes an employee or
5 Member,

6 shall include interest on such amount computed and
7 compounded annually beginning on the date of the expira-
8 tion of the 2-year period. The interest rate that is applica-
9 ble in computing interest in any year under this paragraph
10 shall be equal to the interest rate that is applicable for
11 such year under section 8334(e).

12 ~~“(3) Any payment received by an agency, the Sec-
13 retary of the Senate, or the Clerk of the House of Rep-
14 resentatives under this subsection shall be immediately re-
15 mitted to the Office of Personnel Management for deposit
16 in the Treasury of the United States to the credit of the
17 Fund.”~~

18 ³“(4) The Director³ of ACTION and the Peace Corps
19 the Office of Personnel Management as the Office may
20 determine to be necessary for the administration of this
21 subsection.”.

22 (c) APPLICABILITY AND OTHER PROVISIONS.—

23 (1) APPLICABILITY.—

24 (A) ⁽¹⁾TIMING.—The amendments made by
25 subsections ^(a)(a) and ^(b)(b) shall apply with respect

to credit for service as a volunteer or volunteer leader under the Economic Opportunity Act of 1964, ~~the Domestic Volunteer Service Act of 1973~~ ^{for the Peace Corps Act Chapter 34 of title 22} for individuals who are entitled to an annuity on the basis of a separation from service occurring ~~before~~, on or after the effective date of this Act.

[INSERT ATTACHMENT (4 pp.)]
(B) SEPARATION. In the case of any indi-

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

(2) ACTION TO INFORM INDIVIDUALS. The Director of the Office of Personnel Management shall take such action as may be necessary and appropriate to inform individuals entitled to credit under this section for service as a volunteer or volunteer leader, or to have any annuity recomputed, or to

ATTACHMENT

(ii) In the case of any individual who is entitled to an annuity under subchapter III of chapter 83 of title 5, commencing before the date of enactment of this Act, credit for service under such subchapter III shall be subject to paragraphs (2) through (6), and section 8332(j)(1) of title 5 shall not apply to such individual. Any annuity increase resulting from application of the preceding sentence shall be effective only with respect to annuity payments payable for calendar months beginning after the effective date of this Act.

(B)(i) The amendments made by subsection (b) shall apply with respect to credit for service as a volunteer or volunteer leader under the Economic Opportunity Act of 1964, the Domestic Volunteer Service Act of 1973, or the Peace Corps Act [chapter 34 of title 22] of individuals who are entitled to an annuity on the basis of a separation from service occurring before, on, or after the effective date of this Act.

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

(2) OLD AGE OR SURVIVOR'S ENTITLEMENT.--Subject to paragraph (3), in any case in which an individual described in paragraph (1) (A) (ii) is also entitled to old-age or survivor's insurance benefits under section 202 of the Social Security Act (or would be entitled to such benefits upon filing an application therefor), the amount of the annuity to which such individual is entitled under subchapter III of chapter 83 of title 5, United States Code (after taking in account service as a volunteer or volunteer leader under the Economic Opportunity Act of 1964, the Domestic Volunteer Service Act of 1973, and the Peace Corps Act [chapter 34 of title 22]) which is payable for any month shall be reduced by an amount determined by multiplying the amount of such old-age or survivor's insurance benefit for the determination month by a fraction--

(A) the numerator of which is the total of the wages (within the meaning of section 209 of the Social Security Act [section 409 of title 42]) for service as a volunteer or volunteer leader under the Economic Opportunity Act of 1964, the Domestic Volunteer Service Act of 1973, and the Peace Corps Act [chapter 34 of title 22] of such individual credited for years before the calendar year in which the determination month occurs, up to the contribution and benefit base determined under section 230 of the Social Security Act [section 430 of title 42] (or other applicable maximum annual amount referred to in section

215(e) (1) of such Act [section 415(e) (1) of title 42] for each year); and

(B) the denominator of which is the total of all wages described in subparagraph (A), plus all other wages (within the meaning of section 209 of such Act [section 409 of title 42]) and all self-employment income (within the meaning of section 211(b) of such Act [section 411(b) of title 42]) of such individual credited for years after 1936 and before the calendar year in which the determination month occurs, up to the contribution and benefit base (or such other amount referred to in section 215(e) (1) of such Act [section 415(e) (1) of title 42]) for such year.

(3) LIMITATIONS.--(A) Paragraph (2) shall not reduce the annuity of an individual below the amount of the annuity which would be payable to the individual for the determination month if section 8332(j) of title 5 applied to the individual for such month.

(B) Paragraph (2) shall not apply in the case of an individual who, prior to enactment of this Act, made a deposit for such service under section 8334(c) of title 5.

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

(A) the first month the individual described in paragraph (1) (A) (ii) is entitled to old-age or survivor's benefits under section 202(a) of the Social Security Act

[section 402(a) of title 42] (or would be entitled to such benefits upon filing an application therefore); or

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

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

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

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

GGardner;jg
Doc:Attachment
5/21/93

AMENDMENT TO H.R. 2010**OFFERED BY MR. MILLER OF CALIFORNIA**

(Page & line nos. refer to bill as introduced on 5/6/93)

Page 11, line 14, strike "including a" and insert "including the Public Lands Corps established under section 134 of the National Service Trust Act of 1993 and other".

Page 156, before line 6, add the following new subtitle:

1 Subtitle C—Public Lands Corps of
2 the Department of the Interior
3 and the Department of Agri-
4 culture

5 SEC. 131. SHORT TITLE.

6 This subtitle may be cited as the "Public Lands
7 Corps Act of 1993".

8 SEC. 132. CONGRESSIONAL FINDINGS AND PURPOSE.

9 (a) FINDINGS.—The Congress finds the following:

10 (1) Conserving or developing natural and cul-
11 tural resources and enhancing and maintaining envi-
12 ronmentally important lands and waters through the
13 use of the Nation's young men and women in a Pub-
14 lic Lands Corps can benefit those men and women
15 by providing them with education and work opportu-

1 nities, furthering their understanding and apprecia-
2 tion of the natural and cultural resources, and pro-
3 viding a means to pay for higher education or to
4 repay indebtedness they have incurred to obtain
5 higher education while at the same time benefiting
6 the Nation's economy and its environment.

7 (2) Many facilities and natural resources lo-
8 cated on public lands and on Indian reservations are
9 in disrepair or degraded and in need of labor inten-
10 sive rehabilitation, restoration, and enhancement
11 work which cannot be carried out by Federal agen-
12 cies at existing personnel levels.

13 (3) Youth conservation corps have established a
14 good record of restoring and maintaining these kinds
15 of facilities and resources in a cost effective and effi-
16 cient manner, especially when they have worked in
17 partnership arrangements with government land
18 management agencies.

19 (b) PURPOSE.—It is the purpose of this subtitle to—

20 (1) perform, in a cost-effective manner, con-
21 servation, rehabilitation, restoration, and improve-
22 ment work on public lands and Indian lands where
23 that work will not be performed by existing employ-
24 ees, and to assist government and tribal land man-
25 aging agencies in performing research and public

1 education tasks associated with natural and cultural
2 resources on public lands and Indian lands;

3 (2) expose young men and women to public
4 service while furthering their understanding and ap-
5 preciation of the nation's natural and cultural re-
6 sources;

7 (3) expand educational opportunity by reward-
8 ing individuals who participate in national service
9 with an increased ability to pursue higher education
10 or job training; and

11 (4) stimulate interest among the nation's young
12 men and women in conservation careers by exposing
13 them to conservation professionals in land managing
14 agencies.

15 **SEC. 133. DEFINITIONS.**

16 For purposes of this subtitle:

17 (1) The term "Corps" means the Public Lands
18 Corps established under section 134.

19 (2) The term "public lands" means any lands
20 or waters (or interest therein) owned or adminis-
21 tered by the United States, except that such term
22 does not include any Indian lands.

23 (3) The term "qualified youth or conservation
24 corps" means any program established by a State or

1 local government, by the governing body of any In-
2 dian tribe, or by a nonprofit organization that—

3 (A) is capable of offering meaningful, full-
4 time, productive work for individuals between
5 the ages of 16 and 25, inclusive, in a natural
6 or cultural resource setting;

7 (B) gives participants a mix of work expe-
8 rience, basic and life skills, education, training,
9 and support services; and

10 (C) provides participants with the oppor-
11 tunity to develop citizenship values and skills
12 through service to their community and the
13 United States.

14 (4) The term “Indian tribe” means any Indian
15 tribe, band, nation, or other group which is rec-
16 ognized as an Indian tribe by the Secretary of the
17 Interior. Such term also includes any Native village
18 corporation, regional corporation, and Native group
19 established pursuant to the Alaska Native Claims
20 Settlement Act (43 U.S.C. 1701 et seq.).

21 (5) The term “Indian” means a person who is
22 a member of an Indian tribe.

23 (6) The term “Indian lands” means any real
24 property owned by an Indian tribe, any real property
25 held in trust by the United States for Indian tribes,

1 and any real property held by Indian tribes which is
2 subject to restrictions on alienation imposed by the
3 United States.

4 (7) The term "State" means any State of the
5 United States, the District of Columbia, the Com-
6 monwealth of Puerto Rico, Guam, the Virgin Is-
7 lands, American Samoa, and the Commonwealth of
8 the Northern Mariana Islands.

9 (8) The term "conservation, restoration, or re-
10 habilitation project" means any project for the con-
11 servation, restoration, or rehabilitation of natural,
12 cultural, historic, archaeological, recreational, or sce-
13 nic resources.

14 **SEC. 134. PUBLIC LANDS CORPS PROGRAM.**

15 (a) **ESTABLISHMENT OF PUBLIC LANDS CORPS.—**
16 There is hereby established in the Department of the Inte-
17 rior and the Department of Agriculture a Public Lands
18 Corps. The Corps shall consist of individuals between the
19 ages of 16 and 25, inclusive, who are enrolled as partici-
20 pants in the Corps by the Secretary of the Interior or the
21 Secretary of Agriculture. To be eligible for enrollment in
22 the Corps, an individual shall satisfy the criteria specified
23 in section 139(b) of the National and Community Service
24 Act of 1990. The Secretary of the Interior and the Sec-
25 retary of Agriculture may enroll such individuals in the

1 Corps without regard to the civil service and classification
2 laws, rules, or regulations of the United States.

3 (b) QUALIFIED YOUTH OR CONSERVATION CORPS.—

4 The Secretary of the Interior and the Secretary of Agri-
5 culture are authorized to enter into contracts and coopera-
6 tive agreements with any qualified youth or conservation
7 corps to perform conservation, restoration, or rehabilita-
8 tion projects referred to in subsection (c).

9 (c) PROJECTS TO BE CARRIED OUT.—The Secretary
10 of the Interior and the Secretary of Agriculture may each
11 utilize the Public Lands Corps or any qualified youth or
12 conservation corps to carry out any conservation, res-
13 toration, or rehabilitation project which such Secretary is
14 authorized to carry out under other authority of law on
15 public lands or Indian lands.

16 (d) PREFERENCE FOR CERTAIN PROJECTS.—In se-
17 lecting a conservation, restoration, or rehabilitation
18 project to be carried out under this subtitle, the Secretary
19 of the Interior and the Secretary of Agriculture shall give
20 a preference to those projects which—

- 21 (1) will provide long-term benefits to the public;
- 22 (2) will instill in the enrollee involved a work
23 ethic and a sense of public service;
- 24 (3) will be labor intensive;
- 25 (4) can be planned and initiated promptly; and

1 (5) will provide academic, experiential, and en-
2 vironmental education opportunities.

3 (e) **CONSISTENCY.**—Each conservation, restoration,
4 or rehabilitation project carried out under this subtitle on
5 any public lands or Indian lands shall be consistent with
6 the provisions of law and policies relating to the manage-
7 ment and administration of such lands, with all other ap-
8 plicable provisions of law, and with all management, oper-
9 ational, and other plans and documents which govern the
10 administration of the area.

11 **SEC. 135. CONSERVATION CENTERS.**

12 (a) **ESTABLISHMENT AND USE.**—The Secretary of
13 the Interior and the Secretary of Agriculture are each au-
14 thorized to provide such quarters, board, medical care,
15 transportation, and other services, facilities, supplies, and
16 equipment as such Secretary deems necessary in connec-
17 tion with the Public Lands Corps and conservation, res-
18 toration, or rehabilitation projects carried out under this
19 subtitle and to establish and use conservation centers
20 owned and operated by such Secretary for purposes of the
21 Public Lands Corps and such projects. Such Secretaries
22 shall establish basic standards of health, nutrition, sanita-
23 tion, and safety for all conservation centers established
24 under this section and shall assure that such standards
25 are enforced. Where necessary or appropriate, such Sec-

1 retaries may enter into contracts and other appropriate
2 arrangements with State and local government agencies
3 and private organizations for the management of such
4 conservation centers.

5 (b) LOGISTICAL SUPPORT.—Each such Secretary
6 may make arrangements with the Secretary of Defense to
7 have logistical support provided by a military installation
8 near any conservation center, where feasible, including the
9 provision of temporary tent shelters where needed, trans-
10 portation, and residential supervision.

11 SEC. 136. LIVING ALLOWANCES AND TERMS OF SERVICE
12 FOR PARTICIPANTS.

13 (a) LIVING ALLOWANCES.—The Secretary of the In-
14 terior and the Secretary of Agriculture shall provide each
15 participant in the Public Lands Corps with a living allow-
16 ance in an amount not to exceed the maximum living al-
17 lowance authorized by section 140(a)(3) of the National
18 and Community Service Act of 1990 for participants in
19 a national service program assisted under subtitle C of
20 title I of such Act.

21 (b) TERMS OF SERVICE.—Each participant in the
22 Public Lands Corps shall agree to participate in the Corps
23 for a term of service established by the Secretary of the
24 Interior or the Secretary of Agriculture, as the case may
25 be, consistent with the terms of service required under sec-

tion 139(b) of the National and Community Service Act of 1990 for participants in a national service program assisted under subtitle C of title I of such Act.

SEC. 137. NATIONAL SERVICE EDUCATIONAL AWARDS FOR PARTICIPANTS.

(a) EDUCATIONAL BENEFITS AND AWARDS.—Each participant in the Public Lands Corps shall be eligible for a national service educational award in the manner prescribed in subtitle D of title I of the National and Community Service Act of 1990 if such participant complies with such requirements as may be established under this subtitle by the Secretary of the Interior or the Secretary of Agriculture respecting eligibility for the award. The period during which the award may be used, the purposes for which the award may be used, and the amount of the award shall be determined as provided under such subtitle.

(b) FORBEARANCE IN THE COLLECTION OF STAFFORD LOANS.—For purposes of section 428 of the Higher Education Act of 1965, in the case of borrowers who are participants in the Public Lands Corps, upon written request, a lender shall grant a borrower forbearance on such terms as are otherwise consistent with the regulations of the Secretary of Education, during periods in which the borrower is serving as such a participant and eligible for a national service educational award under subsection (a).

1 SEC. 138. NONDISPLACEMENT.

2 The nondisplacement requirements of section 177 of
3 the National and Community Service Act of 1990 shall
4 be applicable to all activities carried out by the Public
5 Lands Corps and to all activities carried out under this
6 subtitle by a qualified youth or conservation corps.

7 SEC. 139. FUNDING.

8 (a) COST SHARING.—

9 (1) PROJECTS BY QUALIFIED YOUTH OR CON-
10 SERVATION CORPS.—The Secretary of the Interior
11 and the Secretary of Agriculture are each authorized
12 to pay not more than 75 percent of the costs of any
13 conservation, restoration, or rehabilitation project
14 carried out pursuant to this subtitle on public lands
15 by a qualified youth or conservation corps. The re-
16 maining 25 percent of the costs of such a project
17 may be provided from nonfederal sources in the form
18 of funds, services, facilities, materials, equipment, or
19 any combination of the foregoing. No cost sharing
20 shall be required in the case of any conservation,
21 restoration, or rehabilitation project carried out on
22 Indian lands under this subtitle.

23 (2) PUBLIC LANDS CORPS.—A foundation asso-
24 ciated with a Federal land managing agency may
25 contribute to the costs of any conservation, res-
26 toration, or rehabilitation project carried out by the

1 Public Lands Corps, but nothing in this subtitle
2 shall be construed to require any cost sharing for
3 any such project.

4 (b) FUNDS AVAILABLE UNDER NATIONAL AND COM-
5 MUNITY SERVICE ACT.—In order to carry out the Public
6 Lands Corps or to support qualified youth or conservation
7 corps under this subtitle, the Secretary of the Interior and
8 the Secretary of Agriculture shall be eligible to apply for
9 and receive assistance under section 121(b) of the Na-
10 tional and Community Service Act of 1990.

11 (c) AUTHORIZATION OF APPROPRIATIONS.—There
12 are authorized to be appropriated such sums as may be
13 necessary to carry out this subtitle.

OFFICE OF MANAGEMENT AND BUDGET
HUMAN RESOURCES DIVISION

DATE: 3/25/93
TO: Jack Lew
FROM: Pam VanWine

COMMENTS:

never could get through
on your FAX last night.

NUMBER OF PAGES
(INCLUDING COVER)

2

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

March 24, 1993

MEMORANDUM

FOR: Jack Lew

THROUGH: Barbara Scifridge
Larry Matlack

FROM: Pamela VanWie 

One of the items raised for discussion in the meeting last Friday was how to handle the pre- and post-service benefit funds that will accrue to participants. It is our understanding that the national service initiative plans to set aside the benefit amount for a cohort of participants each year to ensure funding for each participant's benefit. These are some items to consider when drafting the legislation to handle these funds.

● "M" Account Legislation. "M" account language states that all funds not expended 5 years after appropriation will return to the Treasury. Because some people may not draw their benefit immediately, you need to decide if you need to address this provision in the authorizing legislation. If you don't the money will return to Treasury whether it's obligated or not. Five years may be fine with you or not. In any case, you may want to consider some alternative cut-off period since I doubt you want to carry the benefit forever. This would mean that participants would know up front they had to use their resources within a certain time.

● Appropriation Language in the authorizing statute. Although the authorizing language discussed above might address this, you also should consider including something in the appropriation language that makes resources available until expended. This will allow funds to be deobligated and reobligated as necessary. This means that if \$20 K is set aside for an individual and they only draw \$10 K, you can deobligate the remaining \$10 K and use it for someone else without losing it to the Treasury. The boilerplate language to accomplish this goes like this, "Such sums authorized shall be made available till expended."

● Investment and Interest. Because this will be a simple appropriation, and provides only authority to draw on Treasury funds there is no need to make investments. Therefore, investment of funds and interest accrual is not an issue.

● Redemption procedures. Until we know exactly what is proposed we are not sure what issues arise here.

● Other Issues. Has a decision been made on whether national service participants will be considered federal employees while serving? If they are not federal employees then language should be included similar to that in VISTA and Peace Corps. If they are for some purposes, then the inclusions/exclusions should be clearly stated (tort liability and workers compensation seem to be two commonly cited areas.)

● In addition if a national service participant later decides to enter the federal government should they be allowed to count their national service time towards federal service? VISTA and Peace Corps both have language in their legislation that allows them to do so.



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

April 15, 1993

MEMORANDUM FOR JACK LEW
SHIRLEY SAGAWA

FROM:

Ray Kogut 

SUBJECT:

Personnel Management Provisions for the
Corporation for National Service

Based on our discussions, including a follow-up discussion with Bob Knisley, the following framework for personnel management authorities and structure is recommended for the Corporation for National Service.

In the discussion draft of proposed legislation, the Corporation administers the national service laws, a term defined to include the Domestic Volunteer Service Act of 1973. Therefore, the programs now administered by ACTION would be incorporated into the Corporation's jurisdiction together with programs to be newly established.

ACTION's personnel authority (42 USC 5042) provides for career civil service staffing and a not to exceed 8.5 percent limit on the number of Schedule Cs, experts and consultants, and temporary employees. ACTION is budgeted for about 420 full-time equivalent work-years, including for 2 Presidential appointees and 10 SES. Upon transfer of VISTA and the various volunteer and assistance programs to the Corporation, the personnel supporting those programs would transfer with the function. Should the transfer occur coincident with establishment of the Corporation, the potential exists that the supporting (overhead) staff would also transfer since such staff would not already be in place at the Corporation and therefore would be needed to support the transferred functions. Providing for a delayed transfer of the Domestic Volunteer Service Act programs may be helpful.

You indicated a preference for staffing the Corporation outside the career civil service. Even with legislation putting ACTION's positions into the excepted service, existing law and rules provide that employees retain a personal competitive (career) status for so long as they hold those jobs. This means that the Corporation would have to follow regular removal procedures (adverse action, performance-based, or RIF) as appropriate in each case. Further, I would expect Congressional, media, and interest group opposition to a wholesale removal of positions from the competitive civil service.

I have looked at the Peace Corps' legislation as a staffing model for the Corporation. Peace Corps' 30-month appointments in the Foreign Service are almost always extended to 5 years, and in very exceptional cases for longer periods. Its system base is the Foreign Service, normally a full-career, international program that includes limited-term assignments and high mobility as a job requirement. Persons who complete their Peace Corps appointments have eligibility to receive a regular civil service appointment in another agency without competition.

While the Corporation's programs are not unlike those of other Federal agencies with regular civil service staffing, different staffing provisions are possible through legislation. The following are recommended for your consideration:

Section 135. Corporation Representative in Each State.

Provide that the Corporation's representative in each state shall be appointed and compensated without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. Limit the highest rate of pay under this authority to a reasonable level, e.g., the maximum of the General Schedule (GS-15 step 10).

Section 191F. Employees, Consultants, and Other Personnel

Provide that except for employees who transfer to the Corporation from ACTION when the functional transfer takes place, all employees shall be appointed under a Corporation merit-based staffing system and compensated under a Corporation classification and pay-for-performance based system, without regard to the usual provisions of title 5, United States Code, governing appointments, classification, and compensation in the civil service. Such appointments shall not exceed five years, except, when necessary to promote the continuity of functions in administering the programs of the Corporation, the Director may extend an appointment for an additional two year period. Limit the maximum rate of pay to the maximum payable for senior level positions under section 5376 of title 5, United States Code.

Upon separation, not for cause, after at least three years of service, such employees may be appointed at any time in the competitive service without competition in any position for which they are qualified. If they have served in the Corporation for less than three years, their opportunity for noncompetitive appointment is limited to three years from their date of separation.

Employees from ACTION transferred to the Corporation may continue to serve with all rights and benefits of the competitive service for such time as they serve in the position to which transferred. They may not be removed by reduction in force or have their grade, pay, benefits, or conditions of employment reduced or changed, except with their approval, for a period of one year after the transfer. Such employees may choose to accept a Corporation appointment at any time.

cc: Larry Matlack
Pam VanWie



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

April 15, 1993

MEMORANDUM FOR JACK LEW
SHIRLEY SAGAWA

FROM: Ray Kogut 

SUBJECT: Personnel Management Provisions for the
Corporation for National Service

Based on our discussions, including a follow-up discussion with Bob Knisley, the following framework for personnel management authorities and structure is recommended for the Corporation for National Service.

In the discussion draft of proposed legislation, the Corporation administers the national service laws, a term defined to include the Domestic Volunteer Service Act of 1973. Therefore, the programs now administered by ACTION would be incorporated into the Corporation's jurisdiction together with programs to be newly established.

ACTION's personnel authority (42 USC 5042) provides for career civil service staffing and a not to exceed 8.5 percent limit on the number of Schedule Cs, experts and consultants, and temporary employees. ACTION is budgeted for about 420 full-time equivalent work-years, including for 2 Presidential appointees and 10 SES. Upon transfer of VISTA and the various volunteer and assistance programs to the Corporation, the personnel supporting those programs would transfer with the function. Should the transfer occur coincident with establishment of the Corporation, the potential exists that the supporting (overhead) staff would also transfer since such staff would not already be in place at the Corporation and therefore would be needed to support the transferred functions. Providing for a delayed transfer of the Domestic Volunteer Service Act programs may be helpful.

You indicated a preference for staffing the Corporation outside the career civil service. Even with legislation putting ACTION's positions into the excepted service, existing law and rules provide that employees retain a personal competitive (career) status for so long as they hold those jobs. This means that the Corporation would have to follow regular removal procedures (adverse action, performance-based, or RIF) as appropriate in each case. Further, I would expect Congressional, media, and interest group opposition to a wholesale removal of positions from the competitive civil service.

I have looked at the Peace Corps' legislation as a staffing model for the Corporation. Peace Corps' 30-month appointments in the Foreign Service are almost always extended to 5 years, and in very exceptional cases for longer periods. Its system base is the Foreign Service, normally a full-career, international program that includes limited-term assignments and high mobility as a job requirement. Persons who complete their Peace Corps appointments have eligibility to receive a regular civil service appointment in another agency without competition.

While the Corporation's programs are not unlike those of other Federal agencies with regular civil service staffing, different staffing provisions are possible through legislation. The following are recommended for your consideration:

Section 135. Corporation Representative in Each State.

Provide that the Corporation's representative in each state shall be appointed and compensated without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. Limit the highest rate of pay under this authority to a reasonable level, e.g., the maximum of the General Schedule (GS-15 step 10).

Section 191F. Employees, Consultants, and Other Personnel

Provide that except for employees who transfer to the Corporation from ACTION when the functional transfer takes place, all employees shall be appointed under a Corporation merit-based staffing system and compensated under a Corporation classification and pay-for-performance based system, without regard to the usual provisions of title 5, United States Code, governing appointments, classification, and compensation in the civil service. Such appointments shall not exceed five years, except, when necessary to promote the continuity of functions in administering the programs of the Corporation, the Director may extend an appointment for an additional two year period. Limit the maximum rate of pay to the maximum payable for senior level positions under section 5376 of title 5, United States Code.

Upon separation, not for cause, after at least three years of service, such employees may be appointed at any time in the competitive service without competition in any position for which they are qualified. If they have served in the Corporation for less than three years, their opportunity for noncompetitive appointment is limited to three years from their date of separation.

Employees from ACTION transferred to the Corporation may continue to serve with all rights and benefits of the competitive service for such time as they serve in the position to which transferred. They may not be removed by reduction in force or have their grade, pay, benefits, or conditions of employment reduced or changed, except with their approval, for a period of one year after the transfer. Such employees may choose to accept a Corporation appointment at any time.

cc: Larry Matlack
Pam VanWie

D/E F 1336.7

(08-00)

(Exception to SF 14. Approved by NARS, June 1978)

EFO(08-00)

1. INSERT ABOVE, CLASSIFICATION LEVEL, UNCLASSIFIED, OR OFFICIAL USE ONLY		2. MESSAGE CONTAINS WEAPON DATA? (“X” appropriate box. Message Center will not transmit message unless one box is marked.) ☐ YES ☒ NO	
U.S. DEPARTMENT OF ENERGY TELECOMMUNICATION MESSAGE (See reverse side for instructions)		3. USE WHEN REQUIRED THIS DOCUMENT CONSISTS OF <u>14</u> PAGES NO. <u> </u> OF <u> </u> COPIES, SERIES <u> </u>	
4. PRECEDENCE DESIGNATION (“X” appropriate box): FOR NORMAL USE EMERGENCY USE ONLY ACTION: ☒ Routine ☐ Priority ☐ Immediate ☐ FLASH INFO: ☐ (6 Hrs.) ☐ (3 Hrs.) ☐ (30 Mins.) ☐ (ASAP)		5. TYPE OF MESSAGE (“X” appropriate box) ☐ Single Address ☐ Multiple Address ☐ Title Address ☐ Hook Message	
6. FROM <u>Larry Byrne</u>		7. OFFICIAL BUSINESS <u>Fernandette Washington</u> (TIME) (Signature of authorizing official) A.M. P.M.	
8. DATE <u>3/29/93</u>		9. TO <u>Phil Caplan 202456-6420</u> <u>S. Schuman 201-929-0252</u> <u>Pls give your comments</u> <u>back to me today</u>	
10. ORIGINATOR (On separate lines, enter Name, Routing Symbol, & Tel. No.) <u>Larry Byrne</u> <u>S-1</u> <u>586-8504</u>		11. DERIVATIVELY CLASSIFIED NSI NATIONAL SECURITY INFORMATION Unauthorized Disclosure subject to Administrative and Criminal Sanctions. Derivative Classifier: (Name) _____ (Title) _____ Declassify on: (Date or Event/OADR) _____ Derivatively Classified by: _____ (Guide or Source Document)	
12. ORIGINALLY CLASSIFIED NSI NATIONAL SECURITY INFORMATION Unauthorized Disclosure subject to Administrative and Criminal Sanctions. Originally Classified by: (Name) _____ (Title) _____ Declassify on: _____ (Date or Event/OADR)		13. ☐ RESTRICTED DATA This document contains Restricted Data as defined in the Atomic Energy Act of 1954. Unauthorized disclosure subject to Administrative and Criminal Sanctions. DERIVATIVE CLASSIFIER _____ (Name and Title)	
14. ☐ FORMERLY RESTRICTED DATA Unauthorized disclosure subject to Administrative and Criminal Sanctions Handle as Restricted Data in Foreign Dissemination Section 144 h Atomic Energy Act, 1954 DERIVATIVE CLASSIFIER _____ (Name and Title)		15. INSERT BELOW, CLASSIFICATION LEVEL, UNCLASSIFIED, OR OFFICIAL USE ONLY	

1/631

National Service Issues

Q. Should it be a corporation or an Executive Agency?

A. In order to be a true corporation two things must be provided:

- 1) A source of funding to take it off the Treasury account.
- 2) A separate form of ownership most commonly stocks as in Fannie Mae or Sallie Mae. The only other option is to make it an Executive Branch Agency. We believe it must be an Executive Branch Agency.

Q. Are we limited far as titling?

A. It can be called almost anything an Authority, Agency, Corps., Service or a corporation and still remain an executive branch agency.

Q. Where should this new entity be placed?

A. We considered a variety of options.

- 1) From the beginning it could be an independent agency with no ties to any other organization. This would require early focusing on administration by those charged with running the organization. Even with the authority to buy from other Federal agencies the basic services needed, to operate this would require the negotiation of interagency agreements which would also consume time and effort. We believe independence is essential but believe it should come over time.
- 2) It could be established permanently as a part of another Agency such as Labor, Commerce etc. This does not fit the criteria of independence and reinventing government sought for this organization.
- 3) It could be established as part of another Executive Branch Agency until it is on its feet. Then if the legislation is structured properly either at a date certain (likely one year) or by executive Order, the new entity could become independent. We believe this makes the most sense. Our recommendation is it ought to be part of the Executive Office of the President to maximize the flexibilities. We understand the problems with this because of the 25 percent cut in staff. However, just as OMB and one other agency were kept out of the total count so could this new entity be kept out of the count.

NO

Act.
way to
handle transition
year

(17) 1

Q. If it is to be an entity of the Executive Branch what flexibilities are necessary to make it most effective?

A. We believe there are a variety of flexibilities which would be essential. We have broken this into three broad groups: personnel, financial, and administrative.

1) Personnel

a. As part of the Executive Branch, we believe this agency in total out to be part of the excepted service. The legislation should provide.

- All new employees would be in the excepted service.
- All current employees would have a one-year retention of current grade and rank. They would be transferred to the new excepted service within one year of the establishment of the entity. However, they could voluntarily enter the excepted service if selected for a new job.
- Current classification and qualification standards would not apply. However, the new entity would have to create standards and grading patterns of their own. We recommend the concept of broad grade bands but this need not be in the legislation.
- Providing for limiting periods of service to five years would need to be in the legislation. It should provide for extension of the five year period and an option to enter the career service. We believe the Peace Corps offers a model for these provisions.

b. As part of the Executive Branch employees would be covered by current civil service retirement and benefits. We believe this is a good idea.

c. The relationship of the agency to other regulatory agencies such as the Merit Systems Protection Board and the Federal Labor Relations authority could be redefined. However, the problems, exempting the new agency is not worth the fight on the Hill.

d. We believe no special legislation is necessary to handle the removal of current employees. First the Congress will resist such an effort. Second, many of the employees will select themselves out. Third no matter what flexibilities are given the requirement for due process cannot be eliminated.

What is what we are doing

What does this mean

What happens to them

are jobs reduced

2) Financial

There are a variety of flexibilities we believe should be provided for.

Do we need to
y "long"
has a need to
✓

- Create a foundation - This will allow for the acceptance and solicitation of outside funds from both individuals and corporation. We believe the National Park Service foundation offers a good legislative model.
- Create a Trust Fund - This would allow acceptance of money to create a fund for education.
- ? - Allow for acceptance of State and local joint partnership monies with no tie to budget year.
- Provide for budget authorization to provide for management to the budget. This will allow a new demonstration effort with exclusion from manpower controls (FTE's) and other controls over object classes such as travel. This will provide maximum flexibility to meet the criteria of reinventing government.
- ✓ - Allow the entity to have grant making authority.

yes.

3) Administrative

The legislation should provide:

- The ability to contract for a broad range of services to keep administrative demands down. These would include: personnel and payroll processing, financial reporting, procurement, IG's and etc. The entity would then make interagency agreements with other Federal agencies to provide these services.
- The ability to provide to the chairman and the council the authority to waive procurement regulations to assist in the agency goals. These would need to be documented but could be aimed at assisting the mission of the entity.
- We believe the council should be purely advisory with staggered terms.

For your information per the earlier request we have provided some legislative suggestions from J. Schulman on language you may find helpful.

JMS & Associates

1804 Billman Lane, Silver Spring, Maryland 20902

Tel: 301-949-1844 Fax: 301-929-0252

Date: March 28, 1993

To: Larry Byrne

Subject: Proposed Language for Administrative Provisions of the National Volunteer Service Act

Most of the attached language is from the Senate amendment to the House bill, before the two Houses conf. ended. The final language in the National Energy Policy Act (PL 102-486) is not as good for the Corporation's purposes as was the Senate version.

Sections __01 and __02 are boilerplate.

Section __03 is partly boilerplate, but also has some goodies in it: see subsections (f)(2), (g), (h), (j) and (n).

In Section __04, subsection (a) says the Board is advisory, (b) says Board members are appointed by the President (no advice and consent since the Board is advisory), (d) provides for staggered terms, and (g) provides per diem when the Board meets, but doesn't name a rate.

Section ____05 deals with the Administrator, but doesn't name a pay level (I assume it won't be EL-I, but might very well be EL-II or III).

In Section __06, subsection (b) has a bunch of goodies in it, i.e., no administratively imposed limits on personnel; appointments, promotions and assignments based on "merit and fitness;" compensation based on "performance;" and all other personnel actions based on "fairness and due process." All excepted from the provisions of title 5 governing the competitive service. Subsection (c) gives current employees covered by CSRS who transfer to the Corporation another chance to switch to FERS if they wish; and (c)(2) is designed to encourage some of the current Federal employees to go away by allowing "severance pay" even if the Corporation offers them a comparable job. Subsection (e) provides the "one-year" protection we talked about, but also provides authority for the Corporation to "buy out" surplus employees after the first year is up.

Section __06 allows the Corporation lots of latitude to obtain support from other agencies on a reimbursable basis.

If I can be of further help, call.


J. Schulman

Attachment

2/631

**CHAPTER __ - ESTABLISHMENT, POWERS, AND
ORGANIZATION OF THE CORPORATION**

SEC. __01. ESTABLISHMENT OF THE CORPORATION

(a) In General. - There is established a body corporate to be known as the "National Volunteer Service Corporation."

(b) Government Corporation. - The Corporation shall be established as a wholly owned Government corporation subject to chapter 91 of title 31, United States Code (commonly referred to as the Government Corporation Control Act), except as otherwise provided herein.

SEC. __02. CORPORATE OFFICES

The Corporation shall maintain an office for the service of process and papers in the District of Columbia, and shall be deemed, for purposes of venue in civil actions, to be a resident thereof. The Corporation may establish offices in such other place or places as it may deem necessary or appropriate in the conduct of its business.

SEC. __03. POWERS OF THE CORPORATION (The following language may be useful, but is not all inclusive) In order to accomplish the purposes of this Act, the Corporation -

(a) shall have perpetual succession unless dissolved by Act of Congress;

(b) may adopt, alter, and use a corporate seal, which shall be judicially noticed;

(c) may sue and be sued in its corporate name and be represented by its own attorneys in all judicial and administrative proceedings;

- 2 -

(d) may indemnify the Administrator, officers, attorneys, agents and employees of the Corporation for liabilities and expenses incurred in connection with their corporate activities;

(e) may adopt, amend, and repeal bylaws, rules and regulations governing the manner in which its business may be conducted and the power granted to it by law may be exercised and enjoyed;

(f)(1) may acquire, purchase, lease, and hold real and personal property, as it deems necessary in the transaction of its business, and sell, lease, grant, and dispose of such real and personal property, as it deems necessary to effectuate the purposes of this Act and without regard to the Federal Property and Administrative Services Act of 1949, as amended;

(2) purchases and contracts for supplies or services, except personal services, made by the Corporation shall be made after advertising, in such manner and at such times sufficiently in advance of opening bids, as the Corporation shall determine to be adequate to insure notice and an opportunity for competition: Provided, that advertising shall not be required when the Corporation determines that the making of any such purchase or contract without advertising is necessary in the interest of furthering the purposes of this Act, or that advertising is not reasonably practicable;

(g) with the consent of the agency or government concerned, may utilize or employ the services or personnel of any Federal Government agency, or any State or local government, or voluntary or uncompensated personnel to perform such functions on its behalf as may appear desirable;

- 3 -

(h) may enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of its business and on such terms as it may deem appropriate, with any agency or instrumentality of the United States, or with any State, territory or possession, or with any political subdivision thereof, or with any person, firm, association, or corporation;

(i) may determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid, subject to the provision of this Act and other provisions of law specifically applicable to wholly owned Government corporations;

(j) notwithstanding any other provision of law, and without need for further appropriation, may use monies and unexpended appropriations, without fiscal year limitation, for the payment of expenses and other obligations incurred by the Corporation in carrying out its functions under, and within the requirements of, this Act; and shall not be subject to apportionment under the provisions of subchapter II of chapter 15 of title 31, United States Code;

(k) may settle and adjust claims held by the Corporation against other persons or parties and claims by other persons or parties against the Corporation;

(l) shall have the priority of the United States with respect to the payment of debts out of bankrupt, insolvent, and decedents' estates;

(m) may request, and the Administrator of General Services, when requested, shall furnish the Corporation such services as he is authorized to provide agencies of the United States;

5/631

- 4 -

(n) may accept gifts or donations of services, or of property, real, personal, mixed, tangible or intangible, in aid of any purposes herein authorized; and

(o) may execute, in accordance with its bylaws, rules and regulations, all instruments necessary and appropriate in the exercise of any of its powers.

SEC. __04. BOARD OF DIRECTORS

(a) In General. - The Board of Directors serves in an advisory capacity to the Administrator, who is the chief executive officer of the Corporation.

(b) Appointment. - The Board of Directors shall consist of ____ individuals, to be appointed by the President. The President shall designate a Chairman of the Board from among the members.

(c) Qualifications. - Members of the Board shall be citizens of the United States. No member of the Board shall be an employee of the Corporation or have any direct financial relationship with the Corporation other than that of being a member of the Board.

(d) Terms. -

(1) In General. - Except as provided in paragraph (2), members of the Board shall serve 3-year terms. Members whose terms have expired may continue to serve until their replacements are appointed, but not longer than one year after the expiration of their terms.

(2) Initial Members. - Of the members first appointed to the Board

(A) ____ shall be appointed for a 1-year term;

(B) ____ shall be appointed for a 2-year term;

6/631

- 5 -

(C) ____ shall be appointed for a 3-year term;

(D) ____ shall be appointed for a 4-year term.

(3) Reappointment. - Members of the Board may be reappointed by the President.

(e) Vacancies. - Upon the occurrence of a vacancy on the Board, the President shall appoint an individual to fill such vacancy for the remainder of the applicable term.

(f) Meetings and Quorum. - (To be determined)

(g) Compensation. - Members of the Board shall serve on a part-time basis and shall receive per diem when engaged in the actual performance of Corporation duties, plus reimbursement for travel, subsistence and other necessary expenses incurred in the performance of their duties.

(h) Conflict of Interest Requirements. - (To be determined)

SEC. __05. ADMINISTRATOR.

(a) The management of the Corporation shall be vested in an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, without regard to political affiliation. The Administrator shall be a person who, by reason of professional background and experience, is specially qualified to manage the Corporation.

(b) The Administrator -

(1) shall be the chief executive officer of the Corporation and shall be responsible for the management and direction of the Corporation. The Administrator shall establish the offices, appoint the

7/63/

- 6 -

officers and employees (including attorneys) required to conduct the Corporation's business, and define their responsibilities and duties;

(2) shall, before taking office, take an oath to faithfully discharge the duties thereof;

(3) shall be compensated at Executive Level ____, as prescribed in section 531_ of title 5, United States Code;

(4) shall be a citizen of the United States;

(5) shall designate an officer of the Corporation who shall be vested with the authority to act in the capacity of Administrator in the event of absence or incapacity; and

(6) may be removed from office only by the President and only for neglect of duty or malfeasance in office.

(c) The Administrator may delegate to other officers or employees powers and duties assigned to the Corporation in order to achieve the purposes of this Act.

SEC. __06. EMPLOYEES OF THE CORPORATION.

(a) Officers and employees of the Corporation shall be officers and employees of the United States.

(b) The Administrator shall appoint all officers, employees and agents of the Corporation as are deemed necessary to effect the provisions of this title without regard to any administratively imposed limits on personnel, and any such officer, employee or agent shall only be subject to the supervision of the Administrator. The Administrator shall fix all compensation in

8/63/

- 7 -

accordance with the comparable pay provisions of section 5301 of title 5, United States Code. The Administrator shall define the duties of all officers and employees and provide a system to fix responsibilities and promote efficiency. The Corporation shall assure that the personnel function and organization is consistent with the principles of section 2301(b) of title 5, United States Code, relating to merit systems principles. Officers and employees of the Corporation shall be appointed, promoted, and assigned on the basis of merit and fitness, have their compensation fixed on the basis of performance, and other personnel actions shall be consistent with the principles of fairness and due process, but without regard to the provisions of title 5 of the United States Code governing appointments, compensation and other personnel actions in the competitive service.

(c) Any Federal employee hired before January 1, 1984, who transfers to the Corporation and who on the day before the date of transfer is subject to the Federal Civil Service Retirement System (5 U.S.C. chapter 83, subchapter III) shall remain within the coverage of such system unless he or she elects to be subject to the Federal Employees Retirement System. For those employees remaining in the Federal Civil Service Retirement System, the Corporation shall withhold pay and shall pay into the Civil Service Retirement and Disability Fund the amounts specified in chapter 83 of title 5, United States Code. Employment by the Corporation without a break in continuity of service shall be considered to be employment by the United States Government for purposes of subchapter III of chapter 83 of title 5, United States Code. Any employee of the Corporation who is not within the coverage of the Federal Civil Service Retirement System shall be subject to the Federal Employees

9/631

- 8 -

Retirement System (5 U.S.C. chapter 84). The Corporation shall withhold pay and make such payments as are required under that retirement system. Further:

(1) Any employee who transfers to the Corporation under this section shall not be entitled to lump sum payments for unused annual leave under section 5551 of title 5, United States Code, but shall be credited by the Corporation with the unused annual leave at the time of transfer. Unused sick leave balances accrued by transferring employees shall be similarly credited by the Corporation at the time of transfer.

(2) An employee who does not transfer to the Corporation and who does not otherwise remain a Federal employee shall be entitled to all the rights and benefits available under Federal law for separated employees, except that severance pay shall be payable to employees who do not accept offers of comparable employment with the Corporation.

(d) This section does not affect a right or remedy of an officer, employee, or applicant for employment under a law prohibiting discrimination in employment in the Government on the basis of race, color, religion, age, sex, national origin, political affiliation, marital status, or handicap conditions.

(e) The transfer, pursuant to this Act, of fulltime personnel and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation for one year after the date of enactment of this Act: Provided, that any transferring employee who is determined to be surplus to the needs of the Corporation at the end of that year may be offered the opportunity to retire within 90 days and receive the lesser of \$25,000 or his or her earned severance pay.

10/63/

- 9 -

(f) Officers and employees of the Corporation shall be covered by chapter 73 of title 5, United States Code, relating to suitability, security and conduct.

(g) Compensation, benefits, and other terms and conditions of employment in effect immediately prior to the effective date of this section, whether provided by statute or by rules and regulations of the executive branch of the Government of the United States shall continue to apply to officers and employees who transfer to the Corporation from other Federal employment until changed by the Corporation in accordance with the provisions of this Act.

SEC. __06. COOPERATION WITH OTHER AGENCIES.

The Corporation may request to use on a reimbursable basis the available services, equipment, personnel, and facilities of agencies of the United States, and on a similar basis may cooperate with such agencies in the establishment and use of services, equipment, and facilities of the Corporation. Further, the Corporation may confer with and avail itself of the cooperation, services, records and facilities of State, territorial, municipal or other local agencies.

11/631