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2013-0661-F
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THE WHITE HOUSE
WASHINGTON

Jean,

Some samples of our
great coverage of the
Summer of Service -

Take care,

Glenn Johnson

Bulls' 3rd Straight Title

Chicago Clinches NBA Championship by Beating Suns, 99-98 / Sports



AP Photo

Barkley and Jordan head to head

Newsday

THE LONG ISLAND NEWSPAPER

MONDAY, JUNE 21, 1993 • SUFFOLK

40¢

Worked Up



Students from Atlanta at rally to kick off a week's training in San Francisco

AP Photo

Enthusiastic Rally as 1,500 Begin Trial Run Of Clinton's National Service Program / Page 5

NUCLEAR SAFETY

Engineers Cite Design Flaw At N-Plant in Pa. / Page 4

U.S. OPEN CHAMP

Lee Janzen Defeats Stewart By Two Strokes / Sports

ARTHUR KUNZ

Suffolk Planning Chief Dies Of Heart Attack / Page 3

Ready to Serve

1,500 cheering youths kick off U.S. volunteer program

By Jane Meredith Adams
SPECIAL CORRESPONDENT

San Francisco — A wildly enthusiastic crowd of nearly 1,500 young people from around the country — hailing from places as diverse as Los Angeles, a Minnesota American Indian reservation and Harlem — launched President Bill Clinton's Summer of Service program in an outdoor rally yesterday, vowing to rebuild their communities and the nation.

Their enthusiasm for improving the country and themselves as part of Clinton's ambitious national service program was so strong that during the opening day ceremony on Treasure Island naval base, many danced, cheered and waved their fists. Participants from the Harlem Freedom Schools Project broke into a chant: "We're fired up! We can't take it anymore!"

"You better be fired up," answered Warren Furutani, a Los Angeles community activist who was addressing the group. "It won't be easy."

After a week of training on Treasure Island, participants will return to work in their communities for eight weeks in exchange for minimum wage and a \$1,000 education voucher.

Summer of Service, which has been likened to a domestic Peace Corps, is a \$9-million trial run of the president's national service initiative, which cleared two key committees in the House and

Senate last week. Like Summer of Service, the national service program is designed to channel workers into existing projects in their own communities.

"I'm from a low-income community," said Camille McKinnon, 23, who was raised in the South Bronx and now attends the College of New Rochelle. "I know what it's like to feel you're not worth anything. I know I can make it. I want to give them hope."

But critics of the national service initiative have balked at its \$379-million price tag for the first year — in which 15,000 people of all ages could participate and receive as much as \$5,000 in education vouchers for their service work. By the fourth year, as many as 150,000 people would be enrolled in the program at a cost critics estimate at \$3.4 billion.

Rep. Marge Roukema (R-N.J.), a member of the

House Education and Labor Committee who opposes the bill, said: "We have no right to be establishing a program, whatever its merits, that is going to have multiple billions of dollars in costs."

All who participate in the national service initiative also would receive minimum wage, health benefits and child care service.

Among the participants in the Summer of Service pilot are 150 people from New York City and 200 from the Newark area who will work for minimum wage performing tasks, such as tutoring schoolchildren in reading and writing, inspecting apartments for lead paint and giving swimming lessons.

As this first group of service corps members, aged 17 to 25, rallied, many were coping with the double shock of being away from home for the first time and

discovering that summer in San Francisco means a blanket of fog.

"It's cold," said Pablo Quinones, 19, of Harlem.

Although the spirit of the Peace Corps and 1960s idealism was invoked, this gathering had many 1990s touches. The crowd was ethnically diverse, and some people gave their pep rally cheers in Spanish and English. All the participants wore white Gap sweatshirts with the Summer of Service sunrise logo — an emblem of the private-public partnerships the program seeks to form. And when Rear Adm. Merrill Ruck was introduced as the man hosting the group on Treasure Island, he received boisterous applause.

"We've been called apathetic," said Pia Infante, a sophomore at the University of California at Berkeley, who spoke to the group. "Give me a break."



San Francisco Chronicle / Brent Ward

Service volunteers from New York City cheer as they are introduced on the opening day of their training program



Associated Press

Trainees for Youth Service Corps Start With a 'Boot Camp'

Nearly 1,500 young people enrolled in a program to help tutor children in some of the country's poorest regions during the summer began a weeklong training session yesterday at the Treasure Island Naval

Base in San Francisco. In return, the youths, who range from 17 to 25, will earn the minimum wage of \$4.25 an hour and a \$1,000 stipend to be applied to their education. They will work for eight weeks.

Boot camp trains youths to step up as role models

By Maria Goodavage
USA TODAY

TREASURE ISLAND, Calif. — The cabin pressure bothered his ears, and landing over the San Francisco Bay made him jittery. But Isaac Vaughn, 17, says getting here was worth every jangled nerve he got on his first plane ride.

"This is a chance in a lifetime for me to help others who need help more than myself," says Vaughn, of Baltimore.

About 1,500 youths from the USA's most troubled cities met at this naval base Sunday for a week-long boot camp-style training that will teach them leadership skills they can take back to their neighborhoods.

The program, "Summer of Service," is the pilot to the national community service program President Clinton promised in his campaign. After the training, participants will return home to serve in summer

projects focused on helping disadvantaged children.

Sunday, the program got off to a jamming, hip-hopping, rapping and clapping start as the youths, ages 17 to 25, gathered.

During one zealous moment, the 75 participants from Atlanta plunged to the ground when the bleachers they were on collapsed. Spirits and bodies unscathed, they untangled themselves and continued to cheer.

"We can't be hurt," says Tiffany Thrasher, 18, of Atlanta. "The future rests with us, and we've got to help the kids that need help so bad and give them real hope."

Organizers hope this week's intensive physical, mental and spiritual training will keep the youths strong during the summer. They'll work in back-breaking, often heartbreaking, jobs for minimum wage plus a \$1,000 school stipend.

Jobs include testing for lead paint poisoning in thousands of



By Mark Hundley, AP

SPIRITED: Clarissa Starks, left, and April Butts, from Atlanta's Clark University, at a 'Summer of Service' rally in San Francisco.

low-income New York homes, helping 15,000 at-risk children in Oakland, Calif., with health, education and self-esteem problems, and rebuilding school grounds across the USA.

As part of this week's hands-on training, participants will spread out across the Bay Area

and tutor school children, clean up graffiti, paint public housing projects and help build centers for low-income kids.

"Oh God, how we need their help," says Drucilla Wright, a community assistant at Emerson Elementary School in Oakland. "Sometimes you feel for-

gotten, neglected."

Most of the participants say they could be earning more at other summer jobs, "but it's like this: The kids in our neighborhoods need role models real bad," says Carol Leslin Munroe, 22, of Newark, N.J.

The children aren't the only ones depending on this summer's pilot program: The future of the project itself may rest on the pilot's success.

Congress is expected to vote on the program based on the success or failure of the first Summer of Service.

Clinton wants \$400 million next year for 25,000 jobs. By 1997, he hopes for 150,000 such service-oriented youth jobs.

It's important, says Catherine Milton, head of the Commission on National and Community Service, which is developing the program. "These youths may well be the ones who will turn our country around."

(Page 1
In Color)

s Barkley through?

After toughest loss, Charles not at all sure. **Sports.**

Raymond takes on Wimbledon

Prodigy Lisa Raymond of Wayne wins her first match on the grass. **Sports.**

The Philadelphia Inquirer

City Edition a

Tuesday, June 22, 1993

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Getting fit for service



Associated Press / ERIC RISBERG

Young people in President Clinton's Summer of Service program take physical training at Treasure Island Naval Station in San Francisco. Their workouts yesterday were part of the first day in a week of preparation for community service in exchange for minimum wage and an education voucher. It is a trial run for a national service program. Story and another picture: A3.

A "new wave" trains to rebuild — and test Clinton's national service plan.

An education for a Summer of Service

By Jane Meredith Adams
FOR THE INQUIRER

SAN FRANCISCO — Distancing themselves from the kind of self-indulgence and apathy that marred the 1980s, 1,475 young people began training yesterday in President Clinton's Summer of Service program, vowing to help rebuild their communities and the nation.

"I feel this is a new wave," said Maxine Jenkins, 23, a nursing student at Widener University, during the first full day in a week of physical training, multicultural-awareness exercises and leadership pep talks, including an address yesterday by Vice President Gore.

"We're trying to change the whole culture from the 'me generation' to the 'we generation,'" said Walker Dearth, 21, of Sacramento, Calif.

The participants, ages 17 to 25, have come to Treasure Island Naval Station from cities such as Philadelphia, New York and Los Angeles, suburbs, small

towns and an American Indian reservation in Red Lake, Minn.

Next week, they will go home to spend eight weeks helping children in their communities. In exchange, they will get minimum wage and a \$1,000 education voucher to pay tuition or student loans.

"I know I'm going to do my best," said Nadine Grant, 21, a West Philadelphia resident and senior in Temple University's nursing program, "because those children were me."

Summer of Service is a trial run of the President's ambitious national service initiative, which cleared two key committees in the House and Senate last week. Both programs are designed to channel workers into existing projects in their own communities.

Critics of the initiative have balked at its \$379 million price tag for the first year, during which 15,000 people of all ages would receive up to \$5,000 in education vouchers for each year of service. By the fourth year of the

program, as many as 150,000 people would be enrolled at a cost critics estimate at \$3.4 billion. (The legislation does not provide a cost estimate.) All who participate also would receive minimum wage, health benefits and child-care service.

Summer of Service will cost nearly \$9 million, money that Congress already has appropriated. The program includes 150 participants from the Philadelphia area who will work for ICARE (Immunize Children at Risk Early). The goal is to immunize 8,000 young children this summer operating from a base at Libertyview Medical Center, at 17th and Tioga Streets.

As the first group of workers ate ham-and-cheese sandwiches in a field on this island in San Francisco Bay yesterday, many were coping with the double shock of being away from home and discovering that summer in San Francisco means a blanket of fog.

"It's cold," said Darnetta Fuller, 23,

a North Philadelphia resident and student at the Community College of Philadelphia. Like most of the Philadelphia contingent, she heard about the Summer of Service at school. "This is a way for us to show we are trying to give back," she said. "All we needed was someone to give us a helping hand."

While the spirit of the Peace Corps and 1960s idealism have been invoked, Summer of Service has many 1990s touches. It is an ethnically diverse group — some people shouted their pep rally cheers in Spanish as well as English. All the participants wear white Gap sweatshirts with the Summer of Service sunrise logo, an emblem that represents public-private partnership.

They were so enthusiastic they cheered Naval employees.

"We've been called apathetic," said Pia Infante, 19, a sophomore at the University of California at Berkeley. "Give me a break."



Associated Press / ERIC RISBERG

Young people create a human knot during an exercise to build leadership at Treasure Island Naval Station. After this week's training, which includes multicultural-awareness exercises, the nearly 1,500 participants will go to their communities to spend eight weeks helping children.

THE ATLANTA CONSTITUTION

TUESDAY, JUNE 22, 1993

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Youths begin training for national service

ASSOCIATED PRESS

San Francisco — About 1,500 young men and women are going through boot camp-style training this week for President Clinton's eight-week "Summer of Service" program, which the president hopes eventually will expand into a year-round national community service program with 100 times as many participants.

"Summer of Service" offers \$4.25 an hour and \$1,000 for school to those who will help poor children across the country.

Robert Teilhet said he'll be happy to be paid. "Volunteer work — you just can't afford to do it," said Mr. Teilhet, 19, a University of Georgia student who will help set up preschool programs for underprivileged children in Atlanta. "I like doing this, but I'm not made of money."

The group, from nine states, gathered at Treasure Island Naval Base on San Francisco Bay and spent Monday morning playing games designed to teach teamwork and leadership skills.

The fledgling session is the prototype for Mr. Clinton's \$7.4 billion community service proposal, which is awaiting congressional approval. He hopes to have 25,000 people ages 17 to 25 involved in community service year-round by 1994 and as many as 150,000 by 1997.

Mr. Clinton sent Vice President Al Gore to greet the trainees Monday.



Associated Press

"Summer of Service" participants warm up Monday at a San Francisco Navy base.

'I think what we're doing here is a reaction to the '80s, which were all about self-interest and making money and getting ahead.'

Karen Chang



Photos by Associated Press

Youths in "Summer of Service" program embrace each other, left, after training exercises that included stretching, right.

Gore Provides the Spark

By JENIFER WARREN
TIMES STAFF WRITER

SAN FRANCISCO—Vice President Al Gore launched the Clinton Administration's domestic Peace Corps on Monday, telling 1,500 youths and young adults in training for a summer of public service that their work will help "build the future of America."

In a spirited speech that drew wild cheers from the trainees, Gore called community service an idea that began with "barn raisings on the American frontier" and evolved through initiatives by Presidents Franklin D. Roosevelt and John F. Kennedy.

"You believe in this country," the vice president told the participants, who roared their agreement. "This country believes in you."

Gore's remarks highlighted the opening of a week of "boot camp" style training for volunteers in President Clinton's Summer of Service, which will

Amid Cheers and High Hopes, Vice President Helps Launch 'Summer of Service' Program

deploy young adults in 16 programs serving needy children.

Participants range in age from 17 to 25 and represent cities from Oakland to New Orleans—with about 200 from Los Angeles. Some are students at prestigious Ivy League universities; others are as disadvantaged as the children they will serve in the coming months.

The summer session is the modest prototype of Clinton's \$7.4-billion national service program, an effort that aims to broaden access to higher education and harness the energy of new graduates for socially useful work.

The program—a cornerstone of Clinton's presidential campaign—is awaiting congressional approval. Clinton, who compares its potential to the accomplishments of Kennedy's Peace Corps, has said he hopes to put 25,000 young people to work next year, and expand that to include 150,000 annually by 1997.

After their training this week, the participants will begin jobs ranging from tutoring homeless children to testing for lead poisoning and rebuilding dilapidated playgrounds. For their efforts the summer workers will receive the minimum wage and a \$1,000 stipend toward college costs. Money, however, was rarely mentioned Monday as the trainees swapped stories and discussed their motivations.

Most spoke in optimistic, idealistic terms, describing a desire reminiscent of their parents' coming of age in the 1960s—a desire to make a difference.

"I think what we're doing here is a reaction to the '80s, which were all about

Please see GORE, B4

GORE

Continued from B1

self-interest and making money and getting ahead," said Karen Chang, 20, who will spend the summer at a Berkeley center for abused and neglected children. "Young people want to do something positive, and this gives them an obvious way to do that."

DaMarlon McKneely, 18, of Oakland agreed and said his generation feels a special yearning to prove that "we aren't apathetic."

"People are so down on us, saying we don't care and that kind of thing," said McKneely, who will rehabilitate schools in Oakland for the East Bay Conservation Corps.

The training camp is based at Treasure Island Naval Base, a facility that is slated for closure by the Pentagon and sits on a spectacular piece of real estate in the middle of San Francisco Bay.

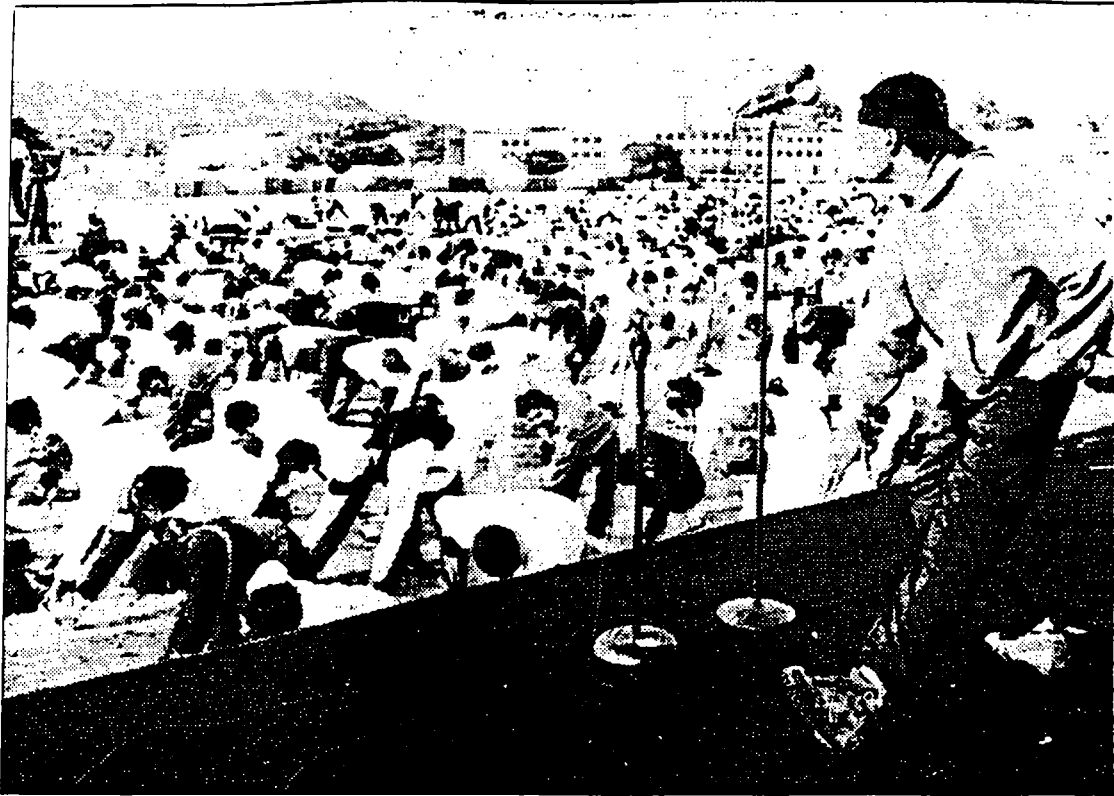
The students are housed in military barracks, begin their day with reveille at 6 a.m. and take part in calisthenics at 7. Their days include classroom sessions on leadership skills and the needs of poor children and—beginning today—fieldwork on projects in San Francisco and Oakland.

"We're giving them a rigorous challenge to prepare them for the summer," said Jennifer Eplett Reilly, director of the Summer of Service. "The focus is on basic skills for working with children, as well as leadership skills that we hope will serve them their entire life."

Officials said the boot camp model is designed to send a clear message that the program is not some sort of all-expense paid summer vacation.

So far, the participants' major complaint has been lack of hot water in the showers and some minor disorganization. The course work has been stimulating, and the speech by Gore, one student said, "got us all fired up, kinda like a pep rally."

"All in all it's been great," said Susan Goldberg, 19, a Los Angeles native. "There is a lot of energy here. What I'm feeling so good about is the tremendous potential that we as young people have to change this country."



Leader takes enrollees through first day of "boot camp" at Treasure Island Naval Base in San Fran



Vice President reaches out to shake hands with some of the 1,500 trainees who started President's program Monday.

Caring Is Part of This Summer Job

■ **National service: 'Building Up' program puts young people into needy communities. Participants get \$4.25 an hour and a \$1,000 scholarship.**

By ANTHONY DUGNAN-CABRERA
TIMES STAFF WRITER

Standing near Figueroa and Exposition boulevards, Jose Jacobo—"Quest" to his friends—looked back at the manicured lawns and graffiti-free buildings of the USC campus.

"This is where we step out into the community," he said, nodding eastward toward garbage and graffiti, barren lots and closed storefronts. "And we're going to see a great difference."

But for Jacobo and his three companions, viewing the urban decay was more than just a reminder of racial and economic injustice. It was an inventory of the area's opportunities for improvement and a way to earn some money for college this fall.

Jacobo, 22, is one of 150 young people participating in "Building Up: Summer of Service in Los Angeles," a project organized by a coalition of educational and community-based organizations that is part of President Clinton's national service program. It is one of two such programs based in Los Angeles

this summer.

As part of the 9½-week project, the young adults, ages 18 to 25, will tutor schoolchildren, help health care professionals immunize children, plant gardens at elementary schools and lead crime prevention seminars. They will be paid \$4.25 per hour for community service work and be awarded a \$1,000 stipend toward college at the end of their service.

Launched last week at USC, the participants got to wet their feet with a two-day orientation. The participants then were sent into the neighborhoods surrounding USC on an observation walk. Their assignment: Identify and take mental notes of things that the community's residents might want to change and look for resources that could be salvaged and utilized. And most important, keep to the map provided by the organizers to make sure that none of them get lost.

Along with USC and Cal State Los Angeles, three other universities and colleges, 29 community organizations and more than 20 secondary and elementary schools are involved in the project this summer.

Building Up was one of 16 community service projects selected from the 430 proposals submitted in March by agencies and colleges nationwide in response to the Clinton Administration's call for national service suggestions.

"By the time they're through, they will have reached 20,000 kids," said Richard Cone, director of USC's Joint Educational Project, which is coordinating the university's participation.

Please see **SERVICE, B4**

SERVICE: Jobs That Aid Others

Continued from B1

Participants will work a 40-hour week and receive the scholarship at the end of their tenure, Cone said.

They will spend eight hours a week in a leadership training program and the other 32 doing community work.

"I had a choice between coming here and going to summer school," Jacobo said. "But the more I read about [Building Up], the more interested I got."

Under the guidance of 20-year-old Grace Ramirez, the team's leader for the observation walk, Jacobo, Marisela Limon, 18, and Isaac Avila, 20, set off on the two-mile trek armed with a Manila envelope full of instructions and a pragmatic outlook on the summer.

"My dad's unemployed right now and my mom doesn't work and I needed money for college," said Limon, who plans to attend East Los Angeles College in the fall.

But it is not just a summer job, Quest said. For a majority of the young people involved in the project, there is the desire to take the city's problems into their own hands.

"If we all get together, we can see the problem [and try to] fix it, because putting out more cops and putting more people in jail ain't going to do it," Quest said.

For Cone, Building Up is more than just a way for students to earn much-needed college funds. It is an "attempt to break down the Balkanization of Los Angeles," a way to help many of these young people and the organizations involved get acquainted with people and parts of the city they have never seen.

"We share the same problems, so we should try to use our resources to work together," Cone said.

Stopping at the front entrance to Menlo Avenue Elementary for their lunch break, the group was joined by Anna Ouroumian, 22, a UCLA senior majoring in economics.

Unable to participate in the walk because of an astronomy final, Ouroumian raced over as soon as she finished, eager to be involved.

"I have never been in this neighborhood," Ouroumian said. "I want to help because I believe there's so much potential," she said. "All of



MICHAEL EDWARDS / Los Angeles Times

Motivational speaker Terry Timman, center, leads community service participants in a pep rally before they begin their assignments.

us come from different backgrounds."

After the two-day orientation, participants in all 16 of the country's Summer of Service programs—a total of 1,500 young people—were flown to San Francisco for a five-day "boot camp" experience at the Treasure Island Naval Base. On Monday, Vice President Al Gore addressed the participants, likening the summer service programs to the Peace Corp and other public service programs.

Other projects receiving grants are in Atlanta, Baltimore, Oakland/East Bay, New Orleans, Newark, N.J., New York City, Philadelphia, Delaware, Ohio and Minnesota.

The other local program, "It's About Health," is being run prima-

rily by the UCLA School of Nursing. Fifty minority high school and college students have been recruited to conduct medical assessments of at least 1,000 at-risk children at clinics and residences. The information they gather will help the university understand what barriers prevent these children from getting quality health care.

"Only four of the programs are west of the Mississippi," said Cone, who pointed out that the East Coast bias in the selection of the summer service projects might reflect an attitude that "L.A. can't work."

"That's the kind of feedback we get from our colleagues back east," Cone said. "And sometimes we think it can't, but that's the challenge we must face."

Summer of Service' Starts in Boot Camp



PHOTOS BY BRIANT WARD/THE CH

Young people from Harlem shouted hellos to 1,500 participants at a rally marking the start of a week of teaching and learning

Clinton's corps in training at Treasure Island

By William Carlson
Chronicle Staff Writer

It looked like a scene out of the 1960s. There were banners, rhythmic cheers and chants, youthful enthusiasm and untested idealism.

But instead of marching against war or disrupting a military base, this crowd of post-Cold War, college-age men and women came together to help the children in their own communities and were using Treasure Island Naval Base to do it.

Nearly 1,500 young people from across the nation assembled at the naval base yesterday to launch President Clinton's "Summer of Service" program, the prototype of an ambitious national youth service corps that Clinton hopes will swell to 150,000 participants by 1997.

"I was with President Clinton just four months ago at Rutgers University," said Catherine Milton, executive director of the Commission on National and Community Service, at the opening ceremony on Treasure Island's parade ground yesterday.

"This was just an idea that was thrown out then. It was a dream."

"You are pioneers today," she told those gathered. "You are paid by hour designing it and putting it together. You are here to give hope back to our nation."

For the next week, the young people, ages 17 to 25, will take part in training that will prepare them for eight weeks of work during the summer in their own communities.

When they finish, they will begin tutoring children, helping with immunization drives, teaching sex education, painting schools, testing for lead poisoning and providing a range of other services aimed at benefiting the poorest children in society.

In return for their participation, the young people will earn the minimum wage, \$4.25 an hour, and a \$1,000 stipend to apply toward their educations.

'I made my way out of the slums . . . I want to give something back to my community, to help others make it out'

— COLLEGE JUNIOR EFRAIN BERRIOS

They arrived all day Saturday from Georgia, Maryland, Massachusetts, Louisiana, Pennsylvania, California, New York, Ohio and Minnesota. The group from the Bay Area, which will work under the supervision of the East Bay Conservation Corps this summer, made up the largest contingent, with 250 participants.

They were welcomed at yesterday's rally by Rear Admiral Merrill Ruck, commander of the naval base, who praised them for their dedication to community service. Vice President Al Gore is scheduled to speak today.

Reflecting the nations' largest urban centers, the majority of the participants are black, Latino and Asian. Fifty are members from the Ojibway (Chippewa) Tribe in Northern Minnesota, who will help clean a river and teach tribal history and health care.

The Summer of Service program is billed as a week of "boot camp-style" training. The participants will occupy a row of barracks left empty as the Navy gradually pulls out of Treasure Island, and they ate their first meals yesterday in one of the base's main mess halls.

"There wasn't any hot water in the shower," said Julie Sadigursky, a 20-year-old sociology major at the University of California at Berkeley, who joined the program to work with Oakland and Berkeley teenagers. "You deal with it," she shrugged. "This is going to be the experience of my life, and I'll treasure it

forever."

The chilly morning air did little to dampen the seemingly irrepressible enthusiasm of the participants, who danced, sang and wildly cheered each speaker during the opening ceremony.

"Our nation is in need," said Pia Infante, one of the program participants, in a speech to the crowd. "Twenty-one percent of the children in the country are growing up in poverty. We're not a third-world country but a first-world country. It's pitiful."

"The rebuilding of our nation is not in the hands of President Clinton," she said, "or in the hands of the Congress, or in the hands of our parents. . . . It's in our hands."

Efrain Berrios, a 19-year-old junior from Montclair State University in New Jersey, said he grew up in the poorest neighborhoods of Newark. "I made my way out of the slums," he said. "I'm here because I want to give something back to my community, to help others make it out too."

Trabian Shorters, 25, a group leader from Detroit who will provide training, called the young people the "cream of the crop" in the nation.

"You can never underestimate the young people in this country," he said.

Youths vow war on 'me' generation

By Jane Meredith Adams
Special to the Tribune

SAN FRANCISCO—Determinedly distancing themselves from more than a decade of suburban self-indulgence and inner-city apathy, 1,475 cheering young people from around the country on Sunday launched President Clinton's Summer of Service program at an outdoor rally, vowing to help rebuild their communities and the nation.

"We're fired up! We can't take it anymore!" chanted participants from the Harlem Freedom Schools Project in New York, joining in the opening day's ceremony at Treasure Island Naval Base, where hundreds between the ages of 17 and 25 have come to learn how to give as well as get.

"You better be fired up," retorted Warren Furutani, a Los Angeles community activist. "It won't be easy."

Participants have come from the inner cities and suburbs of such places as New York, Los Angeles and Philadelphia. Small towns such as Stoneham, Mass., also are represented, along with an Indian reservation in Red Lake, Minn.

"This is the start of something really incredible in the country," said Manju Chatami, 22, of College Park, Md.

Summer of Service is a trial run of the president's national service initiative, which cleared two key committees in the House and Senate last week. The national service program hasn't yet been funded, but like Summer of Service, it doesn't start new projects: It is designed to channel workers into existing projects in their own communities.

"We're trying to change the

whole culture from the 'me generation' to the 'we generation,'" said Walker Dearth, 21, of Sacramento.

After a week of training on Treasure Island, participants will return to work in their communities for eight weeks in exchange for minimum wage and a \$1,000 education voucher.

"I've been doing this [community service] a long time," said Jason Scott, a group leader at Summer of Service and a staffer of Public Allies, a multicultural leadership training organization in Chicago. "I've never seen this much energy and excitement and dancing and singing and joy."

Critics of the president's proposed national service initiative have balked at its projected \$379 million cost for the first year in which 15,000 people of all ages would participate and receive up to \$5,000 a year in education vouchers for their service work. By the fourth year, as many as 150,000 people would be enrolled in the program, at a cost of \$3.4 billion, according to critics. All who participate also would receive minimum wage, health benefits and child-care service.

Summer of Service will cost nearly \$9 million from funds already appropriated by Congress. Its participants will return to 11 cities and towns around the country designated for community projects such as tutoring and rehabilitating playgrounds. Programs from Chicago didn't make the cut, but Scott said he came anyhow, to be a part of the ripple effect.

"If this works, we'll be able to replicate this all over the country," he said. "We really have a



Students from Atlanta show their enthusiasm Sunday during the first day of training in San Francisco for the Summer of Service Program. AP photo

stake in making it successful and bringing it back to Chicago."

As this first group of service corps members rallied on a military field on an island in San Francisco Bay, many were coping with the double shock of being away from home and discovering that summer in San Francisco means a blanket of fog.

"It's cold," said India Berry, 22, of Boston, who flew on an airplane for the first time to come to the training. She joined Sum-

mer of Service because City Year, Boston's youth service corps, had turned her brother's life around.

"I see him doing something positive, I see him making a difference," she said. "That's what I want to do—something to help our community."

While the spirit of the Peace Corps and 1960s idealism was invoked, this gathering had many 1990s touches. The crowd was ethnically diverse and some gave their pep rally cheers in Spanish

and English. All the participants wore white Gap sweatshirts with the Summer of Service sunrise logo—an emblem of the private-public partnerships the program seeks to form. And when Rear Adm. Merrill Ruck in dress whites was introduced as the host, he received boisterous applause.

Buoying the crowd's energy were the amplified strains of the Santana song "Oyo Como Va," which turned the groups from 11 cities and regions around the

country into one swaying mass.

"When you do human service, you really feel like you were placed here on Earth to help people out. So many people wake up everyday and don't know why they get up in the morning," said Fiona Fletcher, 23, of Oakland, Calif., a group leader in the Summer of Service training. She added:

"It's amazing when you give to people what you get out of it: a sense of worth and purpose."

National service program begins

Associated Press

SAN FRANCISCO — The pay isn't great, but Alton Marcello expects to get more satisfaction helping immunize poor children than delivering pizza.

Mr. Marcello is one of 1,500 young men and women going through boot camp-style training this week for President Clinton's eight-week "Summer of Service" program. Mr. Clinton hopes it eventually will expand into a year-round national community-service program with 100 times as many participants.

"Summer of Service" offers \$4.25 an hour and \$1,000 for school to those who will help poor children across the country.

"I could be earning twice as much delivering pizzas this summer," said Mr. Marcello, 20, of Los Angeles, who will help immunize children at hospitals in the city's low-income, largely minority South Central district.

But, Mr. Marcello added, "Grow-

ing up, seeing all these people in gangs and going to jail . . . I'd like to help them, help them lead healthier lives, maybe make a difference."

The group, made up of participants from nine states, gathered at Treasure Island Naval Base in San Francisco Bay. Cool, gusty winds jostled them as they spent Monday morning playing games designed to teach teamwork and leadership skills.

Laughter, cheers and applause echoed around the grassy field. Some skipped rope together. Others set up an imaginary electrified fence and helped each other over it. Another team, blindfolded, maneuvered around a roped-off circle.

"The biggest thing we're trying to do is build a sense of community," said Dionne Brown, 20, of Bellefontaine, Ohio. "We're learning that one person is not always right or not always wrong."

This fledgling session is the proto-

type for Mr. Clinton's \$9.2 billion community-service proposal, which awaits congressional approval. He hopes to have 25,000 people aged 17-25 involved in community service year-round by 1994 and as many as 150,000 by 1997.

Mr. Clinton sent Vice President Al Gore to greet the trainees Monday.

"You believe in this country. This country believes in you," Mr. Gore said. "Together we are going to build the future of America."

The initial "Summer of Service" group included people from California, Pennsylvania, Georgia, Maryland, Massachusetts, Louisiana, New York, Ohio and Minnesota. The majority are black, Hispanic and Asian.

"You are pioneers today," Catherine Milton, executive director of the Commission on National and Community Service, said as the youths began arriving on Sunday. "You are here to give hope back to our nation."

National Briefs

Gore makes pitch at 'boot camp'

TREASURE ISLAND, Calif. — The United States must invest in higher education to stay competitive in international markets, Vice President Al Gore said yesterday at a "boot camp" for young people. "In order to be competitive with Germany, Japan, Korea and other nations that are coming on strong to challenge us, we've got to do a better job of ensuring access to higher education," he said at the rally at the US Naval Station near San Francisco. The "boot camp" is the first phase for President Clinton's national service for youth program. The "Summer of Service" program includes about 1,500 youths, 17 to 25 years old, from across the nation. "You believe in this country and this country believes in you. Together we are going to build the future of America." (Reuters)

The White House
Office of National Service

Staff Biography: Eli Segal

Eli Segal, Assistant to the President and Director of the Office of National Service, was formerly the Chief of Staff of the Clinton-Gore campaign overseeing day to day operations, including all planning, personnel, accounting, and finance matters. Mr. Segal served in a similar capacity as Chief Financial Officer during the Presidential transition period.

Previous to the campaign, Mr. Segal was president of Bits & Pieces, Incorporated, a Boston-based direct marketer of puzzles, games and gifts, which he founded in 1984. He was also publisher of GAMES Magazine, a consumer magazine covering the world of puzzles and games.

Mr. Segal served as National Finance Chair of the Hart for President campaign in 1987 and as Assistant Campaign Manager of the McGovern for President campaign in 1972, where he and Mr. Clinton worked together.

Mr. Segal was a Visiting Lecturer in American Politics at Imperial College at the University of London in England in 1988 and an Adjunct Professor of Law at the Georgetown University Law Center in Washington, DC in 1971. He has served on the boards of Lesley College, the Petra Foundation, and the International Human Rights Law Group.

A native of Brooklyn, New York, Mr. Segal received his bachelor's degree from Brandeis University in 1964 and a Juris Doctorate from the University of Michigan Law School in 1967. He is married and has two children.

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**TALKING POINTS ON NATIONAL SERVICE
FOR NATIONAL YOUTH SERVICE WEEK**

- o National service is the **American way to change America**. It brings us back to old values without bringing back big bureaucracies. It's about **community, opportunity, and responsibility**. And it will **reinvent government**.
- o **Next week**, the President will introduce the national service legislation he promised during the campaign. It has two parts: the first is a **Civilian GI Bill and domestic Peace Corps**, that will send an army of young people to fight the problems of our country, and get money for college in return.
- o Like the post-war GI Bill, the national service initiative will be the **best money we ever spend**. And like John Kennedy's Peace Corps, it will inspire our young people to become the **leaders of the future**.
- o Through national service, we'll **get things done**. Our young people will become true citizens, keeping schools open late, to keep kids off the street. Immunizing children to give them a real future. Working with police officers to root out drug dealers. And fighting pollution to protect our people. And for their work, as the reward they've earned, they get the money to pay for college.
- o The second part of the legislation will **overhaul the student loan system**, making it a lot easier to borrow -- but a lot tougher to beat the bill. Because when you get something from your country, you have to give something back. America is about **rights and responsibilities**.
- o The legislation will make it simpler to borrow by cutting out the middlemen and their complicated procedures. With the **billions we save** that way, we'll lower interest rates on college loans to make them easier to get. And we'll create more ways to pay off loans.
- o When it comes to time pay, though, we'll make sure you do, either through the GI Bill or in a variety of ways you can choose. But if we have to, we'll force people who are getting close to defaulting to get on a repayment schedule that makes them pay.
- o One thing will be completely clear in the national service legislation. It is a bold departure from old ways. It will **reinvent government** by investing in communities, not bureaucracies. It will make the service program work like a **venture capital firm** that nurtures entrepreneurship. It will fold together wasteful government agencies, saving money and cutting waste. And it will work with businesses and communities, not against them.

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THE WHITE HOUSE
WASHINGTON

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April 13, 1993

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: Eli J. Segal *EW*

SUBJECT: Summary of Collaboration with the U.S. Military
Regarding the National Service Initiative

I. SUMMARY

This memorandum responds to your request for the status of our office's activities in support of the Boren-Wofford Civilian Community Corps, as well as updates you concerning our other collaborative efforts with the armed services regarding your national service initiative.

II. DISCUSSION

A. Boren-Wofford: In the waning days of the last session of Congress, Sens. Boren and Wofford spearheaded an amendment to the 1992 Defense Authorization Bill incorporating various measures they had originally introduced as the Community Works Progress Act of 1992. \$20 million was provided to the Commission on National and Community Service (the "Commission") to create the Civilian Community Corps (modeled after the New Deal's Civilian Conservation Corps, and calling for residential camps utilizing excess capacity at military bases and providing job opportunities as corps supervisors to military personnel leaving the service). An additional \$20 million was appropriated for other Commission programs, with special consideration to be given to those programs in areas disadvantaged by defense cutbacks. Implementation of the CCC has been stalled for a number of reasons: (i) the Bill had to be "scored" as a defense (not domestic spending) measure by OMB to avoid being stricken for exceeding Graham-Rudman limits; (ii) the money then had to be released to DOD, and from them to the Commission, a baton-passing further slowed by the change of DOD senior personnel; (iii) the CCC requires an unprecedented collaborative effort between the civilian "service field" and the military.

Memorandum to the President
From Eli J. Segal

Page Two

Over the last few weeks, however, we have been able to move the process forward. "Scoring" has been done and passage of funds from DOD to the Commission should be accomplished this week. We are working closely with all concerned to ensure that all steps required by the legislation to begin the CCC are undertaken so that any remaining appropriated funds can "roll over" into FY '94.

B. Summer of Service: The armed services have played a significant role in supporting our Summer of Service program. After our initial briefing, General Powell assigned Major General Mary Willis, a key member of his joint staff, to coordinate military assistance in the training, logistical and technical aspects of our summer program. Gen. Willis' staff played a key role in helping us identify the Treasure Island Naval Facility (in San Francisco Bay, and slated for closure) as the venue for the week of national training which will begin the Summer of Service, and that staff continues to play key roles in the other aspects of the program.

C. Other Collaborations: We are also working closely with the military on a variety of other cross-cutting issues, including the following:

1) Developing a registry of community service organizations approved for retiring service personnel (pursuant to a 1992 statute allowing them to retain certain benefits of military service after retirement, provided they are thereafter engaged in community service);

2) Determining a post-service benefit level for your national service program which minimizes the adverse impact on military recruitment and retention. [The \$6500 benefit you authorized yesterday will do so.] We have been in close contact with Herschel Gober at Veterans Affairs and Rep. Montgomery on this issue; and

3) Providing facilities to accommodate the Youth Summit with you, scheduled to close the Summer of Service in August.

Finally, as we mentioned yesterday, our Office has briefed the staffs of Sen. Nunn and the Senate Armed Services Committee on these and related matters, and they were pleased about our direction.

EJS:ra

THE WHITE HOUSE

WASHINGTON

April 7, 1993

MEETING WITH ELI SEGAL

DATE: April 8, 1993
LOCATION: Oval Office
TIME: 10:00 a.m.
FROM: Eli Segal *ES*

I. PURPOSE

You will meet with Eli Segal and others to review Eli's memorandum of March 24, 1993 (copy attached) regarding the open policy decisions that need to be resolved prior to finalizing your national service legislation. Eli will also brief you regarding the various national service activities underway.

II. BACKGROUND

See attached memorandum from Eli.

III. PARTICIPANTS

Joining Eli will be Deputy Education Secretary Madeline Kunin; Shirley Sagawa (Domestic Policy Council); Rick Allen and Jack Lew (Office of National Service) and Susan Brophy (Congressional Liaison).

IV. PRESS PLAN

Closed.

V. SEQUENCE OF EVENTS

Unless you prefer otherwise, the meeting can follow the order of items in the attached decision memorandum.

VI. REMARKS

None.

THE WHITE HOUSE

WASHINGTON

March 24, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: ELI J. SEGAL

SUBJECT: NATIONAL SERVICE LEGISLATION

Summary

We have made significant progress in developing National Service legislation. We plan to circulate a draft for comment within the Administration by the end of this month, with the goal of sending legislation to the Hill for introduction on April 20. We are working closely with the House and Senate Committees and expect that Senator Edward Kennedy and Congressman William Ford, the authorizing committee chairmen, will introduce the legislation enthusiastically for the Administration.

We are coordinating with the Department of Education so that our separate proposals can be meshed together and presented to Congress as comprehensive legislation addressing both national service and student aid reform/income contingent loans.

This memorandum summarizes my recommendations for national service legislation. Major policy issues presented in detail for the first time are set off for decision at various points within the body of the memorandum. Open policy issues, beginning on page 6, are presented with decision options. Two political considerations of which you should be aware are flagged at the end of the memorandum. We are also suggesting that we meet with you to discuss a variety of these matters further.

Criteria for Service Projects

In the new law, we would define general areas in which service could be performed -- human needs, public safety, education and environmental protection. We would allow more detailed priorities periodically to be set administratively to permit the program to be re-targeted as priorities change. Attached (Tab A) is a list of anecdotal examples of service which we are developing to answer the question, "What do you mean by service?" We have been consulting with organized labor to develop examples of service which meet national needs without creating a job displacement problem.

As we have discussed, at this point national service positions will typically not be professional positions (teachers and policemen) but will nonetheless be real service that makes a difference and accomplishes results (specifically in public safety and education). We continue to work with Bruce Reed and Dick Riley to develop professional positions apart from the core national service initiative.

Unlike legislative issues on which we need to make immediate decisions, these examples can be reviewed somewhat later in the process, but the examples we use should reflect your views. While they will not be written into law, they can appear in committee reports, are critical for communications, and will be very much a part of program implementation.

Federal Structure of National Service Program

Since national service will be one of your first domestic initiatives, the program will be judged not simply as a service and education program, but as a case study in reinventing government.

Our recommendations are based on several principles: (1) the President should be able to have a strong influence on setting priorities regarding the nature of funded activities; (2) ideally, service will not become a partisan issue; (3) the federal role should be as lean and entrepreneurial as possible, without inviting abuse through insufficient oversight and management; (4) we should avoid overlapping federal agencies; (5) strong state roles should be balanced with clear and enforceable federal standards.

Corporation for National Service

To promote an entrepreneurial program, we recommend that the new program be run by a new government corporation, the Corporation for National Service, similar in structure to the Corporation for Public Broadcasting and the Legal Services Corporation. The new corporation would have a strong chair, with decisional powers over hiring and firing, federal grant applications and state plans. The chair, as well as an advisory board and several top executives, would be appointed by the President and confirmed by the Senate.

The national corporation would fund the federal share of a minimum wage stipend, as well as health and child care benefits for participants. The corporation would also fund and administer the National Service Trust which will provide the educational benefits.

We could accomplish most of our policy objectives with a more traditional form of independent agency or commission, but there are several substantive and political reasons for the "corporate" structure:

- (1) the corporate form communicates the idea of a new entrepreneurial approach to government;
- (2) to permit more entrepreneurial management, we are proposing that new positions not be covered by civil service, a step which is less of an attack on civil service and politically more palatable when applied to a non-traditional government organization;
- (3) we are proposing a new form of state/federal coordination which we expect will be viewed positively by the governors, but might engender more resistance if we are simply doing business as usual at the federal level while we experiment at the state level;
- (4) a government corporation can have all of the authority and accountability normally associated with a government agency, with less burdensome procedures;

- (5) the corporate structure will facilitate both soliciting and accepting charitable contributions at the national level to supplement public funds and establish a public/private partnership.

Decision on Corporate Structure

Please indicate whether you approve or disapprove of the recommendation to adopt a corporate structure, or whether it requires further discussion.

Yes _____

No _____

Need to discuss _____

Direct Federal Grants

We propose that half of the funds available under the new program be distributed on the basis of recommendations made by the states (discussed more fully below), and that half of the funds be allocated to the new corporation for direct grants to (1) other federal agencies; (2) innovative programs; (3) private programs (like City Year) with the potential of expanding to multiple states (to avoid the need for separate applications to numerous states); and (4) federally-targeted programs across multiple states (such as reforestation or rural home health care). We recommend that the corporation be given some discretion each year to reallocate funds between categories.

Existing Agencies

To streamline administration of service programs at the federal level, we propose that programs presently run by ACTION and the Commission for National and Community Service be brought together under the new corporation. Direct government programs (VISTA and the Older American Programs from ACTION and the Civilian Community Corps from the Commission) would be managed in an operating program division, while investment programs which fund activities through grants would be managed in a separate division. K-12 service learning programs would be treated as a special sub-set of investment programs.

This organization structure will preserve the independent character of the different programs, which in the case of VISTA and the Older American Volunteer Programs is particularly important to affected constituencies, while permitting a greater degree of coordination and efficiency. Federal funding for the Points of Light Foundation would be brought under the Corporation, which would direct the use of these funds.

We are concerned that the new program not be eclipsed at its birth by the burden of reorganizing existing programs, and would provide for at least a year of transition to permit the new program to go through a start-up year while existing programs operate as they presently do. We would allow the new Corporation's Chair to draw as necessary on the administrative resources now housed at ACTION and the Commission.

Commission programs, which are very similar to the new activities to be funded under the national service program, would in all likelihood merge immediately with the new program. VISTA

and the Older American Volunteer Programs, on the other hand, involve much more direct federal administration and have much larger staff structures. These programs would continue to operate more independently, with a gradual merger to be managed at a pace that allows the new program to succeed.

We would provide for at least a year of transition, to give ACTION staff interested in staying with the new corporation a strong incentive to demonstrate their ability and commitment, while those not interested in staying will have ample and fair opportunities to seek alternate federal civil service employment. To avoid a political firestorm about civil service exceptions, we propose grandfathering all civil service employees who directly administer VISTA and the Older American Volunteer Programs, while ACTION administrative personnel would be offered special consideration for new positions at the new corporation (but not absolute job protection), as well as customary placement rights for civil service hiring in other agencies.

State and Regional Offices

ACTION presently has both state and regional office to administer the VISTA and Older American Volunteer Programs. In general, the state offices seem to have the reputation of being accessible, particularly to disadvantaged and minority communities seeking VISTA volunteers. Some offices are better than others, but it does not seem that we would gain a great deal by radically changing the structure of the state offices.

The new Corporation for National Service would assign a staff member to work in each state office. This would build into the program a practical mechanism for federal/state partnership in which the corporation would work closely with states developing plans for federal approval (discussed more fully below in the context of the State role). The cost would be relatively modest since state ACTION offices are already in place and would infuse the entrepreneurial spirit of the new program into the existing offices.

ACTION regional offices now serve review functions which could be handled more efficiently at the national program offices of VISTA and the Older Americans Volunteer Programs. We propose shifting these functions, reducing the overall staff and closing the regional offices. Since there are presently a number of unfilled political slots in the regions, this can be described as either downsizing or as shifting jobs to manage the new program. Career employees are represented by AFSCME, which is presently guardedly supportive of national service. Attached (Tab B) is a description of where these offices are located and how many jobs would be affected.

As we approach a public announcement, we will work closely with your political and legislative staffs on outreach. While this is one issue where political pressure may force reconsideration, as a policy matter, the appearance of a three level review structure has few substantive supporters, and eliminating a level of review is consistent with the general thrust of the Administration on making government more efficient.

Decision on Reorganization of Existing Agencies

Please indicate if you are comfortable with this recommendation or whether we need to discuss it further.

Approve reorganization plan _____

Disapprove of reorganization plan _____

Need to discuss _____

State Role

We have assumed from the start that states will play a major role in the new program, because they understand local needs, and because we are committed to keeping the new federal corporation as small as possible. We propose that States be allocated thirty percent of the funds under the new program by formula, and an additional twenty percent on the basis of competitive applications. In every case states will be required to comply with national program criteria, and submit plans for approval by the Corporation for National Service. To avoid micro-management, these plans will be approved or disapproved in their entirety.

In reviewing options, we discovered that there is a wide range of views on how well state administered programs work. While Governors like Roy Romer would implement programs we are comfortable with, Bill Ford and Richard Daley are at odds with their governors and are distrustful of delegating full control to the governors.

We have tried to provide Governors with a strong incentive to undertake the new program energetically, and become personally and fiscally invested. At the same time, we have tried to balance concerns that (1) some states might exclude politically unpopular constituencies on partisan or regional grounds, and (2) a point raised by David Osborne in particular, that state bureaucracy may be even more constraining in some States than federal bureaucracy.

To parallel the independent character of a corporation at the national level, we propose that state authority be vested in independent State National Service Commissions. Members would be appointed by the governors, and would include representatives from several interested communities (students, educators, labor, business, etc.). Modelled on the present national Commission on National and Community Service, state commissions will be bi-partisan and elect their own chair. To support the commissions, federal funding would be provided for staff and administration, provided that states meet a match requirement, which would begin at 20 percent and gradually increase in later years.

To promote federal/state partnership, the Corporation for National Service representative in each state would participate in State Commission deliberations. This would assure that the Corporation fully understands state plans when they are submitted for review, and will provide early warning of possible problems that might result in disapproval of a plan. The objective is for state plans to be negotiated so that disapproval is never necessary, but to provide for a disapproval mechanism as a sanction of last resort.

We are designing a match requirement to encourage private as well as local and state government financial support of programs which receive federal funds. To make certain that at least part of the match is in cash, we would require that 15 percent of the basic minimum wage stipend for participants be funded through non-federal cash contributions. An additional matching requirement, which could be satisfied by providing facilities, equipment, etc., would bring the total match to fifty percent. Programs would also be able to supplement stipends and other benefits with their own funds.

Decision on State Commission Approach

Please indicate whether you are comfortable with the State Commission approach.

Approve	_____
Disapprove	_____
Need to discuss	_____

Issues Requiring Further Guidance

Education Benefits

After our last meeting, we floated the idea of a differential benefit (\$5,000 for pre-college participants; outstanding loan amounts not to exceed \$10,000 for post-college participants). The idea has attracted a significant amount of criticism from the Hill (including a letter to you yesterday from Senators Nunn and Mikulski) and from groups promoting pre-college service. DLC criticism has been less pronounced after discussions in which I explained that, on average, the differential would be less than \$2,000, since outstanding loans average less than \$7,000.

Objections center on two issues: (1) concern that participation will be skewed towards college graduates; and (2) the implication that pre-college service is of less value than post-college service.

The differential arose out of the concern you raised at last month's NEC meeting that a \$10,000 educational benefit is too high for a recent high school graduate. The proposal was a compromise to preserve the possibility of a \$10,000 benefit (strongly supported by the DLC) and strengthen the relationship between service and paying for college. Senators Kennedy and Wofford and Congressman Ford are all more comfortable with lower benefits.

Given the criticism, I think we should re-think the differential. Setting the maximum benefit at \$6,500 for post-college participation would still allow repayment of the average loan balance of a graduate from a four year state college with one year of service. I recommend either a smaller differential (maximum post-college benefit of \$6,500) or setting a single benefit level of \$5,000 for all participants.

Reducing the size of the differential may not solve our political problems. Rather than float a revised proposal at this time, I would advise you to wait and resolve this issue at a meeting with key Members of Congress just after the Summit. This would be more likely to produce a final resolution

after which they would sign on to the package. Participants at the meeting should include Senators Kennedy, Nunn, Mikulski and Wofford and Congressman Ford.

Decision on Benefit Meeting

Please indicate whether we should arrange for a meeting before the April 20 introduction target.

Yes	_____
No	_____
Need to discuss	_____

Use of Educational Benefit

You have always talked about providing an educational benefit to pay for college and training. Many assume that this would be applicable to graduate school as well. As a practical matter, by limiting the educational benefit to outstanding loans for college graduates, there will be numerous cases where outstanding loans are below the maximum benefit level and the full benefit cannot be utilized. In contrast, pre-college participants presumably will use their full benefit in virtually all cases. Further, some students (who can never be assured in advance of participation in your program) may work through college and graduate debt-free -- but want to participate in the program after graduation, to help pay for grad school.

Decision on use of benefits

Since we never discussed this issue, I would like to flag it for discussion or decision.

Benefits only for college and training	_____
Excess benefits also for post-college education	_____
Need to discuss	_____

Maximum stipend

We are setting a federally supported stipend at minimum wage. We have always assumed that programs would be allowed to supplement these stipends with their own funds. We have never resolved whether there is a maximum stipend that should be allowed under our service program.

The arguments for limiting stipends, is to avoid service slots with "real" salaries which might be inconsistent with the idea of service and which could attract political criticism. There is also a concern that if there is no limit, state and local government will find ways to package proposals which will substitute national service dollars for local dollars presently being spent to hire teachers, policemen, nurses, public-interest lawyers, etc.

The argument for no limit (or a higher limit) is that in many instances, communities can gain most, and young people give most, through service in a professional position. A higher wage limit would allow "professional corps" to remain under the national service umbrella.

I recommend that in general, we cap the maximum stipend at twice the minimum wage. However, I think we should allow higher wages in professional corps programs in limited cases, in which I would limit federal support to the post-service educational benefit. This will avoid a substitution problem, but allow for professional placements in targeted professions.

Decisions on maximum benefit level

Cap at twice minimum wage, with the noted exception:

Yes _____

No _____

Need to discuss _____

Education benefit only for limited professional corps:

Yes _____

No _____

Need to discuss _____

Age Limit

While it is easy to determine a starting point for eligibility in terms of high school graduation, it is more difficult to set an upper age limit, and in fact, it may be preferable not to set an upper age limit for participation. An age limit of 25 or 27 would exclude from participation many who complete their education through a non-traditional course of study.

If we set the age limit anywhere over 30, we will appear to be discriminating based on age rather than status. As a practical matter, educational benefits will be of relatively little interest to many older participants, but in theory, they should be eligible if they meet all other program criteria. This is an issue we have never discussed which I wanted to flag to make sure you are comfortable with our assumption.

Decision on Age Limit

No age limit _____

Set age limit _____

Need to discuss _____

Program Name

We suggest using the name "AmeriCorps" for the college-age service program. We would like your approval to test this name (including through focus groups). By the way, while many will claim authorship of this name, you should know that Skip Rutherford played a key role.

Decision

- Test AmeriCorps _____
- Find other names _____
- Need to discuss _____

Political Issues of Concern

Pell Grants

I continue to be concerned that our policy towards the Pell Grant program will be perceived as a cut, particularly for middle income participants. If so, the national service initiative, which has no income test for participation, will be subject to additional scrutiny and criticism. This memorandum is not the appropriate place to present the case regarding Pell Grants, but the political fallout could be damaging to the funding of the national service initiative. Bear in mind the substantial difference between the size of our post-service benefit and the currently funded Pell Grant level (\$2,300).

Appropriations Jurisdiction

There is the possibility of a nasty jurisdictional battle within the Congress over which Appropriations subcommittee will have jurisdiction over the new program. In the budget, we remained neutral on this issue, which made Senator Mikulski unhappy. This issue is likely to resurface as we approach the allocation decision in Congress in mid-April. We have talked with Senators Mitchell and Pryor (and Howard Paster, among others) on this subject and would like the benefit of your perspective.

Appendix 1

EXAMPLES OF NATIONAL SERVICE PLACEMENTS

Education

- Head Start programs.

The success of the Head Start expansion will depend on the ability of centers to employ quality teaching personnel. National service participants could provide invaluable assistance in Head Start and other child care programs. They would receive training in the summer after college, with early childhood development education sponsored by a higher education institution in partnership with a child care resource agency.

In the fall, participants would be assigned in groups as assistant teachers in Head Start centers and other child care facilities for low-income families, where experienced teachers would act as their mentors. Assistant teachers would work with small groups of children, developing their cognitive and social skills through sustained attention and education. In addition, the participants would provide services to parents -- literacy training, parenting education, etc. The assistant teachers would periodically meet to receive additional training, and move on to more challenging tasks when suitable.

- Urban/rural schools.

In Chapter 1 schools that most need help, an "army" of national service participants in a variety of roles could significantly further the goals of your school reform plan. Working together, an institution of higher education, a nonprofit organization, and an education agency could use the summer before service to train young people at different education levels to serve in the fall in selected schools where interest was great.

Throughout the year, participants would receive mentoring from the most experienced and talented teachers. Some could work with parents to ensure their involvement in their children's education. Others would serve as math or reading tutors. A third group would act as service-learning coordinators, arranging experiential community service activities to instill the service ethic in youths and involve schools in their communities. Participants who became interested in teaching careers would be able to receive additional training while serving. As part of the "army" of servers, a few certified teachers might enter the schools in fields like special and bilingual education.

Environment

- Conservation Corps.

Thousands of young people are already engaged in conservation work through youth corps. These conservation programs often combine education and service components, teaching young people not only the basic skills of environmental protection, but the principles

- Housing for the homeless.

Programs like Habitat for Humanity and YouthBuild are already well-established. The latter, in particular, provides at-risk youth with remedial education, job training, and practical experience while building much-needed shelter for homeless and low-income individuals. By leveraging non-profit and private dollars, and by converting the "served" into "servers" in low-income communities, programs like YouthBuild accomplish greater good at less cost than traditional programs.

Other housing-related initiatives could include renovation of abandoned buildings for use as community centers and child care facilities. Some programs could not only build housing, but provide essential supportive services like counseling as well.

Public Safety

- Community service officers.

College graduates who do not want the responsibilities and dangers of regular police work can still contribute significantly to public safety. Working closely with police departments and public housing authorities -- and freeing up regular officers to walk beats -- "community service officers" (CSOs) can provide valuable assistance in non-hazardous public safety services.

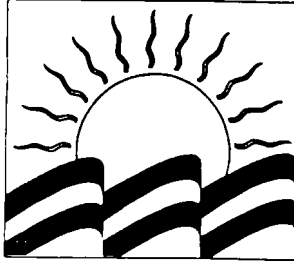
College graduates can be trained to handle minor investigations, analyze crime data, and engage in alternative dispute resolution. CSOs can counsel crime victims. And they can act as community liaisons, working with community groups and school children to organize prevention efforts, such as anti-drug initiatives and crime patrols.

- Drug abuse prevention.

No one is better at conveying to young people the temptation and danger of drug abuse than other young people. In close partnership with local schools and anti-drug professionals (from counselors to cops), national service participants could form drug abuse prevention teams to engage in a panoply of activities. The teams could include a range of students, from college graduates trained in psychology to high school dropouts and recovering crack addicts. Each would offer a unique perspective.

Teams might spend some time developing a curriculum for drug education during and after school and then implementing it. At other times, team members might work one-on-one with at-risk youths. Part of the time, programs could run midnight basketball leagues to keep kids off the streets. And at still other times, teams might solicit private sector funding to develop billboard advertising, videos on drug abuse, and other educational materials.

SUMMER OF SERVICE



Sample

**FROM THE WHITE HOUSE OFFICE OF NATIONAL SERVICE
AND THE COMMISSION ON NATIONAL AND COMMUNITY SERVICE**

May 4, 1993

The Honorable Charles E. Schumer
U.S House of Representatives
Washington, D.C. 20515

Dear Representative Schumer:

On behalf of the White House Office of National Service and the Commission on National and Community Service, we would like to inform you about an exciting announcement.

On Thursday, May 6, at a 9:00 a.m. press conference, we will jointly announce the outstanding programs (and the cities and towns in which they are located) selected to participate in the "Summer of Service" program initiated by President Clinton and administered by the Commission. Please see the attached information on your constituent Summer of Service programs.

The Summer of Service is an integral part of the President's vision of National Service. It is an immediate initiative designed to meet critical needs of children at-risk this summer, while at the same time building future National Service leaders. Approximately 1,500 young people (ages 17-25) across the country will engage in service projects this summer.

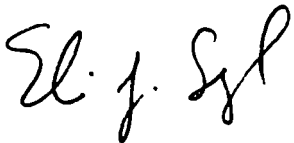
Interest and enthusiasm in the Summer of Service is extremely high. The Commission on National and Community Service received over 430 grant applications from every state in the union. Sixteen high-quality programs were selected by the Commission Board after review by an independent panel assembled by the Commission.

Page Two

We wanted to inform you of your constituent winners in anticipation of the Thursday press conference announcement which will take place at the Commission's headquarters in Washington, D.C. Please note that information on the winners is embargoed for 9:00 a.m. Thursday.

One of our staff members will be contacting your press secretary shortly to provide additional information and to help facilitate media outreach with your office. Also, we would be happy to distribute at the event your statement on the winners from your area.

Sincerely,



Eli J. Segal
Assistant to the President and
Director, Office of National Service



Catherine Milton
Executive Director
Commission on National
and Community Service

BACKGROUND ON SUMMER OF SERVICE

- o On March 1, 1993, in a speech at Rutgers University, the President outlined his vision for National Service. Last week in New Orleans, he unveiled the first part of that vision -- a legislative initiative creating a National Service program. By reforming the student loan system and offering increased educational opportunity, the program will make it easier for every American to afford college. In return, National Service will demand responsibility from Americans for rebuilding our country and our communities -- city by city, neighborhood by neighborhood, block by block.
- o A second aspect of the President's vision of National Service is the "Summer of Service" -- an immediate initiative designed to meet critical needs of at-risk children this summer, while at the same time building future National Service leaders.
- o This effort will involve approximately 1,500 young people (ages 17-25) across the country in serving the educational, health, public safety and environmental needs of children at-risk.
- o The Commission on National and Community Service, which is responsible for implementing the Summer of Service, received more than 430 grant applications from community service organizations in all 50 states and three territories. The White Office of National Service received more than 6,000 letters expressing interest in the program.
- o The Office of National Service and the Commission will announce on Thursday, May 6, 1993, sixteen Summer of Service grant recipients from across the country. The programs range from a primary healthcare project for children at-risk, to a low-income housing safety inspection and smoke detector installation project, to a middle school tutoring and mentoring program. Groups that receive grants will then recruit and select the young people to serve in these programs. All of the initiatives will demonstrate the tangible and measurable community benefits that can result from National Service.
- o Summer of Service will kick off with a national leadership training week during the third week of June. All of these young national service pioneers will gather in one location and learn by doing. By going out into the community and serving, these leaders will learn what it takes to serve and make a difference. They will be trained by leaders from such programs as the Peace Corps, Outward Bound, Youth Build and Boston's City Year and learn how to bring their national training experience home to the communities in which they live.
- o The summer will end with a Summit on Service hosted by the President where he and the service pioneers will meet to discuss the challenges of the summer and lay future plans for National Service.

5/5/93

SUMMER OF SERVICE SITE: Oakland, California

PROGRAM NAME: East Bay Conservation Corps

PARTNERSHIPS: Primary partnerships are with East Bay Conservation Corps; Stanford University, Haas Center for Public Service; and the University of California at Berkeley.

Also involved are California State University, Hayward; Mills College; Peralta Community College District; various city departments in Berkeley and Oakland; the Alameda County Health Agency; the Berkeley and Oakland Unified School Districts; the American Indian Child Resource Center; Children's Hospital; and the East Bay Asian Youth Center.

NUMBER OF PARTICIPANTS: 250

SERVICE FOCUS: Education, Health Care

OVERVIEW OF PROGRAM:

East Bay Conservation Corps will place Summer of Service participants in public schools, local non-profit and community based organizations, county health outreach programs, and public institutions to meet the needs of thousands of at-risk children from East and West Oakland, South and West Berkeley, and East Palo Alto.

HIGHLIGHTS OF SERVICE:

Education: Project YES will pair participants with middle school students as teachers, mentors, tutors and supervisors. Some participants will serve as classroom aides in the East Palo Alto summer school. Others will work in the Early Childhood Education Program in Oakland.

Health Care: Participants will serve with Oakland Healthy Start to assist program staff in implementing Sober and Safe summer block parties, summer Health Fairs, outreach on the medical van, and door-to-door health promotion in the community. The Alameda County Immunization Program will identify and follow up with children needing immunization.

CONTACT: Joanna Lennon (510) 891-3900

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NUMBER OF SERVICE SITE: Boston, Medford and Roxbury, Massachusetts

PROGRAM NAME: Tufts University

SERVICE SITES:

The Thomas Jefferson Forum; Lincoln Filene Center at Tufts University; Boston Department of Health and Hospitals, Boston School Department and the Environmental Diversity Forum.

NUMBER OF PARTICIPANTS: 50

ISSUE AREAS: Health Care, Education, Environment

OVERVIEW OF PROGRAM:

This summer a service corps of 50 young people will serve children-at-risk throughout Boston, Medford and Roxbury. The Corps will be an economically and racially diverse group composed equally of Tufts undergraduate and graduate students, young people from Medford, and young people from Boston and the greater Roxbury community.

In addition to the direct service activities for children at-risk, a supplementary Civil Leadership Seminar will build participants' civic advocacy skills and emphasize how issues of racial justice influence the lives of citizens.

HIGHLIGHTS OF SERVICE:

Health Care: Participants will be serving with the Boston Department of Health and Hospitals outreach program to encourage at-risk children and their families to receive health services through its system of community health centers. Corps participants will go door-to-door to distribute health information, urge residents to seek needed health services, assist them in traveling to community health centers, provide child care when necessary, and meet with youth in a broad range of settings to provide basic health information.

Education: Corps members will work with the Boston Public Schools' Summer Transition Program tutoring students who are entering sixth grade.

Environment: Teams will work with middle school children and volunteers from the neighborhood to rehabilitate school yards and reclaim vacant lots near schools.

CONTACT: Jay Chrepta (617) 627-3500

SUMMER OF SERVICE SITE: Boston

PROGRAM NAME: City Year

PARTNERSHIPS: Northeastern University; Mason School; Tobin Community Center; Safe Haven; Boston Urban Gardeners; Phyllis Wheatley Middle School; Healthy Boston; City of Boston, Division of Health and Hospitals, Mayor's Office, and Safe Neighborhoods Program; and the Massachusetts Youth Service Alliance.

NUMBER OF PARTICIPANTS: 75

ISSUE AREAS: Education, Environment, Health Care

OVERVIEW OF PROGRAM:

CY Corps members will form teams of economically, racially and educationally diverse young people to perform critically needed community services and build a cadre of leaders who will serve long after the summer. Corps members will begin their day with a mandatory calisthenics session (physical training - PT) which promotes corps discipline and a sense of community among corps members. After PT, corps members deploy in teams to serve the community's education, environmental and health care needs. In the evening, corps members will have time for community building and educational and training initiatives which will provide context for their service work and the skills to address critical community needs, both as individuals and as members of service groups.

HIGHLIGHTS OF SERVICE:

Education: City Year teams will operate educationally focused summer camp programs for hundreds of inner city elementary school students.

Environment: Corps members and community residents will launch an aggressive program to revitalize a semi-abandoned urban garden system surrounding the Wheatley Middle School in Roxbury.

Health Care: In collaboration with the Boston Immunization Action Plan, the City Year health promotion campaign will 1) increase availability and access to vaccines to up to 3,000 families this summer in inner city neighborhoods, 2) increase outreach and health education efforts and 3) help children at risk and their families to develop a pattern of regular health checkups.

CONTACT: Michael MacCrystall (617) 451-0699
Magda Escobar (617) 451-0699

SUMMER OF SERVICE SITE: New York

PROGRAM NAME: Teach for America

PARTNERSHIPS:

Teach for America/New York; Community School District Six; and the City College of New York Department of Environmental Education.

NUMBER OF PARTICIPANTS: 50

SERVICE FOCUS: Education, Environment

OVERVIEW OF PROGRAM:

Teach for America will develop 25 community-based service learning teams in Washington Heights, New York. Each team will work together to design, plan, execute and evaluate service projects to be completed within the eight week program. Each learning team will pair a Teach for America participant with a graduating public high school senior to guide and mentor eight students from Community School District Six. Half of the students will be entering eighth grade, the other half will be entering fifth grade.

All participants will work together on a comprehensive mid-summer community service project developed in conjunction with existing community organizations, businesses and leaders. Teach for America will include community participants in implementing this project.

HIGHLIGHTS OF SERVICE:

Education: The learning teams will be working with 200 children to raise their reading levels, improve writing skills, increase English language competence and overall communication skills, and develop critical thinking skills.

Environment: Each team will complete a community service project that benefits the environment of the area and builds a service partnership with community residents. Community service projects about the science concepts will underlie urban environmental issues and give participants an opportunity to work with residents in developing community solutions.

CONTACTS: Richard Barth (212) 228-1043

SUMMER OF SERVICE SITE: Brooklyn, Queens, the Bronx

PROGRAM NAME: New York ACORN

PARTNERSHIPS: ACORN; Pediatrics Ambulatory Care -- State University of New York Health Science Center and Brooklyn /Children's Medical Center of Brooklyn.

NUMBER OF PARTICIPANTS: 50

SERVICE FOCUS: Environment, Health

OVERVIEW OF PROGRAM:

With the help of service participants, the ACORN/Children's Medical Center Lead Paint Poisoning Prevention project will intervene on behalf of children who are at-risk of contracting lead paint poisoning in low income neighborhoods of Brooklyn, Queens, and the Bronx.

Fifty Summer of Service Participants working in teams with neighborhood volunteers, will visit, educate and refer for treatment approximately 25,000 families during the summer.

HIGHLIGHTS OF SERVICE:

Environment: During the regular, scheduled visits and in follow-up activities, participants will inspect apartments for the presence of lead paint. They will arrange for formal city inspections of these apartments, working toward abatement of the lead paint hazard. Service participants will also assist families in forming tenant organizations that can follow up on these activities after the Summer of Service.

Health: Participants will educate families on the dangers of lead paint poisoning and will arrange for children who live in apartments with lead paint to be tested and treated.

CONTACT: Jon Kest (718) 693-6700 ext. 202
Jennifer Anderson (718) 693-6700 ext. 204

SUMMER OF SERVICE SITE: Harlem, New York

PROGRAM NAME: Harlem Freedom Schools Project

PARTNERSHIPS: Rheedlen Center for Children and Families, Inc.;
City College of New York, Borough of Manhattan Community College;
Manhattan Valley Youth Outreach, El Puente, and Rise & Shine Productions.

NUMBER OF PARTICIPANTS: 50

SERVICE FOCUS: Education, Health

OVERVIEW OF PROGRAM:

The program will set up five "one room schoolhouses" where up to 1000 eligible children between the ages of 5 and 18 from Harlem and Williamsburg will be served breakfast, lunch and a snack while they participate in the summer day school.

During the afternoons and evenings, program participants will develop their advocacy and organizing skills by working in the community to plan and implement a program to increase the involvement of residents in community issues including health, housing and violence.

HIGHLIGHTS OF SERVICE:

Education: The program will manage five Freedom Schools in Central Harlem and Williamsburg where a staff of five experienced African American and Latino American student community organizer/supervisors will work with college faculty and Rheedlen staff to direct and support the 50 newly trained participants in operating a summer day school for 1000 at risk children.

Health: In addition to providing the nutrition of two meals and a snack for the children who attend the schools, there will be a public education and media campaign on children's hunger issues. These advocacy efforts will also focus on the issues of lead paint poisoning and the violence prevention.

CONTACT: Gerald Lewis (212) 866-0700

SUMMER OF SERVICE SITE: Newark, New Jersey

PROGRAM NAME: Newark Summer of Service

PARTNERSHIPS: This is a partnership among four colleges and universities, 17 community agencies, public officials, the business community, and a number of local foundations.

Institutions of Higher Education include: Essex County College, New Jersey Institute of Technology, Rutgers - Newark, and the University of Medicine and Dentistry.

Service organizations include: Boys' and Girls' Clubs of Newark; Community Agencies Corporation of New Jersey; Community 2000, Department of Family Medicine, UMDNH; Consortium of Pre-College Education in Newark, Greater Newark Conservancy; Habitat for Humanity; International Youth Organization, New Jersey Youth Corps, La Casa De Don Pedro; Link Community Middle School; New Community Corporation; NJIT - Division of Physical Education and Athletics; Newark Fighting Back; Newark Police Department, Newark Public Library; Project BABIES; St. Michael's Medical Center; Quest of Essex County.

NUMBER OF PARTICIPANTS: 200

ISSUE AREAS: Education, Environment, Health Care, Public Safety

OVERVIEW OF THE PROGRAM:

Newark Summer of Service is a partnership among universities, community service agencies to serve children at risk throughout Newark. Corps members will be coupled with over 650 volunteers to perform thousands of hours of community service for over 14,000 children. Programs will address the most critical needs of young children and will develop the potential of Newark area youth through comprehensive service-learning and leadership development activities.

HIGHLIGHTS OF SERVICE:

Public Safety: Participants will work with the Newark Police Department and Newark Fighting Back to disseminate anti-crime information educate residents about crime prevention and canvas neighborhoods in block watches.

Education: Service will provide tutoring for at-risk children in different academic areas; instruction in education and team building through athletics; literacy tutoring; water safety and swimming instruction; and instruction in nutrition, academics and proper health care to infants and young children.

Environment: Participants will create parks and playgrounds; others will restore homes to provide children at-risk with safe places to live.

Health: Immunization, health education, health care at local clinics and additional health care for at-risk babies will be provided.

CONTACT:

Cassie Miller	(201) 648-5421
Joel Bloom	(201) 596-6476
Jennifer Price	(201) 242-2300
Jessica Phipps	(201) 242-2300

SUMMER OF SERVICE SITE: Philadelphia

PROGRAM NAME: ICARE (Immunize Children At Risk Early)

PARTNERSHIPS: Greater Philadelphia Urban Affairs Coalition; Philadelphia Department of Public Health; Philadelphia Higher Education Network for Neighborhood Development and the School District of Philadelphia.

PARTICIPANTS: Half of the participants will be recruited from nursing students enrolled at the following institutions. Community College of Philadelphia, Gwynedd-Mercy College, Hahnemann University, LaSalle University, Temple University, Thomas Jefferson University, the University of Pennsylvania and Villanova University.

NUMBER OF PARTICIPANTS: 150

SERVICE FOCUS: Health

OVERVIEW OF PROGRAM:

ICARE is a health education outreach program that will immunize 8,000 children in the Philadelphia area this summer. The majority of those treated will be under two years old. The program will use the concept of service learning opportunities to vaccinate those children and educate the families who are most risk.

HIGHLIGHTS OF SERVICE:

Health: The immunization program establish six stationary and two mobile sites to serve children from low income communities in Philadelphia. In addition to immunizations, ICARE will create an immunization record data set that will match these health records with other health needs for public health efforts targeting children-at-risk.

Public efforts may also include health education outreach on lead poisoning, AIDS education, nutrition workshops, smoke detector testing and radon testing.

CONTACT: Jeff Moran (215) 686-5042

SUMMER OF SERVICE SITE: Atlanta

PROGRAM NAME: Clark Atlanta University

PARTNERSHIPS: Clark Atlanta University; Greater Atlanta Conversation Corps, Inc.; and the Atlanta Project.

NUMBER OF PARTICIPANTS: 50

ISSUE AREAS: Education

OVERVIEW OF PROGRAM:

Clark Atlanta and Greater Atlanta Conservation Corps are forming education crews that will operate in five community education sites in the Booker T. Washington cluster of the Atlanta Project. Students will receive leadership and task-specific training to conduct hands-on learning projects at up to ten community education sites. Each crew will consist of 5 participants, 5 high school volunteers and 5 middle school students.

HIGHLIGHTS OF SERVICE:

Education: Projects will include conflict resolution, refugee services, AIDS awareness education and educational enrichment in summer schools and day camps for at-risk children.

CONTACT: Bill Denton (404) 880-8493
Tom Hallman (404) 880-8493

SUMMER OF SERVICE SITE: Atlanta

PROGRAM NAME: Hands on Atlanta, Inc.

PARTNERSHIPS: Hands on Atlanta, Inc., Clark Atlanta University; College Park Elementary School.

NUMBER OF PARTICIPANTS: 50

SERVICE FOCUS: Education

OVERVIEW OF PROGRAM:

Hands on Atlanta will recruit a diverse corps of 50 young people to serve College Park Elementary School during the summer session. This unique year-round elementary school is located in a low income neighborhood with 93% of the student body receiving federally funded lunches. The summer session is the first quarter of the school year.

This small scale model will allow Hands on Atlanta to build a partnership of a youth corps and a public school that will have impact this summer and on a longer term basis.

HIGHLIGHTS OF SERVICE:

Education: Corps members will work as teacher's assistants and tutors during the school day and develop enrichment activities for children after school.

Environment: During the first weeks of service, the corps will clean-up, renovate, and beautify the school grounds and the adjacent public housing authority complex which is home to most of the students.

CONTACT: Michelle Nunn (404) 872-2252

SUMMER OF SERVICE SITE: Delaware, Ohio

PROGRAM NAME: Ohio Wesleyan University

PARTNERSHIPS: Ohio Wesleyan University; The Columbus Initiative; the Delaware Initiative; Columbus Public Schools, Delaware City Schools; National Society to Prevent Blindness; Delaware County Health Department; Delaware Area Recovery Resources; Central Ohio Rural Consortium Job Training; Touchstone; Walden Center; Ohio Department of Natural Resources, Division of Civilian Conservation; United Way and Community Services of Delaware County and Franklin County; Delaware Branch Chapter, NAACP; Godman Guild/Camp Mary Orton; Delaware County Juvenile Court; Delwood Children's Home; Crawford Dienst.

NUMBER OF PARTICIPANTS: 75

ISSUE AREAS: Education, Environment, Health Care Public Safety

OVERVIEW OF PROGRAM:

This program is a campus-based residential model which combines direct, full-time community service during the day with rigorous evening academic and training program. OW U will involve 75 participants from diverse racial, educational, and economic backgrounds in over 20 central Ohio agencies, provide at least 24,000 hours of service to over 1800 young people. The community agencies who provide service opportunities by day will provide training at night for insight and understanding between the dynamics of at-risk youth and their families in the community.

The Summer of Service initiative includes two parts: the Delaware Initiative and the Columbus Initiative. These partners will work collaboratively to provide both leaders and servers to meet the urgent needs of at-risk youth and their families.

HIGHLIGHTS OF SERVICE:

Education: Programs will offer intensive tutorial support and mentoring relationships for elementary through high school students, as well as provide day care and recreational activities.

Environment: Participants will work with the Ohio Department of Natural Resources, Division of Civilian Conservation, the City of Delaware Parks and Recreation Department and the Delaware County Habitat for Humanity on a variety of evaluation and restoration work projects.

Health: Communities will receive visual screening services, health education, alcohol/drug counseling and prevention services.

Public Safety: Program participants will work with the Juvenile Courts as interns and tutors for children who are retained in school for disciplinary problems.

CONTACT: Todd Wilson (614) 368-3337

SUMMER OF SERVICE SITE: New Orleans

PROGRAM NAME: New Orleans Summerbridge

PARTNERSHIPS: New Orleans Summerbridge; Tulane University, Xavier University, New Orleans Public Schools; the Louisiana Land and Exploration Company and Summerbridge National Project.

NUMBER OF PARTICIPANTS: 100

ISSUE AREAS: Education

OVERVIEW OF PROGRAM:

New Orleans Summerbridge is an eight week academic preparation program serving over 360 middle schools students from New Orleans public schools. The program will inspire a diverse group of young people to enter the field of education and community service, and will teach middle school students the skills and instill the confidence to enter and thrive in rigorous academic programs. The program will recruit 100 diverse young people to serve as teachers and will involve parents as volunteers throughout the summer.

HIGHLIGHTS OF SERVICE:

Education: Corps members are responsible for running nearly every aspect of the program under the supervision and mentorship of the directors and master teachers. They design curricula, teach classes, evaluate students and provide much of the program administration. They plan and teach afternoon classes and manage activities, special events, field trips, and theme weeks throughout the summer.

Corps members will sponsor an Earth Week which will focus on environmental awareness and action between speakers, workshops, activities, a club service day where middle school students develop and carry out project ideas and impact on the city's environment.

Health: Corps members will assist local doctors with eye exams, hearing tests, and nutrition workshops.

CONTACT: Jay Altman (504) 896-8597
Rosemary James (504) 586-1609

SUMMER OF SERVICE SITE: Red Lake, Minnesota

PROGRAM NAME: Summer of Service Project

PARTNERSHIPS: Red Lake Band of Chippewa Indians; Red Lake Community College; Red Lake Tribal Council; Cross Cultural Training Program; Department of Housing and Urban Development Drug Elimination Program; Red Lake Department of Natural Resources, and Red Lake Indian Eagles Program.

NUMBER OF PARTICIPANTS: 50

ISSUE AREAS: Environment, Education

OVERVIEW OF PROGRAM:

Providing educational opportunities in the fields of history, environmental science and natural resource management, the Summer of Service program is a community-wide effort to involve young people in improving the environmental conditions of their community.

Participants, who will be recruited by tribal elders, will also lead a community-wide symposium, "Honor the Children and Respect for the Future," featuring workshops on educational and employment opportunities, cross-cultural training, health care, law enforcement, social services and cultural activities relevant to young people of the tribal community.

HIGHLIGHTS OF SERVICE:

Education: The project will develop a one-third-mile long interpretive trail for the Poneman Elementary School that will service as an environmental learning area, featuring bilingual signs in English and Ojibwe. Participants will attend natural resource management classes that range from assessing the White Tail deer population to timber inventory, to wild rice management.

Environment: The project will develop a small park and hiking trail, clean the river shoreline, and plant trees and shrubs.

CONTACT: Gerald Grun, Eugene McArthur (218) 679-3341

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SUMMER OF SERVICE SITE: Los Angeles

PROGRAM NAME: IT'S ABOUT HEALTH

PARTNERSHIPS: The UCLA Schools of Nursing, Dentistry, Social Welfare, Public Health and Medicine in clinical health/outreach centers in Los Angeles and Ventura counties and inner city high schools and community colleges which service underrepresented minority students.

- Students will be recruited from the following partners in the program: S.W. Community College, Oxnard Community College, Drew/Allied Health College, Bravo Medical Magnet High School, and Drew/King Medical Magnet High School.
- Agencies involved in the delivery of clinical field experience include: the King/Drew College of Medicine, the Venice Dental Clinic, the American Indian Clinic, UCLA School of Nursing Health Centre at the Union Rescue Mission, and UCLS School of Health Care at the St Francis Medical Center.

NUMBER OF PARTICIPANTS: 50

ISSUE AREAS: Health, Education

OVERVIEW OF PROGRAM:

The program combines direct health service delivery with academic studies and leadership training. The UCLA School of Nursing will recruit and train minority high school and college students to deliver primary health care services to children at-risk through health care centers and home visits. The program provides leadership training and career development opportunities for participants to become potential minority health care providers for the long term.

The summer program will be divided into three components: UCLA basic sciences classes, clinical specialized health education classes, and service delivery at area locations serving the majority of the area's at-risk, homeless or shelter residential children.

HIGHLIGHTS OF SERVICE:

Health: The participants will conduct primary health care assessments of at least 1,000 at-risk patients in the five health care centers during the course of the summer; conduct individualized instruction in self-care behavior with these children; and conduct health care utilization histories on these children by interviewing parents either at the clinic or during follow-up home visits.

Education: The participants' work will be enhanced by special educational programs focusing on health issues relevant to children at risk, including violence prevention, substance abuse, sexual and physical abuse and diet issues.

CONTACT: Dr. Gwen Van Servellen (310) 825-3308

SUMMER OF SERVICE SITE: Los Angeles

PROGRAM: Building Up: Summer of Service in Los Angeles

PARTNERSHIPS: Building Up: Summer of Service in Los Angeles is a city-wide partnership involving five universities and colleges, 29 community-based organizations and over 20 schools in the Los Angeles area.

NUMBER OF PARTICIPANTS: 150

ISSUE AREAS: Education, Environment, Health Care, Public Safety

OVERVIEW OF PROGRAM:

Building Up is based on a peer-managed model; the core component is a five person team working together on an individual service project. Team members vary in age, ethnicity and socio-economic background.

Building Up will conduct service activities in many traditionally under-served Los Angeles neighborhoods. Building Up will engage participants in various activities in collaboration with existing community service organizations to galvanize and empower neighborhoods and assist youth at-risk.

HIGHLIGHTS OF SERVICE:

Education: Through partnership with community agencies, participants will tutor, manage day camps, supervise basketball leagues, present self-esteem seminars, recruit children for cultural classes, develop leadership training, recruit parents for afterschool tutoring, teach civic responsibility classes, and organize job awareness programs.

Environment: Participants will work on the LA Eco-Village project, plan and implement beautification projects, and install 8-16 gardens at elementary schools in partnership with community agencies.

Health Care: Participants will be trained and make presentations to elementary school children in CPR, First Aid, Earthquake and Disaster Preparedness and HIV/AIDS Awareness. Participants will also assist health care workers immunize and screen at-risk children. Those involved with Building Up will also design and present substance abuse programs.

Public Safety: Participants will plan and engage in crime prevention seminars to 180 classrooms including gang prevention workshops and gang diversion activities. Implement drug awareness programs. Lead neighborhood surveys and relationship building activities.

CONTACT: Martha Diepenbrock (213) 749-3601
Marc Litchman (310) 433-7686

SUMMER OF SERVICE SITE: Baltimore

PROGRAM NAME: MPOWER, the Maryland Summer of Service

PARTNERSHIPS: University of Maryland College Park
Civic Works (Baltimore's Youth Service Corps)
Summer Corps (Maryland Student Service Alliance)
Volunteer Maryland! (Governor's Office on Volunteerism)

NUMBER OF PARTICIPANTS: 75

ISSUE AREAS: Education, Health Care, Environment, Service-learning

OVERVIEW OF PROGRAM:

MPOWER will conduct service projects which were designed in partnership with community organizations to assist in the schools, clean-up the environment, and educate the public about critical community health issues.

MPOWER participants will engage in a variety of experiential service-learning and leadership development activities sponsored by UMCP's Center of Political Leadership and Participation, a nationally-recognized leader in the field of service-learning and leadership programs for college students.

HIGHLIGHTS OF SERVICE:

Education: Civic Works corpsmembers will tutor, plan special projects and conduct physical renovation and maintenance of the recreation center and playground of the Herring Run Middle School. Corpsmembers will work with at-risk children (ages 5-10) at day camps in Baltimore City.

Health Care: Civic Works, in partnership with the Baltimore City Department of Health, will educate children about the consequences of sexual activity and substance abuse, and will promote good nutrition habits. The Summer Corps will immunize campers and teach healthy eating and exercise habits. Team Maryland, the student-athlete community outreach program at UMCP will be an integral part of the educational/health mission for both Civic Works and the Summer Corps.

Environment: Civic works, in partnership with Save our Streams, will construct the Gwynn's Falls Greenway, a trail from the Inner Harbor to Gwynn's Falls. Work will include trash collection, clearing brush, laying chips, and planting wildflowers and saplings. Day-long stream renewal projects will be included.

CONTACT: Ermette Williams-Purce (301) 405-5751
Terry Chase (301) 405-6402

FAX TO: 456-7929



DATE: April 30, 1993

AFT/COMMITTEE ON POLITICAL EDUCATION

FACSIMILE TRANSMITTAL SHEET

TO: Liz Ganeber

LOCATION: White House Political Affairs

FROM: Donal Mayis

NUMBER OF PAGES: 3
(Including Cover Sheet)

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COMMENTS: _____

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AMERICAN FEDERATION OF TEACHERS AFL-CIO

DEPARTMENT OF PUBLIC AFFAIRS
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WASHINGTON, DC 20001-2079
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NEWSRELEASE

FOR IMMEDIATE RELEASE
April 30, 1993

CONTACT: Donna Fowler
202-879-4482

AFT OFFICIALS APPLAUD CLINTON'S NATIONAL SERVICE ACT

WASHINGTON -- American Federation of Teachers President Albert Shanker applauded President Clinton's National Service Trust Act of 1993, announced today: "The National Service Trust Act is President Clinton's first step toward fulfilling a major campaign promise -- to create a program to engage young Americans in service to their communities.

"This program will encourage more young people to get a college education by helping them pay for it. It will allow us to take care of urgent needs in education, human services, the environment, and public safety. And by enabling young people to learn the value of giving something back to their communities, it will promote an ethic of service and help revive that traditional American value.

"The link between education and service is not just a practicality. They reinforce each other, and we need more of both if we hope to solve the daunting problems we face.

- MORE -

National Service/ Page 2

"Service jobs should not supplant current workers, and the act explicitly prohibits this. By working through states and existing programs and institutions, this national service program will draw on local strengths and avoid the creation of yet another government bureaucracy."

Nat LaCour, AFT Vice President and President of United Teachers of New Orleans, attended the President's speech announcing the Act. He said: "I'm pleased that the President is honoring his commitment to national service. This offers a great opportunity for thousands of young people to have access to higher education. And it will also make talented young people available to our communities to provide the support that education so desperately needs."

The American Federation of Teachers represents more than 820,000 teachers, school support staff, healthcare professionals, higher education faculty, and public employees.



Established 1947

**Ernest S. Johnston
Advertising Agency, Inc.**

Suite 1200 • 1156 15th Street, N.W. • Washington, D.C. 20005
202/223-3660 • Fax 202/223-2164

May 20, 1993

Mr. Eli Segal
Assistant to the President and
Director of the Office of
National Service
THE WHITE HOUSE
Washington, D.C. 20500

Dear Eli:

I met you a number of times through senior staff members of the Presidential Inaugural Committee and through Paul Storch during my stint as Marketing Director for the PIC. Yesterday I received a call from a friend who is helping to organize the special events for Keith Jackson's "Positive Atmosphere Reaches Kids" (P.A.R.K.). Keith Jackson, who is a Little Rock native, currently plays for the Miami Dolphins. He is spearheading this wonderful public/private sector initiative to prepare youth for today's challenges by providing safe surroundings in which to nurture healthy minds and healthy bodies. As you can see by the attached information, Keith has a very strong group of sports players helping him to set up this concept in Little Rock.

I was hoping that you might be able to have President Clinton send a letter to Keith Jackson at the address shown on the attached sheets commending him for his efforts to serve the community. Keith has known Bill Clinton since his days as Governor of Arkansas and he would be very honored if such a letter would be sent.

If I can answer any questions, you can reach me at 202-223-3660.

Sincerely,

Ernest S. Johnston III

ESJ III:lg

Attachment

cc: Ms. Christine Varney
✓ Ms. Joan Baggett

Here are a few of the Stars You'll See...

*All proceeds benefit
Positive Atmosphere Reaches Kids (P.A.R.K.)*

Sidney Moncrief - *formerly Milwaukee Bucks*

Ravin Caldwell - *Washington Redskins*

Monte Coleman - *Washington Redskins*

Darrell Walker - *Detroit Pistons*

Reggie White - *Philadelphia Eagles*

Keith Jackson - *Philadelphia Eagles*

Keith Byars - *Philadelphia Eagles*

Fred Barnett - *Philadelphia Eagles*

Ernie Brown - *Philadelphia Eagles*

Leslie O'Neal - *San Diego Chargers*

James Rouse - *Chicago Bears*

Dante Jones - *Chicago Bears*

Kevin Johnson - *Phoenix Suns*

Andrew Lang - *Phoenix Suns*

Chris Carter - *Minnesota Vikings*

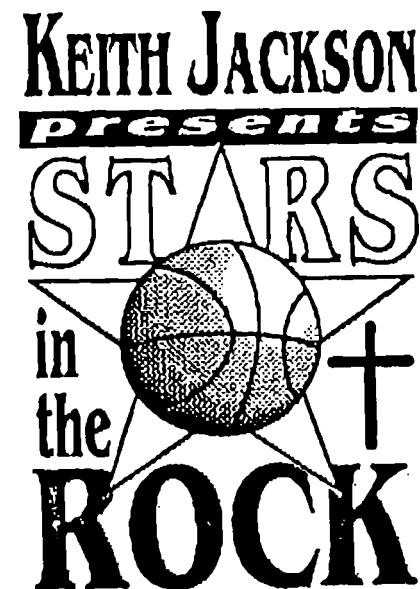
Harry Ball - *Detroit Lions*

Albert Crawford - *Denver Broncos*

Harry Ball - *Denver Broncos*



P.A.R.K.
Positive Atmosphere Reaches Kids



**Be a Part of One of the
Biggest Sporting Events
in Arkansas.**

June 19 - 20, 1992

For more information on P.A.R.K or the Stars
in the Rock Weekend contact:

P.A.R.K.

#8 Shackelford Plaza, Suite 303

Little Rock, Arkansas 72211

1-501-224-0073

Presented By: P.A.R.K.

PAGE 04
PRO TECT MGMT.
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PAGE 03
PRO TECT MGMT.
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05/19/93 00:00

Dear Sports Fan:

As many of you may know, during my off season as a football player with the Philadelphia Eagles, I was able to found an organization called P.A.R.K. (Positive Atmosphere Reaches Kids). P.A.R.K. is a non profit organization who's goal is to motivate youth toward educational and behavioral achievements through sports.

The stars in the Rock weekend will launch our campaign to raise funds for a \$5 million educational/recreational park. The 15 acre park will house a learning center, auditorium, dormitory (for summer camps), skating rink, basketball and tennis courts, football and softball fields and various other facilities.

We hope that you will support the Stars in the Rock weekend. By doing so, you are helping to realize the vision of a brighter future for our children, our state and our selves.

See you at the games.

Keith Jackson
P.A.R.K. President

Stars in the Rock provides a weekend of Family Fun...

The Stars in the Rock Weekend, June 19 - 20, 1992 features three fun-filled basketball exhibitions that the entire family will enjoy. The exhibitions begin with the Slam Dunk and Three Point Shoot Contest on Friday night and culminate with an exciting, fast paced basketball game, Saturday night.

Slam Dunk and Three Point Shoot Contests

The Farris Center on the campus of the University of Central Arkansas (UCA) will host an Allstar Slam Dunk and Three Point Shoot contest on Friday, June 19, 1992 beginning at 7:00 p.m. You must be there as your favorite NBA and NFL players compete one on one to see who will be crowned Slam Dunker of the Year and King of the Three Point Shoot.

Celebrity Basketball

Come out for an evening of fast pace basketball excitement as the NFL battles the NBA in the first annual celebrity basketball game. The game begins at 7:00 p.m., June 20, 1992 in the Farris Center on the campus of the University of Central Arkansas (UCA) in Conway.

Ticket Information:
Slam Dunk/Three Point Shoot Contests
\$8.00
Celebrity Basketball Game
\$12.00
Tickets available at area Worthen Bank locations.

Limited seating available so purchase your tickets now!

P.A.R.K., Positive Atmosphere Reaches Kids, is a joint effort of the public/private sector to prepare youth for today's challenges by providing safe surroundings in which to nurture healthy minds and healthy bodies.

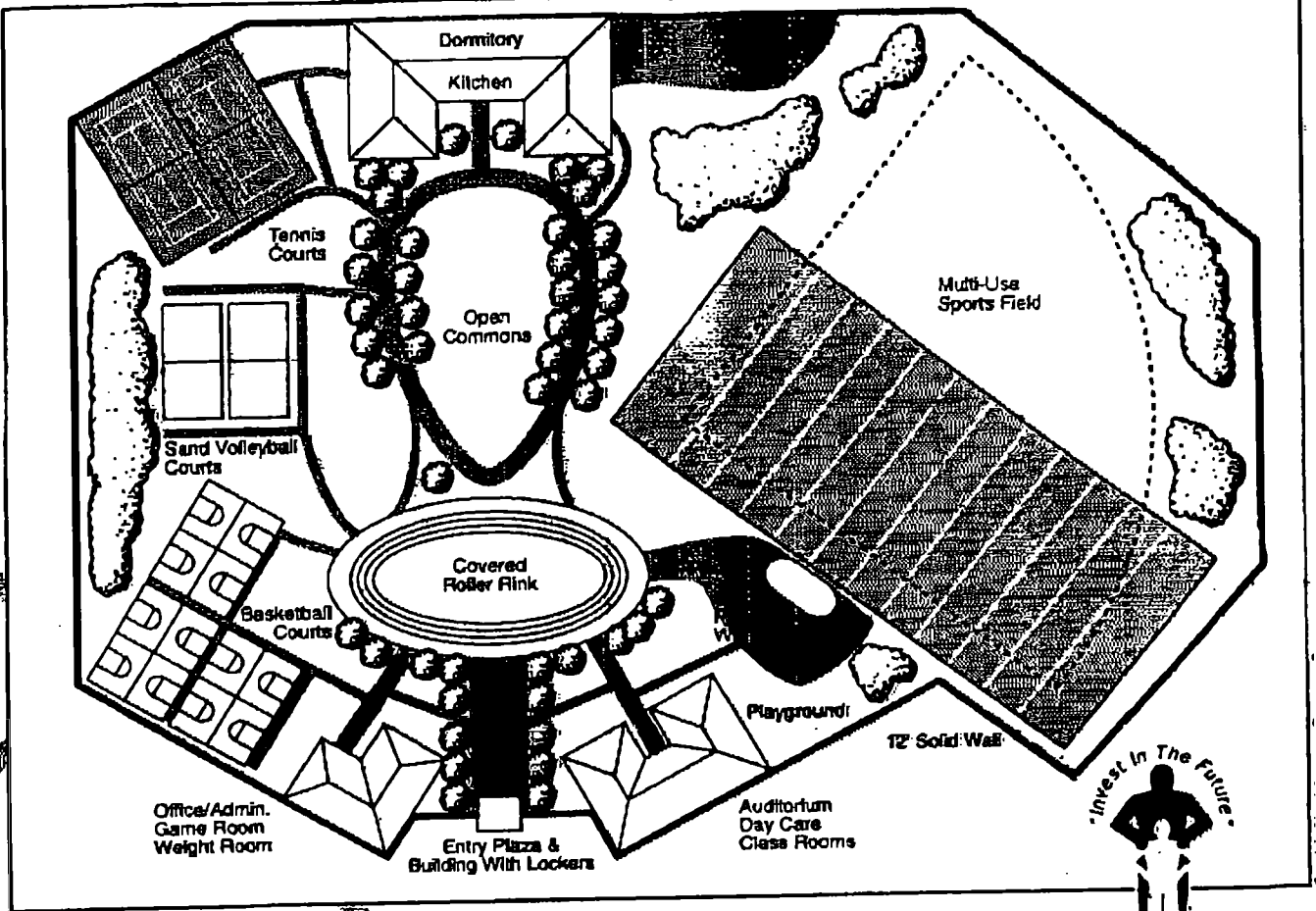
OBJECTIVES

- To encourage trust, generate learning, instill teamwork and develop self-esteem in an alcohol and drug-free environment.
- To target youth who will benefit from the program and elicit support from agencies serving youth.
- To provide a safe and enriching environment which will solicit family involvement and participation.
- To expose youth to a Speakers Bureau of various professionals who will serve as role models and encourage and foster self-confidence among youth.

PROGRAMS

Tutorial Assistance:
Tutors will be provided to assist students in all fields of academic studies.

Arts & Humanities:
Fine arts exposure provides a good balance between self-expression and talent development. Drama, dance and music are the focus of study in this area.



P.A.R.K.
CONCEPT PLAN • Little Rock, Arkansas



Youth Sports Leagues:
Athletics will play an important role in addressing the "total" youth by requiring academic standards or involvement in tutorial and other P.A.R.K. programs.

Youth Development:
This program for youths ages 9 through 18, will strive to enhance decision making and

assist in the area of personal problems. Other programs include summer camps, anti-drug and teenage pregnancy prevention

Gang Intervention:
Offering alternative solutions for gangs will be the approach for this program, which will use reality-based instruction in an interactive learning format.

THE WHITE HOUSE
WASHINGTON

To: Doris Matsui
Liz Gonchar 115

From: Gloria Johnson

This is FYI.
Let me know if you
have any particular
reaction, suggestions, etc

MEMO

3/20

TO: Susan and Gloria

FR: Paul J.

RE: Outreach

PHJ

Attached are notes from our two meetings on Friday and lists of participants.

You should consider bringing in some of the civil rights groups we included. [The League of United Latin American Citizens specifically asked.] They had a lot of questions about the service component which you could best answer. They can be a powerful ally in selling the plan at the grass roots level.

(Church)

-- Demo program expansion is one proposal for the move to direct lending.

Rosser:

States as a partner. State agencies are the best people to place the volunteers. States should have to match some funding

REPAYMENT OPTIONS

MM: Range of options; students will have the choice. Assume no cross subsidization and limited switching of plans. IRS may be involved, but will probably take 2-4 years to gear up.

- Loan forgiveness for service
- current fixed schedule
- graduated schedule
- income contingent
- repayment limit: 25 years

Conversion of private loans to direct loans another proposal
American Council on Education [Bob Atwell]

Without cross subsidization, you need subsidization to make it work.

Ruth Pagani:

Will grad students have income contingent option?
[MM: yes] What about cost of living adjustments for people living in cities? [MM: We would set aside basic amount of paycheck for income.]

League of United Latin American Countries. [Cesar Collantes]:

Will student be able to choose a mix of repayment plans for their different loans? [MM: No.]

Association of American Law Schools [Otto Hetzel]

Student need flexibility to switch because of undergrad/grad backlog.

NATIONAL SERVICE

MM: environment/health/public safety/education

Career College Association [Steven Blair]

What about union problems with service professions?

Think outside 4 year typical student. Need to get nontraditional student involved.

Ruth Pagani:

What is criteria for student selection? Concern that hispanic and lower income students might be shut out. There should be separate meetings to determine these questions [ie ONS should convene outreach meetings for civil rights groups]

Cear Collantes:

What is the stick if student walks away from commitment after going to college? [MM: go into income contingent, IRS system]

NAACP [Phyllis McClure]:

There should be a lapse to give people some flexibility on when they do their service requirement.

REVOLVING LOAN FUND

MM:

If current loan system is replaced, options for schools and their revolving loan fund are to let schools keep it; give it back to Treasury; put it toward developing service programs. CBO scores it several different ways

Dallas Martin:

Schools that have funds have managed them well. They deserve reward to keep these funds. Schools can't float funds for the Federal government.

Rosser:

- Schools should get to keep it, given large budget cuts to higher education recently.
- Schools concerned with cash outlay for national service programs. They don't have it to create these positions.
- DOE will not be a better manager of these funds than schools. [MM: Need to improve this whatever happens. with direct lending, fewer bodies to oversee.]
- Students need must be first priority.

National Council of La Raza [Magdalena Prado]:

These funds fill gaps for poor people.

DIRECT LOAN DEMO

Madeleine Kunin:

Should we proceed with the demo? Law says yes. Probably run the two track (pilot; move to full direct lending) simultaneously. We are not stressing speed over competency.

Dallas Martin:

Rulemaking on pilot due April 1. Need clarification asap.

CONCLUSION

Dick Rosser: What can we do to help? [Madeleine Kunin: higher ed community should state the case. Keep in mind what is best for the students.]

Otto Hertzfel: IRS role is key. Watch out for jurisdictional issues. [MK: IRS gains with more taxpayers in the system.]

State Higher Education Executive Officers [Gary Cox]:

What is the role for the state guarantee agencies? What will be the links between the banks and the guarantee agencies? Banks are very influential. [MK: Handle transition with care, especially as it relates to financial markets.]

Dallas Martin:

Lenders have other ways to make money, but be sensitive to their position as well. Need them through the transition to direct lending.

Steven Blair:

Spend a lot of time thinking about the collection process (the back end); don't rush to spend the money without a good system for getting it back.

NOTES TO HIGHER ED/CIVIL RIGHTS OUTREACH II (3/19)

(see attached list of participants)

CRITERIA

College and University Business Officers [Mary Jane Calais]:

Already much in the Higher Education Act that's questionable; you should make sure you send a well thought-out bill. Some criteria for schools to originate loans include:

- 1) A school's past loan record, in terms of management and even default rates.
- 2) Whether the school has ever operated its own loan fund.
- 3) Whether the school has adequate information management system (i.e. capability for electronic funds transfer).

IRS AND INCOME CONTINGENT REPAYMENT

[Mary Jane Calais]

Payroll withholding is probably the best mechanism; wouldn't be a burden on larger employers who currently have to do it frequently.

Quality Education for Minorities [Laura Lee Davidson]:

Concerned about IRS collection, because although individual might be playing by the rules, employers might not pay withheld funds to government, and the burden would fall on the student at the end of the year. Especially a problem for small business or in the event of bankruptcy. Also question about how would income be calculated. AGI? What about non-salary income? How would unemployment compensation be counted? What about grad school debts

[MM: for simplicity's sake, all debts would be folded into one repayment plan, with fed govt subsidizing in-school interest]

State U's and Land Grant Colleges [Tom Butts]:

These problems are solvable. Some concern about those not working or self-employed. Income contingent percentage should not be set too low.

Association of American Medical Colleges [Robert Bearan]:

Would borrower be responsible for providing income data? After a phase-in period, will IRS do all collection eventually?

[M. McLaughlin: one proposal is for ED to be the central record keeping body; IRS would share info. DS Kunin: One concern is that collecting student loans would not be the first priority of IRS if they were given that responsibility.]

American Association of Community Colleges [David Baime]:

Income contingent plan is a good idea, but students should be encouraged to pay back as soon as they can -- somewhere in the neighborhood of 5-7% of pre-tax income.

American Association of State Colleges and Universities [Ed Elmendorf]:

Noted that an income contingent plan is not inherently superior for students, particularly low-income students. Much depends on whether federal government will pay for in-school interest costs. Student should have option to convert to shorten the repayment period.

Butts:

Will students have a choice? [MM: Yes: fixed/graduated/income contingent. A limit to the switching, though]

SERVICE COMPONENT

[Alice?]

Many poor students never graduate, so the post-college benefit and service is not going to help them. Only 10 % of poor graduate, while 80% of high income students graduate. [unclear what her sources were for this] Taking money from Pell for national service program may increase inequity. [DS Kunin encouraged organizations to "make voices heard" on behalf of poor students]

Butts:

One option, instead of increasing arbitrary percentage of work study funds for community service, is to put the \$200 million cut from campus based aid to the service requirement.

Elmendorf:

Many poor students work off campus in nonfulfilling, low level jobs (ie McDonalds). Work-study funds should focus on providing incentives (rather than a mandatory percentage of funds for service) for college students to take community service-oriented jobs.

Davidson:

Will low-income students get adequate participation, or will the program just be for white, middle class students? [Fritz noted that just the opposite fear was raised in the morning session, that the program would be entirely low-income, minority students.]

STATE ROLE

Butts:

You should involve states only if they are the most efficient players to originate and/or service loans. Consortia is an option for smaller states. Generally, states are not good at origination; perhaps servicing. Capabilities vary greatly state to state. Some schools need tight supervision.

Calais:

Again, abilities vary. Many poor states simply won't be able to handle origination of loans. Administrative concern over how to handle private schools with students from many different states. Some institutions do have the capability to collect.

Davidson:

Will states be able to choose the role that they want? [M. McLaughlin: yes].

OTHER

College Board [Larry Gladieux]:

Ready and willing to participate in direct loan switch and overall student aid reform. Concerns about whether Pell is sustainable or whether the federal government is moving toward a system of almost exclusively loan programs. Predictability in aid package should be maintained.

Ed Elmendorf:

HEA of 92 failed to get the right mix of grants and loans, which could encourage borrowing. Equal time should be spent focusing on the certainty of funding for the rest of the student loan mix as is being spent on the move to direct lending.

National Hep/Camp Association [Jacob Friere]:

Don't forget about grants and other aid. Migrants rely heavily on these to finance education.

White House Initiative for Hispanic Students:

What will happen on the ability to benefit test for non college-bound, post secondary students?

JAMIESON 3/19

NATIONAL SERVICE AND STUDENT AID REFORM OUTREACH

FRIDAY, MARCH 19, 1993 AT 11 AM

American Association of Higher Education --

American Association of University Women -- Nancy Zirkin

Association of American Law Schools-- Otto Hetzel

American Association of Universities --Beth Matlick

Council of Independent Colleges --

National Association of Independent Colleges and Universities -- Richard Rosser

National Association of Student Financial Aid Administrators --Dallas Martin

Career College Association --Steve Blair

United Negro College Fund -- Chrita Beverly

American Council on Education --Robert Atwell

State Higher Education Executive Officers --Gary Cox

National Governors' Association -- Patty Sullivan

NAACP LDF -- Phyllis McClure

National Puerto Rican Coalition -- Ruth Pagani

Urban League --

National Council of La Raza -- Magadalena Prado

Asian American LDF --

NAACP -- Streopia Washington

American Bar Association -- Bruce Nichols

National Service and Student Financial Aid Reform Outreach

FRIDAY, MARCH 19 AT 2 PM

**American Association of State Colleges
and Universities -- Ed Elmendorf**

Association of American Colleges --

Association of American Medical Colleges --Robert Beran

The College Board -- Larry Gladieux

**National Association for Equal Opportunity
in Higher Education --**

**National Association of State Universities
and Land-Grant Colleges --Tom Butts**

American Association of Community Colleges -- David Baime

Quality Education for Minorities -- Laura-Lee Davidson

**National Council of Educational Opportunity Associations
-- Arnold Mitchum**

**National Association of College and University Business Officers
-- Mary Jane Calais**

American Indian Higher Education Consortium --

MALDEF -- Mario Moreno

ASPIRA -- Elizabeth Weiser Ramirez

National Hep/Camp Association -- Jacob Friere

Fern Lapidus

2/28/93
7:00 pm

--Draft--

ADDRESS OF PRESIDENT WILLIAM JEFFERSON CLINTON
RUTGERS UNIVERSITY
MARCH 1, 1993

[Acknowledgments]

I am here to ask you to join me at the beginning of a great adventure. In the next few weeks, I will ask Congress to create a new system of voluntary national service. In the next few years, I believe this program will change America.

Today, I ask you to become part of a noble tradition, of Americans serving their communities and our country.

My parents' generation won new dignity, working their way out of the Great Depression. Brave men and women in my own generation waged and won peaceful revolutions in civil rights and human rights.

Now, Americans of every generation face the challenge of meeting needs that have been neglected for too long. From city streets plagued by crime and drugs, to classrooms where girls and boys must learn the skills they'll need tomorrow, to hospital wards where patients languish for want of care, our problems demand action.

For those who answer the call -- and meet these challenges - your country must honor your service and offer new opportunities for education and training. For, at our best, America offers opportunity, rewards responsibility, and builds community.

My challenge is for everyone who is young in years -- or young in spirit. It is a challenge for Americans from every background and every walk of life. It is a challenge that builds upon the best traditions of a nation filled with youthful energy, and restless, questing spirit.

Service has value that goes beyond money; it is the American way to change America.

The concept of community -- and the spirit of service -- are as old as our history. Especially at moments of change and challenge, Americans have found new ways to honor service, encourage individual responsibility, and solve our most pressing problems.

It began the moment America was invented. "With faith in divine Providence," Thomas Jefferson wrote in the Declaration of Independence, "we mutually pledge to each other our lives, our fortunes and our sacred honor."

In the midst of the Civil War, President Lincoln signed into law two visionary programs that helped America come together again and grow stronger than ever.

The Morrill Act helped the states create new "land-grant" colleges where young people learned the skills to make American agriculture and industry the best in the world. Its legacy is not only our great state colleges and universities like Rutgers but the American tradition that merit -- and not money -- should give people the chance for higher education.

The Homestead Act offered 100 acres of land for families who had the courage to settle the frontier and farm the wilderness. Its legacy is a nation that stretches from coast to coast.

Seven decades later, in the midst of the Great Depression, President Roosevelt created the Civilian Conservation Corps, which gave two-and-a-half million young people the opportunity to support themselves while working in disaster relief and maintaining forests, beaches, rivers, and parks. Its legacy is not only the restoration of our natural environment but the restoration of our national spirit.

In the midst of World War II, President Roosevelt proposed the GI Bill of Rights which offered returning veterans the opportunity to buy a home, a farm, or a business -- and, even more importantly, for education or job training. Thanks to the GI Bill, which became a living reality in President Truman's time, more than eight million veterans got advanced education. Half a century later the legacy of the GI Bill is the great American middle class.

And for many in my own generation, the summons to citizenship and service came 32 years ago today, when President Kennedy created the Peace Corps, with Sargent Shriver and Harris Wofford, and enabled thousands of young Americans to serve on the leading edge of the New Frontier.

Even at its height, the Peace Corps enrolled only 16,000 men and women. But its legacy is not only good will and good works in countries all across the globe, but a profound and lasting change in the way Americans think about their country and the world.

Truly, the lesson of our history is that honoring service and rewarding responsibility is the best investment America can make. And today I ask Americans to join me in making that investment, not only with our dollars but with our deeds.

Of all the investments in my economic plan, none is more important than national service. It invests in our most precious resource: the spirit and the skills of our people. And it recognizes a simple but powerful truth: that we will make progress not by government working alone, but by the people and their government working together.

My economic plan offers new opportunities for education and training, but you must seize those opportunities and make the most of them. My plan can offer every child the chance for a healthy start and a Head Start, but parents must raise their children right. And my plan can rebuild the physical structure of our communities -- from our roads and highways to our subways and city halls -- but Americans must also restore the social fabric of our communities, so that we can work together in our factories and offices and schools.

My plan summons tremendous resources to tackle our problems. But even greater than these resources is the resourcefulness of the American people. Whenever Americans have been offered the opportunity, they have eagerly accepted the responsibility to improve their own lives and contribute something to their country. This is why national service is so important.

Our national service program will be built on the same principles as the old GI Bill. It will challenge our people to serve our country and do the work that should -- and must -- be done. It will invest in the future of every man and woman who contributes to their community and their country.

And while we rekindle the spirit of national service, we should reform our system of student loans. We will make it easier for young people to pay back their student loans, enabling them to hold public service jobs that accomplish much but pay relatively little. Under our program, Americans will be able to borrow the money they need for college -- and pay it back as a small percentage of their income over time.

We'll give graduates the chance to repay their loans on an affordable, sensible schedule, based on how much money you earn each year. This will give you the chance to do the work our communities really need -- and still pay off your loans.

The status quo is unacceptable. The system is too complicated and too expensive. ~~Perhaps the middle class will~~ Taxpayers are left holding the bag for billions in defaults every year. And high monthly bills that arrive after graduation discourage young people from choosing the path of service.

Beginning tomorrow, Washington, D.C., will be swarming with lobbyists representing the banks. Even before our national service legislation is presented to the House and Senate, they'll try to tell the Senators and Representatives that the status quo on student loans is the best we can do.

It's time to put the national interest first for a change. Let's help the millions of students this system was built to benefit -- not the favored few who profit from it now. You and I know that America can do better.

While we reform our system for financing higher education, we will deliver on our commitment to national service. We will create new opportunities for Americans to serve our country for a year or two -- and get financial support for education or training in return.

No matter where you stand on life's journey -- and no matter what path you are pursuing -- we will offer you the opportunity to serve. We'll ask you to serve in our schools -- not only as teachers but as tutors in reading and mathematics.

We'll ask you to help our police forces across the nation. We'll train members for a new Police Corps that will walk beats and work with neighborhoods to fight back against the crime wave that terrorizes our people and tears apart our communities.

We will ask you to help control pollution and recycle waste, to make sure that you pass on to your children a country that is clean and safe for generations to come.

And these are just a few of the opportunities we will offer.

I have often spoken about "reinventing government." And I want national service to empower communities, not enlarge bureaucracies. Observers from Alexis de Tocqueville to those in our own time have marveled at the vibrant and diverse civic life we have built here in America -- our houses of worship, our community associations, and our business, professional, labor, and ethnic organizations.

All across America, people are serving their neighbors and their neighborhoods.

This morning, I was inspired to see and speak with students from Rutgers who are serving their community, from mentoring young people as "big sisters" to helping older people learn new skills.

I am impressed by the spirit behind the Rutgers Civic Education and Community Service Program. You understand that community service enriches the educational experience: that

students should not only take the lessons they learn in class out into the community, but bring the lessons they learn in community service back into the classroom. In that spirit, during this academic year alone, more than 800 students from Rutgers are contributing more than 60,000 hours of community service, at your campus here in New Brunswick and in Camden and Newark.

And this morning, I also met members of the New Jersey Youth Corps, who serve in their communities while completing their high school degrees. Through this program, more than 6,500 young adults contribute more than 900,000 hours of service to the state.

Here in New Brunswick, these young people paint senior citizens' homes and tutor and mentor children in after-school programs. For the future of this state and this country, we need more young people like those in the New Jersey Youth Corps, who exemplify the spirit of service. Here in New Brunswick, and all across America, that spirit is moving Americans to make wonderful contributions to their communities.

The spirit of service moves Antoinette Jackson, a high school senior from the community of Gauld in my home state. As a member of the Delta Service Corps, she works with the "lend-a-hand" program which runs a thrift shop that provides hungry and homeless people with food and clothing. And, in return for her service, the Delta Corps is going to help her attend college, so that she can get the education to make an even greater contribution to our country.

The spirit of service moves Stephen Spalos, who works with the City Year program in Boston. At age 23, he's had some hard times in his life, but, as he puts it, City Year gave him "a place and the tools to be able to start over." He works as a team leader -- a mentor, a tutor, and a project manager -- for a team of young people restoring senior citizens' homes.

And the spirit of service moves Orah Fireman, a graduate of Wesleyan College. As a sophomore in high school, she worked with disadvantaged children at Camp Ramapo in upstate New York. That experience changed her life, and, during her high school and college years, she continued working with children. Now that she's graduated from college, she's continuing what may well be a lifetime of service by working at a school for emotionally disturbed children in Boston. And she would like other young people to have the opportunity to serve, for, as she writes: "Service work teaches responsibility and compassion. It fights alienation by proving to young people that they can make a difference in their community. There is no lesson more important than that."

There are stories like these all across America. And our national service program is going to create thousands more of them. We'll work with groups with proven track records serving their communities, giving them the support they need to grow. And we'll let people with good ideas -- "entrepreneurs," if you will, -- compete for the venture capital they need to develop new programs to serve their neighbors.

That is why we want the national service program to keep growing every year, rewarding results and building on proven success. And I don't want service to wait, while people's potential is wasted.

That is why I want to make this summer a summer of service, when young people can not only serve their communities but build a solid foundation for a new national effort.

I am asking Congress to invest in -- and I am asking young people to participate in -- a special effort in national service and leadership training. We'll recruit more than 1,000 young people, from every background, and from high school dropouts to college graduates. We'll send them to an intensive leadership training "boot camp" at the beginning of the summer.

Then, we'll ask them to work on one of our country's most urgent problems: helping children who are in danger of losing their God-given potential.

Some of the participants will tutor. Some will work on programs to immunize young girls and boys against childhood diseases. Some will help develop and run recreational centers, or reclaim urban parks from the dealers and the debris. Some will counsel people a few years younger than themselves to keep them out of gangs. And every participant will learn about serving our country and helping ourselves.

At the end of this summer of service, we will bring all the participants together for several days of debriefing and training. Then, the participants will join in a Youth Service Summit. I will attend that meeting, and I plan to listen even longer than I speak. And I will ask leaders from Congress, and from the business, labor, religious, and education communities to attend that Youth Service Summit with me.

We'll give those who serve the honor they deserve, and learn a lot about how to build a national service program. And, from the thousand pioneers of this summer, I want the national service program to grow one hundred-fold within four years.

Even when hundreds of thousands are serving, I want to maintain the pioneer spirit of these first months. Because national service will make America new again.

National service can help solve our problems, educate our people, and reknit our communities. If you want to answer the challenge, please let me know. Drop me a card -- and mark it "National Service." Let me know that you want to serve.

Then, when the programs for the Summer of Service have been selected, we will give you information about the effort closest to you. While I cannot guarantee that you will be chosen, I do assure you that you will be considered. Together, we can make sure that the Summer of Service this year will grow into many more seasons of service for others who follow their example and answer the call.

My message today is that you shouldn't wait -- and our country cannot wait -- for a summer or for a program. We need to begin right now.

Today is Monday. By Friday, think about what you can do to be an agent of renewal. Talk to your teachers, your parents, your clergy, and your friends. Join the effort to renew our communities and rebuild our country. And write me about what you are doing.

It is time for millions of you to change our country -- block by block, neighborhood by neighborhood. It is time to return to our roots -- in excitement, in idealism, and in youth.

There are some among us -- your elders and your peers -- who believe that young Americans will no longer answer a call to action. They say young people measure their success merely in the accumulation of material things. They maintain that a summons to service will go unanswered.

I maintain: They are wrong. And I ask you to prove that what they are saying about your generation is wrong.

But my message today is not only for the young people who are here with me, but for Americans of every age, everywhere. Whether you are a ten-year-old in a service program in our schools who reads to younger children, or a seventy-two-year-old who has become a foster grandparent, you can contribute to your community and your country.

In serving others, you will find the best in yourself. And you will learn lessons about your own life, about other people, and about the meaning of our democracy.

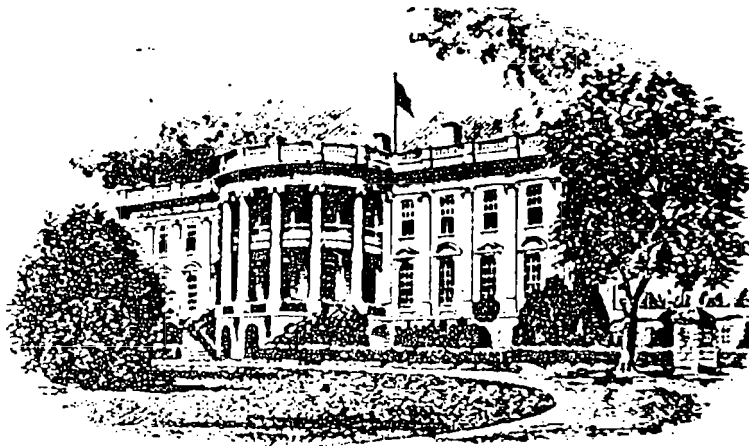
You will learn that each of us has the spark of potential to accomplish something for ourselves and contribute something to others. You will experience the satisfaction of making a connection with someone you may think is very different from you,

only to learn you have more in common than you thought. You will learn that the joy of mastering a new skill or discovering a new insight is equaled and exceeded only by the joy of helping another person experience that excitement.

You will know the satisfaction of being valued not for what you own or even for what you earn, but for what you have contributed to others. You will understand the wisdom in the words of the Rev. Martin Luther King, Jr.: "Everybody can be great. Because everybody can serve."

More than in any classroom or from any book, you will learn the meaning of America at its best. For we are not just another country, but a special kind of community, linked by a web of rights and responsibilities, and bound together not by bloodlines but by beliefs. When we serve others, we honor our heritage, exercise our responsibilities, and act on our beliefs.

Today, I ask you, not just to commit yourselves to seasons of service, but to become Americans in the best sense of the word. I am confident that your generation of Americans -- and every generation of Americans -- will answer the call.



OFFICE OF POLITICAL AFFAIRS

PHONE: (202) 456-6257
FAX: (202) 456-7929

FAX COVER SHEET

Number of Pages (Including Cover) _____

2

To: _____

Gloria

Fax Number: _____

6420

Office Number: _____

Date: _____

From: _____

Liz

I refuse to play phone tag
any more!

Juan did not have any additions, but
please note her comment on the
attached.

Additionally, Dorothy Shields did know
anything about this meeting. Who was
supposed to be informing the participants?

Finally when is the meeting on Friday?

Thanks - Liz

THE WHITE HOUSE
WASHINGTON

FAX COVER SHEET

Office of National Service
Room 145 - OEOB
Washington, D.C. 20500
(202) 456-6444 Phone
(202) 456-6420 Fax

TO: Joan Bassett

ORGANIZATION: _____

FAX #: () 7928 PHONE #: () _____

FROM: Gloria Johnson

DATE: 3/10

NUMBER OF PAGES (including cover sheet): _____

COMMENTS: This is the list of attendees for the meeting set up for Friday. Let me know if you've got any reactions. Otherwise, I'll assume we're okay. Thanks.

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

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Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. list	[Personally Identifiable Information] [partial] (1 page)	03/09/1993	b(6)

COLLECTION:

Clinton Presidential Records
Political Affairs
Joan Baggett/Tara Burns
OA/Box Number: 4126

FOLDER TITLE:

National Service [Folder 1]: [Newsclips]

2013-0661-F
rs2946

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

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- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

UNION AND AFL-CIO DEPARTMENT MEETING ON NATIONAL SERVICE PROPOSALS

NAME **PHONE NUMBER**

D.O.B.

S.S.N.

Service Employees:

Kathy Skrabut 898-3360

Firefighters:

Fred Nesbitt 737-8484

Police Association:

Bob Kliesmet 703-549-7473

Laborers:

Don Kaniewski 737-8320

AFT:

Greg Humphrey 879-4450

Rachelle Horowitz 879-4436

P.E.D.:

Al Bilik 637-5351

Community Services:

Joe Velasquez 637-5189

Education:

Dorothy Shields 637-5143

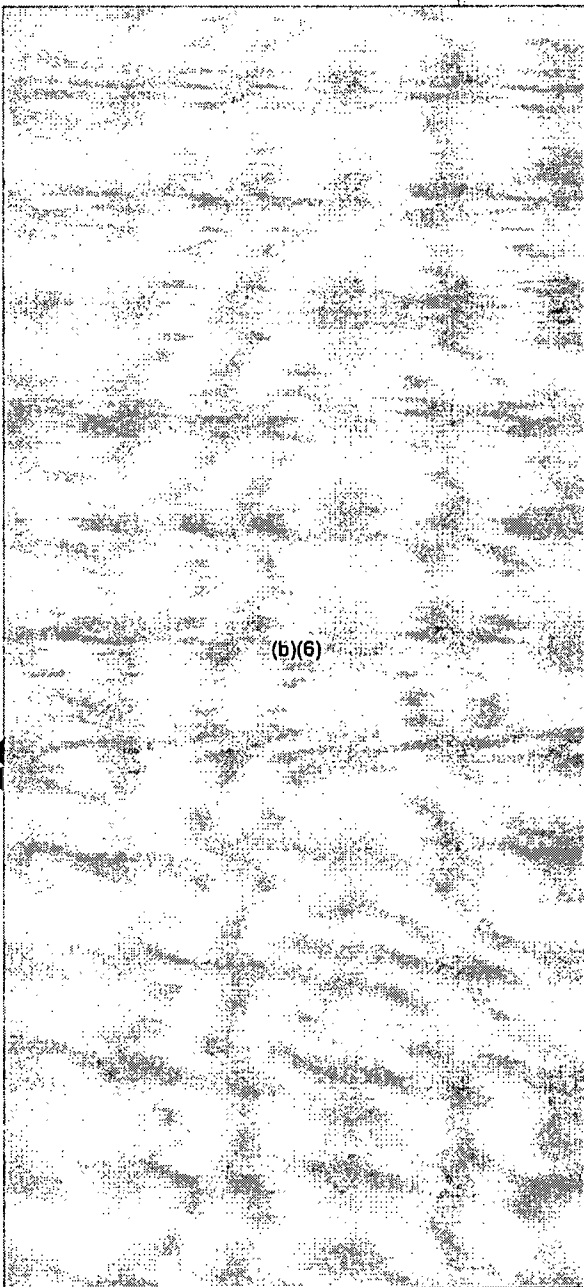
Research:

Mark Roberts 637-5160

Legislation:

Robert M. McGlotten 637-5075

Calvin P. Johnson 637-5064



(b)(6)

MEMORANDUM

**TO: Joan Baggett, Doris Matsui, Tracy Thorton, Michael Waldman,
Jeff Watson**
FR: Eli Segal
DA: January 27, 1993
RE: National Service

Please find attached a packet of materials for your information. It includes an options paper on national service drafted by Bill Galston during the transition; a first cut at draft legislation from Shirley Sagawa and the transition group; and a list of federal funding sources for national service.

We're particularly interested in ways we can give national service greater visibility around the country, even before we move with legislation.

Please contact Robert Gordon in my office at x2149 if you would like any more information. See you Thursday at 6:00.

**PARTIAL LIST OF SERVICE FUNDING
FROM THE FEDERAL GOVERNMENT**

Service-only organizations

- | | | |
|----|--|------------------|
| 1. | ACTION | -- \$199 million |
| 2. | Commission on National and Community Service | -- \$75 million |
| 3. | Points of Light Foundation | -- \$5 million |
| 4. | Peace Corps | -- \$218 million |

Federal agencies

- | | | |
|-----|---|------------------|
| 5. | HHS:
National Health Service Corps | -- \$100 million |
| 6. | Defense:
Civilian Community Corps | -- \$20 million |
| | Conversion assistance | -- \$20 million |
| | Youth Opportunity Corps | -- \$30 million |
| 7. | Education:
College Work-Study | -- \$40 million |
| | Urban Community Service | -- \$9 million |
| | Innovative Projects | -- \$1 million |
| | Student Literacy Corps | -- \$5 million |
| 8. | HUD:
HOPE IV: YouthBuild | -- \$17 million |
| | HOPE VI | -- \$27 million |
| 9. | Veterans Administration:
Health Professional Scholarship Program | -- \$10 million |
| 10. | Small Business Administration:
Service Corps of Retired Executives | -- \$3 million |
| 11. | Interior:
Student Conservation Association | -- ? |

Brief Descriptions

ACTION administers the VISTA volunteer placement program and the Older Americans Volunteers Program. It is a twenty year-old agency with a large administrative and field structure.

The Commission on National and Community Service provides assistance and makes grants to service programs for young people aged K-12, college-aged youths, participants in youth corps, and national service programs. It was created in 1990.

The Points of Lights Foundation supports "volunteer centers" nationwide and encourages businesses to invest in service. It is a Bush creation.

The Peace Corps places Americans overseas to transfer education and skills to areas that need them.

The National Health Service Corps provides scholarships and loan forgiveness to doctors who agree to practice in medically underserved urban and rural areas. About 1,000 doctors currently participate.

The Civilian Community Corps is David Boren's initiative to use closed-down military bases and discharged military personnel in a service program. It has a summer and full-year component, each with a post-service benefit.

The Youth Opportunity Corps is a National Guard Program, similar to the CCC, that targets dropouts. It has a larger learning and smaller service component than the CCC, and it already exists in West Virginia and Oklahoma.

College Work-Study subsidizes the wages of college youth who are paying for school. The \$40 million figure represents a 5% set-aside for service within the \$800 million program.

Urban Community Service is a program administered by Education to support community service projects in disadvantaged areas. It has already disbursed these funds.

Innovative Projects and Student Literacy Corps primarily fund higher education institutions' literacy projects in disadvantaged areas.

YouthBuild funds 15 YouthBuild projects, which provide disadvantaged youths with remedial education (50%) and train and put to work these youths rehabilitating housing for the homeless (50%).

HOPE VI will provide about \$30 million to public housing authorities to finance community service programs in conjunction with rehab efforts. (Please see attachment 1 for more information.)

The Health Professional Scholarship Program is modelled on the Health Services Corps, and provides scholarships to nurses who go to VA hospitals that need help.

The Service Corps of Retired Executives helps entrepreneurs, particularly women and minorities, to start their own businesses.

The Student Conservation Corps enables Americans of all ages to help out park rangers in national parks. It also provides significant education and benefits.

NATIONAL SERVICE

"We never create energy; we only release it."
—Peter Drucker

National service was perhaps the signature idea of your campaign. No proposal evoked wider or more enthusiastic reaction than linking national service to broadened access to education, training, and opportunity. In *Putting People First*, you proposed to:

Maintain the Pell grant program, scrap the existing student loan program, and establish a National Service Trust Fund to guarantee every American who wants a college education the means to obtain one. Those who borrow from the Fund will pay it back either as a small percentage of their income over time, or through community service as teachers, law enforcement officers, health care workers, or peer counselors helping kids stay off drugs and in school.

As you envision it, national service would simultaneously broaden opportunity for education, training, and economic empowerment, emphasize individual responsibility to give something back for this increased opportunity, and build community by bringing people together to address urgent national needs. In the process, national service can revitalize the civic spirit without which our democracy cannot flourish.

This last point deserves special emphasis. Through national service, we seek nothing less than to transform our society—renewing the link between responsibilities and rights and leavening individual freedoms with the understanding that in the long run we rise or fall together. We hear much today about social diversity, and, appropriately, we celebrate it. But we also need civic unity, and national service can help provide it. As we learned during the public programs of the New Deal, in World War II, and in every great national endeavor, the surest basis of community is shared experience. By bringing us together across racial, ethnic and class lines, national service can provide such an experience, making our differences a source of strength rather than division.

Creating a new national service program is also a prime opportunity to reinvent government. Whenever possible, our system should employ incentives rather than commands and regulations, invest in good management, build on success, and draw on grassroots energy and initiative.

This chapter explores how to turn this popular concept into a concrete program and lays out options for you in a handful of key areas. The early sections of this chapter focus on options and recommendations for a national service system; the later sections discuss technical and policy issues regarding student loans.

POLITICAL BACKGROUND

Any proposal for national service/universal education access will spark intense debate in Congress and among the American people. The discussion will take place against the backdrop of the recent debate over the Nunn-McCurdy national service bill that began early in 1989 and lasted for more than a year.

History makes clear that the more radically a national service/universal access bill departs from the status quo, the more those with an interest in the status quo will seek to thwart change. This is especially true for the structure and conditions of higher education finance, but also for the scope and shape of service opportunities. Building broad support for the fundamental changes you have proposed will require difficult assessments of what is truly feasible given current circumstances.

Significant changes have taken place since 1989. The provisions of the Nunn-McCurdy bill that stirred the greatest controversy – eliminating Pell grants and moving swiftly to make service a condition for all types of student assistance – are not under consideration. Also, some of your proposals, including direct lending demonstrations, income-contingent repayment, authorization for IRS involvement in collection, and universal (albeit unsubsidized) loan availability were included in the 1992 Higher Education Reauthorization amendments.

At the same time, several key participants in the debate have shifted toward common ground. The higher education community is prepared to acknowledge that service can be a basis for differential benefits – that those who serve should get more than those who don't. And the service community is prepared to acknowledge that the prime (though not exclusive) focus of new initiatives for 1993 can be full-time, compensated service extending over a considerable length of time. In short, circumstances may have created a promising foundation for meaningful consensus, a foundation on which energetic, skillful presidential leadership can build to resolve remaining differences.

Still, significant problems remain. Public employee unions are skittish at best about a significant national service program, as are the principal teachers unions. Banks, state-based guarantee organizations, and the Student Loan Marketing Association (Sallie Mae) are hostile to a significant expansion of direct loans. As Senator Nunn points out, the views of the Armed Services are still important, though the winding down of the Cold War may have made them somewhat less worried about the impact of civilian service on military recruitment.

The bottom line is that while we have made every effort to consult widely and take divergent views into account, we will need to organize extensive further consultations on whatever draft service/loan program you endorse as the basis for public discussion.

One final point: Across the political spectrum, those with whom we consulted warned fervently against repeating the fiascoes of programs of the 1960s, and of public sector jobs programs of the late 1970s. National service must be (and be seen to be) meaningful work (rather than make-work) meeting true public needs (rather than controversial advocacy causes). While these considerations argue for significant central oversight in the selection and monitoring of service that qualifies under the program, the need for serious quality control must be balanced by the need to maximize local energy, innovation, and public entrepreneurship.

EXISTING PROGRAMS

The Clinton national service proposals will not be painting on a blank canvas. Existing programs, federal and non-federal, can help provide the foundation for a national service system. Federal programs include:

The National and Community Service Act (NCSA). This landmark legislation, initiated by Senate Democrats and enacted in 1990, funds full- and part-time service programs run by schools, colleges, local and state government, and non-profit organizations. The Act also includes funding for programs that may serve as models for large-scale national service.

VISTA. Established as a Great Society program in the 1960s, VISTA currently engages more than 3,000 adults in full-time service through community-based organizations each year.

Peace Corps. The hallmark of the Kennedy Administration, the Peace Corps currently supports 6,000 adults in service to developing countries and fledgling democracies around the world.

Older American Volunteer Programs. Created in the 1960s and early 1970s, the OAVP programs include Foster Grandparents, Senior Companions, and the Retired Senior Volunteer Program.

Non-federal programs, many of which are supported by the NCSA, include:

State and Local Youth Corps. Based on the Civilian Conservation Corps of the 1930s, youth corps have made a comeback in the last decade, providing full-time and summer service opportunities for more than 25,000 youth aged 15 to 24 each year.

School- and Campus-based Programs. During the 1980s and 1990s, schools and colleges across the country greatly expanded programs for millions of students to become engaged in service as part of the educational process or through

extracurricular activities.

Programs Run by Youth Organizations. Community-based youth organizations, such as YMCAs, Girl Scouts, and 4-H, provide significant service opportunities for school-age youth after school and during the summer.

National, regional, and state non-profit organizations have provided technical support and leadership to the national and community service field over the last decade and should be an important resource for the Clinton National Service system.

A NEW NATIONAL SERVICE SYSTEM: OPTIONS AND PROPOSALS

In the following pages, we lay out the basic questions that will shape your national service proposal. We recommend a system that encourages flexibility and innovation, and gives young people who want to serve their country as many choices as possible: a program which is open to pre-college, post-college, and non-college-bound youth; which lets people serve in local, state or national corps, non-profits, or other positions that do not displace workers but do meet unmet public needs; and which is as decentralized as it can be without running amok. We believe the program should give those who serve an opportunity voucher worth \$10,000 per year of service and a small stipend on which to live. We suggest expanding the program gradually to 100,000 slots by 1996, which will cost approximately \$2 billion at that level.

This section focuses on decisions needed to implement the national service system.

Who is eligible?

We recommend three categories of eligible participants:

- 1) **Post-college:** Any individual who has taken out either a subsidized or unsubsidized student loan may seek a service placement qualifying for loan forgiveness (and in some cases other opportunities, discussed below). Based on the existing loan programs, this would include students at community colleges, four-year colleges, and trade schools (proprietary schools).
- 2) **Pre-college:** Any young person who meets the entrance requirements for and obtains a placement in an eligible program may earn an Opportunity Voucher (a term we use to signify "service-related benefits") equal to the amount of loan forgiveness and other benefits provided to post-college participants.

3) **Non-college:** Because non-college-bound youth can make an important contribution to meeting national needs, they should be allowed to participate on equal terms with pre-college youth and have an equal chance to earn Opportunity Vouchers. The program will ultimately help some members of this group go on to higher education and training; others will gain skills that will help them obtain future employment; still others will be able to make entrepreneurial investments in their own future. We recommend that a high school diploma or the equivalent be required in order to "graduate" from the program, but not to enroll.

Sen. Nunn and others have suggested that the post-college participants would have to be matched with clearly defined professional needs in areas such as education, health, and public safety. Others have noted that high school non-graduates present special challenges of administration, supervision, and program design that increase both costs and risks. Taken together, these points suggest that most of the participants (say, 80 percent) should be at least high school graduates and that a relatively small fraction (say, no more than 25 percent) would fall into the post-college category.

What types of service will qualify participants for Opportunity Vouchers?

We recommend that all of the types of service discussed below be supported through the Trust Fund, at least on a test basis, and qualify participants for Opportunity Vouchers. This system will allow for experimentation, optimum matching of participants with service opportunities, and maximize the program's chances for success in future years.

Youth Corps

Although funded primarily by state or local sources, Youth Corps programs also receive federal support from the American Conservation and Youth Service Corps and national service demonstration programs of the National and Community Service Act. Most corps programs are structured to promote *esprit de corps* by organizing participants into supervised crews. However, some place participants in individual assignments, bringing them together for joint education or other activities. While most existing corps programs involve economically and educationally disadvantaged youth, some strive for greater diversity, which we see as critical to achieving important national objectives.

Youth corps have attracted widespread support for several reasons:

- their proven success with disadvantaged populations;
- ancillary benefits such as increased educational attainment, jobs skills development, self-esteem, cooperation, teamwork, and community-building;
- the opportunity for leadership development for participants within the corps structure;

- their ability to meet local needs while generating local support.

The added benefits, attention to supervision, and support services, however, mean that corps programs tend to be relatively expensive (as much as \$10,000 per participant, exclusive of stipend and loan forgiveness).

This year, Congress enacted legislation for a federally run corps, which, unlike a federally supported state or local program, requires hiring significant numbers of new federal employees. A federal corps, however, highlights national service as a Clinton "signature" program, and could target urgent national needs highlighted by the president. The CCC's success in the 1930s is invoked regularly (and plausibly) as a baseline for service in the 1990s. It is surely a model worth testing—provided the federally run program does not dwarf state and local efforts.

In addition to federally-run and federally-supported corps, state and local corps receiving no federal funds could qualify to provide Opportunity Vouchers so long as they meet the corps standards authorized under the National and Community Service Act.

Individual Placements with Non-Profit or Other Direct Service Organizations

A second service option is the placement of individual participants in programs run by federal, state, local government or non-profit organizations. The primary difference from the corps model is that participants do not work together as teams on projects. The program would provide participants with stipends, place them in service positions, and could offer special activities such as training, regular meetings, or other group functions. This model works best where host organizations need additional staff but lack the resources to pay additional full-time workers.

An example of this type of program is VISTA. Non-profit direct service organizations seeking a VISTA volunteer apply through their federal regional ACTION office. Volunteers may be recruited in two ways: nationally, with an 800 number and national placement bank, and locally, by the organization approved for a VISTA slot. The administrative cost of this system is about \$6,000 per placement. VISTA volunteers receive a living allowance of about \$7,000 a year plus health insurance and training from the federal government.

A private, non-profit organization could also recruit, train, and place participants with other non-profit agencies — sort of a private-sector VISTA. The federal government might make a grant to the placement organization to cover a share of administrative expenses and provide stipends (or a portion of the stipend) and health insurance for the participants.

Alternatively, individual public and private non-profit organizations could create placements that meet federal criteria. Such organizations might pay the full cost of the

stipend and health insurance and absorb their own administrative costs. The cost to the federal government other than loan forgiveness would be marginal. However, it is unclear how many such jobs would be created, even at below market wages, if the full costs had to be borne by the host organization.

A final model would involve placing post-college participants in schools to serve as youth service coordinators. These individuals would assist teachers in organizing service-learning programs, through which elementary and secondary school students would perform service as part of their education. Such a program could significantly expand the number of schools providing service opportunities to younger students. It could also be extended to college campuses and community based youth organizations.

Individual Placements in Regular Jobs Supported by Employers

In this model, which is most appropriate for post-college participants, the government sets criteria for jobs qualifying for Opportunity Vouchers. Salaries, benefits and costs of training and supervision are borne by the employer. Positions may be existing jobs that are hard to fill or new positions created by the sponsor. The participant and sponsor must certify that they have met the requirements for the loan discharge. These could include:

- income ceilings
- work in a specific field or for a specific type of employer (such as a non-profit organization or a state or local governmental agency)
- jobs in certain locations (such as enterprise zones)
- hard to fill positions where there is a shortage of qualified and willing candidates.

Several variations on this theme are worth considering. Although generally participants would locate their own job placements, state or local government or non-profit organizations could establish programs to place qualified individuals with employers and provide recruitment, training and a support system, as in a corps program. Salaries or stipends would, however, still be paid by the employer. This model works best where there is a shortage of qualified individuals available to fill a position that is already funded. Teach for America, which recruits, trains, and places recent college graduates in teaching positions, and Public Allies, which recruits, trains, and places young adults in community jobs with non-profit organizations, both at a cost of approximately \$6,000 per placement, are examples of non-stipend programs.

Another model is based on the ROTC system. Certain types of jobs, such as public safety work, nursing, child care, or teaching may require specialized training that

could be obtained during college. Individuals could be enticed into these fields during their first or second year of college with the promise of scholarships or enhanced loan forgiveness. They would agree to take a specified curriculum to prepare them for their specific career, to perform internships or other forms of service to supplement their classroom learning during the school year and over the summer, and work in their specified field for a minimum number of years after graduation. The proposed Police Corps is an example of this model, although for technical reasons it would probably fall outside the scope of the National Service Trust Fund (see the Crime chapter).

This model has many advantages. Salaries do not have to be paid by the federal government, thereby lowering the per placement cost. Administrative costs are also lower than under other program options. Large numbers of individuals may participate if they are able to find suitable qualifying employers. Such a program can help fill jobs in geographic areas (remote rural communities, urban enterprise zones) or career fields where it is difficult to find willing and qualified workers. By using programs to place individuals (as in the Teach for America and ROTC models described above), many of the benefits of corps-type service can be realized.

This model has some drawbacks as well. It is effective if there is a shortage of workers in a particular profession or jurisdiction, but not if there is a shortage of funds to pay those workers. It is difficult to design a list of qualifying jobs that does not create inequities by excluding similar jobs or that would not, if implemented on a large scale, create incentives for individuals to leave one type of socially useful employer for another that qualifies. If qualifying jobs are limited by salary, the program may depress wages for other workers. If a programmatic approach is taken, it may be unfair to reward with loan cancellation a participant in, for example, Teach for America, but not the comparable teacher down the hall. There is also significant potential for fraud and abuse without significant federal oversight of placements. There would need to be strict job nondisplacement requirements and a regulatory system to approve placements.

Public Service Entrepreneurs

A limited number of particularly talented young people may seek to design their own placements — perhaps starting new organizations, conducting independent projects, or filling needs in their community that they themselves identify. This model fosters innovation and allows talented youth to put their best ideas into practice. These individuals should be supported because they hold particular promise as future leaders.

On the other hand, a significant risk of fraud and abuse is inherent in this model. Young entrepreneurs may need to be supported through a programmatic structure that provides advice and technical assistance. For reasons of risk and administrative cost, only a limited number of placements should be made in this category.

Must service be full-time? Would part-time service qualify?

While most qualifying slots would be full-time, part-time programs should also be eligible, particularly to accommodate non-traditional older students whose family responsibilities may otherwise preclude them from opting for service. (While an analogy is often drawn between full-time service and the GI bill, part-time service might be seen as a civilian version of the military National Guard/Reserve structure.) Benefits earned would be scaled to the fraction of full-time service performed, with some minimum threshold (say, one-sixth time, the equivalent of two full months) each year. The National and Community Service Act already supports several model part-time programs in which participants receive education scholarships or loan forgiveness in exchange for a minimum number of hours of service.

Will the system be decentralized or will it be run by the federal government?

We recommend that the National Service system be decentralized, with important roles played by national non-profit organizations and state and local programs. While a federally-run system might provide a common experience for all participants, its disadvantages include: a large federal bureaucracy; interference with state and local efforts to build community-based programs; high costs; impediments to flexibility and innovation; and lack of community control. By contrast, a well-designed decentralized system would encourage public/private partnerships, leverage federal dollars with those from state and local sources, build on expertise within the field, enable young people with diverse needs and interests to be matched with optimum placements, minimize federal bureaucracy, allow the local community to take the lead in setting most priorities, and provide for maximum innovation. As we suggested earlier, a decentralized system would require vigorous federal and state monitoring to guard against fraud and abuse and enhance quality control.

Under this decentralized cooperative model, the federal government would do a fair amount of steering but very little rowing. Federal level activities would include: establishing broad policy directions and general standards for eligible programs; administering the National Service Trust Fund; allocating (through agreed formulae) NSTF program slots to the states; selecting key national and local programs and intermediaries for the remaining slots; serving as a clearinghouse for service information and program evaluation; disseminating the federal share of program-related costs; backstopping state fraud and abuse prevention through a strong Inspector General; running a federal corps (of some as yet undetermined size); and exploring innovative ways of establishing a common consciousness and *esprit de corps* among thousands of local service programs. One possibility for accomplishing this would be a standardized initial training (boot camp) for all service participants, run by the National Guard, combined with a national logo and meetings bringing together representatives of different groups to share experiences and prescriptions for success.

At the state level, each governor would designate a lead agency to receive federal funds, certify programs as eligible for NSTF slots, serve as the first line of defense against fraud and abuse, and preside over the formation of representative local national service councils. The local councils would serve as principal agents for the recruitment and placement of volunteers. (Not all volunteers would be local, however. For discussion of the ensuing complications in matching volunteers and slots, see below.) These same councils could serve to help place AFDC recipients in community service jobs, as described in the Welfare Reform chapter.

With regard to certification of positions, it might be argued that a central role for state governments could increase the risk of political competition for designation and restrict opportunities in some states. Given these potential problems, two other possibilities should be noted. The **centralizing option**, federal designation of all positions, would standardize opportunities for participants from different areas and facilitate the use of volunteers by national non-governmental organizations, but at the cost of spawning federal bureaucracy, minimizing local control, and diminishing experimentation.

By contrast, the **radical decentralizing option** would grant presumptive approval to all 501(c)(3) organizations and government agencies as potential employers. This would create the broadest market of potential employers, maximize participant choice, and minimize bureaucracy. At the same time, this procedure would incur the greatest risk of poor supervision and use of participants, and produce the most problems monitoring quality and type of work.

What services would be performed?

A Ford Foundation study in 1986 identified 3.5 million labor-intensive community service jobs that could be filled by people in national service. We suggest that service in any of the following areas qualify: human service (including child care, health care, services for the elderly); education; public safety; and the environment. In most cases, except in service-specific models discussed below, priorities would be determined by the local community.

Examples of service-specific models may include:

- **Public Safety Corps**, in which service volunteers work in the areas of drug education, mediation, and crime prevention.
- **Public Health Corps**, in which service volunteers work in community health centers and in outreach programs for pregnant women and shut-in elderly citizens.
- **Earth Corps**, in which service volunteers help preserve and protect the urban and rural environment, e.g., by assisting in understaffed recycling

programs.

- **School-age Child Care**, in which older students staff after-school and summer programs for younger students requiring supervision while their parents work.
- **Youthbuild**, in which out-of-school youth learn building trades while they build or renovate housing for the homeless.

Examples of broad-based service programs include:

- **Youth Service Corps**, in which a variety of community projects are undertaken.
- **School-age Service Programs**, in which college graduates organize school-age children to participate in a variety of service activities.

Prohibited types of service should include: religious activities (although nonsecular service in religious organizations would be permitted); activities to promote or deter union organizing; and activities directly connected with partisan politics or with the objectives of advocacy groups.

How much will service be worth?

Two basic options are represented by legislation already on the books.

A. Fixed amount. This is the approach taken by the National and Community Service Act, which provides full-time volunteers roughly \$5,000 in scholarship funds per year of service.

- *Advantages:* simplicity; ability to control costs (because the cost per individual would not vary); and provision of equal benefits to those performing equal work.
- *Disadvantage:* individuals with a great deal of debt must work longer than those with smaller loans to pay them back.

B. Percentage of total loan debt. This is the approach taken under existing federal loan forgiveness programs, which provide that 15% of the loan is forgiven in each of the first and second years of service, 20% in each of the third and fourth years, and 30% in the fifth year.

- *Advantage:* individuals with different amounts of debt work the same number of years to wipe out their debt.

- *Disadvantage:* it would be difficult to estimate costs from year to year, since each year of service would be worth a different amount for each individual.

On balance, the advantages of the fixed-amount approach appear decisive, and the disadvantage can be counteracted by setting the benefit high enough so that all but the most indebted students can discharge their loan obligation through two years of service.

While some advisors believe that the existing NCSA level of \$5000/year is about right, most believe that it is much too low and ought to be doubled, to \$10,000/year. (For example, the co-directors of City Year are strongly of this view.) A \$10,000/year figure would enable national service sponsors to tell pre-college youth: "Serve your country for two years and you'll be able to go to the public college or university of your choice and graduate debt-free." This is the figure your campaign used. It would also give incentives to graduates of elite institutions to reduce their debt significantly through service rather than automatically selecting income-contingent repayment.

There are four arguments against the higher figure that are worth considering. First, when combined with subsistence stipends and other benefits, the larger voucher would produce a total package larger than most comparable work performed outside the service system.

Second, the larger voucher exceeds the education and training benefits earned through military service. Under the Montgomery GI bill, for example, members of the military with two-year contracts earn benefits of \$7800 (\$3900 per year). The Army College Fund (ACF), which limits participation in various ways, provides an additional \$8000 for two years of service. The maximum available to two-year members of the military is thus \$15,800. The higher Opportunity Voucher figure might collide with the recruiting requirements of the ACF. This issue must be carefully explored with senior representatives of the armed forces.

Third, many voluntary service advocates believe that at some level the provision of material rewards in return for service may undermine rather than build the ethic of service. While it is difficult to quantify or test this concern, it should be taken into account.

Finally, the higher figure would add significantly to the overall cost of the national service program—roughly \$500 million per 100,000 participants.

Whatever figure is eventually selected for the Opportunity Voucher, its benefits should be non-taxable, and the legislative language should make this clear to avoid needless battles with the IRS.

Should service qualify individuals for post-service benefits other than education/training loan forgiveness?

There is less than full consensus on this question. Some advisors believe that the use of post-service benefits ought to be restricted to education and job training (including apprenticeships). Others take the view that the benefits should also be usable as training and internship vouchers payable to employers, as down payments for first-time homebuyers, and as seed capital to set up small businesses. Senator Mikulski is strongly in the second camp: she believes that pre-college Opportunity Vouchers ought to be usable for a wide range of opportunity-enhancing investments.

We favor the second option. For some young people, home ownership and small business entrepreneurship may represent the best next step up the ladder of opportunity; we should not be making their decisions for them.

We believe that a similar (though not identical) principle should govern benefits earned through post-college service. While the benefits should first be applied against outstanding loans, individuals should be allowed to retain any surplus and use it for a range of purposes roughly equivalent to those of the pre-college Opportunity Vouchers.

In addition to Opportunity Vouchers, what payments/benefits should be provided to participants in the service system?

It would of course be possible to provide no additional support beyond Opportunity Vouchers. This would economize on outlays, but at the cost of greatly restricting participation.

Stipends, at least reaching subsistence levels, will be necessary to encourage participation. Stipends in existing programs include \$100 a week (City Year), the poverty line (VISTA), and the minimum wage (Wisconsin Conservation Corps). The actual value of the stipend will vary depending on whether the stipend is taxable and whether it will affect a family's means tested benefits.

Other possible program-related costs include:

- providing health care benefits (\$1000/year)
- forgiving interest on outstanding education loans while serving (\$625/year)
- providing child care assistance to make participation more feasible for custodial parents (an average of \$1250 per position/year).

These program-related costs are prime candidates for state/local/private cost-sharing, discussed below.

How many slots will be available?

At first glance, it might seem most appropriate to establish national service as an entitlement: anyone who wants to serve should have the chance to do so on fair terms. But the moral appeal of this approach is overwhelmed by its practical disadvantages: it would make needed planning impossible; costs could go through the roof; and if high-end projections of demand materialize, the administrative infrastructure at every level could be swamped. For these and related reasons, there seems to be no alternative to a federal-level determination of the number of full-time-equivalent slots available each year.

In determining this number, three variables are critical: total funds available; capacity to locate, and match individuals with, meaningful work; and rate of program expansion. **At an earned benefit (Opportunity Voucher) level of \$10,000/year, our estimates suggest program costs of about \$2.3 billion per 100,000 full-time participants.** A program involving 250,000 would thus cost about \$5.8 billion. If states and localities (including the private sector) were challenged to put up 25 percent of program costs, a program of this size would require federal outlays of about \$4.9 billion annually; a program of 100,000 would require annual outlays of slightly less than \$2 billion.

As for the absorption capacity of the overall system, it's hard to be sure; but recall that altogether, VISTA, the Peace Corps, and state/local youth corps provide fewer than 35,000 full-time slots. An increment of even 100,000 would represent a huge jolt; building up to 100,000 over (say) four years would mean adding nearly the equivalent of today's full-time service opportunities in each of those years. A buildup to 250,000 over four years would mean an increment of more than twice the current level of activity in each of four years.

Putting everything together, we draw the following tentative conclusion: an increment of 100,000 by the end of FY 1997 would be enough to make a significant and visible difference, while an increment of 250,000 by FY 1997 probably represents the limit of what is fiscally and administratively possible.

Of course, this is all on the supply side. Given the program parameters, we have no way of knowing in advance whether enough people will avail themselves of these new opportunities to serve. We should not allow ourselves to be bewitched by our own rhetoric about the revival of civic spirit; if your economic growth program works as we all hope, we may find ourselves competing against increasingly attractive private sector opportunities.

How will slots be allocated and participants matched with slots?

While much of the task of allocating slots and matching participants would be handled by local councils, two problems would remain. First, the number of individuals seeking service opportunities might exceed the number of available slots. Second,

with a decentralized service option and individuals from across the country seeking a limited number of positions, some system would be needed to match students and positions across jurisdictional lines.

- There are a number of options for dealing with an imbalance between slots and service-seekers. Slots could be allocated on a competitive basis. Alternatively, service-seekers meeting basic qualifications could be selected on a first-come first-served basis or through a random lottery. (There's no necessity to make a one-size-fits-all choice among these options; it ought to be possible, within limits, to take local and programmatic differences into account.) If there were an effort to preserve a certain ratio between post-college and pre- or non-college servers, a separate pool would have to be established for post-college service-seekers.
- To deal with placements across jurisdictional lines, programs and employers with certified positions might be listed on a national database that could be accessed by students seeking placements. Individuals seeking placements could put their resumes into the database along with any preferences (type of service, location, etc.) so that organizations across the country could locate qualified applicants. Vigorous local recruiting would likely provide a steady stream of individuals from the communities in which service would be performed. If slots are in short supply, this system would reward individuals who are particularly eager to serve and therefore make the effort to contact a broad range of organizations.

How can we guard against displacement of paid workers?

An important premise of the program is that participants will provide needed services that would not otherwise be provided. This will not be the case if paid workers lose their jobs to the volunteers. In order to protect paid workers, the anti-displacement provisions of the National and Community Service Act should be incorporated in any new legislation. Further, potential for displacement of paid workers should be a primary consideration in the determination of which positions qualify for loan forgiveness.

OTHER KEY SERVICE PROGRAMS

While the proposed National Service Trust Fund emphasizes full-time service by young people 18 to 25 years of age, we recognize that service to our country stretches over an entire lifetime. We celebrate initiatives in every part of our society that promote the ideal of lifetime service. And we believe that with only modest additional resources but extensive use of the Bully Pulpit, you could help turn this ideal into reality.

School-age and College Youth

The National Education Goals recognize the importance of community service participation as a means of achieving the citizenship goal. Participation of elementary and secondary school-age children in these programs will not only lay the groundwork for future participation in community service, but will pay additional dividends by:

- Teaching young people from the earliest grades that they have the power to make a difference in their communities and a responsibility as citizens to do so;
- Improving student achievement by making learning meaningful and reengaging students turned off by traditional teaching methods;
- Increasing young people's connection to their communities, thereby reducing antisocial behavior such as drug use and crime;
- Providing many hours of needed services at minimal cost; and
- Helping young people develop self-esteem and skills of teamwork, leadership, and problem-solving.

The existing federal program that supports service by school-age youth is "Serve-America," part of the National and Community Service Act. Federal funding for service by college students is provided through "Higher Education Innovative Projects," also authorized under the Act, and the "College Work Study Program." Because these programs are part-time and generally do not provide stipends for the young volunteers, they are relatively low-cost.

Participation in these programs would generally not qualify students for loan forgiveness. However, these programs could provide placements for up to 25,000 full-time national service participants who would help organize the younger students in service activities.

The National Commission estimates that with relatively modest annual appropriations (\$60 million in FY 1994, \$105 million in FY 1995, and \$150 million in FY 1996), meaningful and well-run service programs could be established in more than 50 percent of America's public schools by the end of 1996.

It could be argued, however, that these activities are primarily a state and local function. For example, Maryland recently imposed a service requirement for high school graduation. At the very least, you could challenge every other state to follow Maryland's lead and (as Sen. Mikulski has suggested) find a way of rewarding states that do so with what she calls a "Good Guy bonus."

In a similar vein, the Commission estimates that a total appropriation of \$100 million (\$20 million in FY 1984, \$30 million in FY 1995, and \$50 million in FY 1996) would suffice to create service programs on over two-thirds of all college campuses. Here again, others might argue that this is principally a non-federal responsibility; after all, of 3,500 universities, 650 have such programs already. You could vigorously encourage the rest to follow suit. A visit to an outstanding campus-based service program, such as Rutgers University's Civic Education and Community Service Program, would be an excellent way of dramatizing his concern.

We recommend the Bully Pulpit rather than any major funding commitments to school-based service at this time, until your overall national service program is up and running and its funding base is secure.

Older American Volunteer Programs

Given the growing number of older citizens and their increasing expected lifespan, retirees are an important resource for communities. The three Older American Volunteer Programs, now administered by the ACTION agency, should be expanded and additional opportunities created for this older population. In addition, intergenerational components should be incorporated into many of the youth-targeted programs discussed above. For example, seniors could help staff the local service councils (described above) that help locate service opportunities and match slots with volunteers.

OPTIONS FOR FEDERAL ADMINISTRATIVE STRUCTURES

The issue of a federal structure for administration of the National Service system remains unsettled and contentious. There is consensus on two points, however:

1. The White House Office of National Service, now led by a Director with the rank of Assistant to the President, can help promote vital interagency coordination, draft legislation, and keep national service high on the President's agenda. Notwithstanding the proposed White House staff reduction, this position should be retained for an individual who enjoys the confidence of the President and of the key elements of the national service community.

2. Rather than an existing department already charged with a mission other than service (such as the Education, Labor, or Defense departments), the lead national service agency should be one whose purpose is service itself.

Three federal agencies now administer the major federal service programs: the Commission on National and Community Service, ACTION, and the Peace Corps.

The Commission, which is governed by a 21-member board of directors appointed by the President, administers the National and Community Service Act programs. Designed to be a small, non-bureaucratic agency (currently it has only 17 employees to administer \$75 million in programs), the Commission has no field structure, working instead through state lead agencies identified by governors. Created by Democratic legislation in 1990, the Commission has been characterized by innovation and a close working relationship with the field. Although the Board is currently composed of individuals appointed by President Bush, members are eager to work with you. There are currently five openings on the Board, with an additional seven positions opening up in September. Therefore, within the year, you can appoint an effective majority of Board members.

ACTION was created in 1971 to administer federal volunteer service programs. In recent years, it has suffered under poor political leadership and a demoralized civil service staff. Currently ACTION employs over 400 people to run VISTA and the Older American Volunteer Programs. It has a regional and state field structure.

The Peace Corps has a relatively small regional field structure within the United States. Because the Peace Corps deals with overseas rather than domestic service, we have ruled out including it in any reorganization.

The following are the principal structural options for the lead national service agency:

Option 1: The service aspects of the National Service Trust Fund could be administered by a single entity created by folding ACTION into the Commission on National and Community Service and making modifications to the Commission's governance structure to allow for greater operational strength and Presidential control. This agency would not necessarily be a "commission"; it could be a corporation along the lines of the original Nunn-McCurdy proposal, or an agency along the lines of EPA.

- *Advantages:* Building on a small, non-bureaucratic group known for innovation would create a good precedent for reinventing government. The Commission's primary experience is in the field of youth service, also the target of the Clinton national service system. Because the agency is still relatively new, it could be easily reshaped to fit the new system. The Commission works well with the field, including the state and local programs likely to play a major role in the new system, and has developed a good system for drawing on the technical expertise of individuals in the private sector. It enjoys strong support in Congress.

- *Disadvantages:* The Commission is new and has relatively limited experience. Absorbing the ACTION programs would require a major expansion of the agency. The Commission has little experience with senior volunteer programs

and those involving individual placements.

Option 2: In order to give the service programs better coordination and visibility, the two federal agencies that administer the major domestic service programs could be loosely federated as "sister agencies" with ACTION charged with administering VISTA and the Older American Volunteer Programs and certifying individual placements, and the Commission charged with supporting the National and Community Service Act programs, new programs specially targeted on post-college youth, and certifying programs. An individual who is both a good administrator and a national leader with service program experience would be appointed to head ACTION. Vacancies on the Commission board would be filled by individuals with knowledge of the service field, including young people who have participated in service programs. The ACTION field structure would be retained, and would be charged with national recruitment for the loan forgiveness program, as well as VISTA. Both agencies should coordinate closely with the Peace Corps, particularly on recruitment.

- *Advantages:* This would allow time for planning and quick start up of programs; reorganization could take place at any time in the future. It could preserve the positive aspects of both agencies.
- *Disadvantages:* Coordination of functions between two agencies could be difficult. In the worst case, it could preserve the negative aspects of both agencies.

Option 3: Fold the Commission into ACTION. Under this option, the Commission board would be eliminated or placed under the Director of ACTION, and ACTION would run the National Service system.

- *Advantages:* ACTION has long experience with domestic service programs and its regional and state offices could be an asset. It is Presidentially controlled and has experience with individual placements through VISTA and with senior volunteer programs.
- *Disadvantages:* ACTION is an old-style bureaucracy, heavy on federal personnel with a history of resistance to change. It has been subject to the political winds and has been a dumping ground for unqualified political appointees who have driven out many good civil servants. It also has very little experience with youth service programs; when the Commission was created, Congress explicitly decided not to put the new programs in the ACTION agency for these reasons.

Option 4: Merge the two agencies into a single new agency.

- *Advantages:* This could be a visible way to show the President is serious about elevating national service on the national agenda. It would build on the expertise of both agencies while allowing the President to eliminate a federal agency,

thereby modestly reducing bureaucracy.

- *Disadvantages:* Slow start-up. The Commission was intended to be this new agency, one which could expand when Congress and the President were willing to put new resources into service.

Option 5: Scrap both existing agencies and create a new one.

- *Advantages:* As with Option 4, this would be a visible way to elevate service.
- *Disadvantages:* This would mean an even slower start-up, and it would risk losing the accumulated experience of both ACTION and the Commission.

On balance, we believe that the Commission has been an entrepreneurial success story and that we ought to build on its strengths. The point is not to reinvent success, but to replicate it. We favor Option 1, with serious attention to the legal and structural changes the Commission would require to handle greatly enhanced responsibilities and to respond to presidential directives.

Whichever option is ultimately selected, the timing of your national service initiative is propitious: both the National Commission and ACTION are up for reauthorization in 1993. The legislative calendar thus provides the opportunity for fundamental rethinking and redesign of the administrative structure through which the federal government seeks to steer national service.

One of the most difficult structural issues concerns the location of the National Service Trust Fund. This Trust Fund is actually an amalgam of two distinct activities and revenue streams. On the one hand, it would administer appropriations and disbursements for Opportunity Vouchers; on the other hand (at least as conceptualized during the campaign), it would administer appropriations and disbursements for, and repayments from, income-contingent direct loans.

The first set of activities is relatively straightforward and intrinsically related to service; the Opportunity Vouchers could (and probably should) be handled by the lead service agency (whatever it turns out to be).

By contrast, the second set of activities raises complex questions of student loan design and administration—areas in which national service experts have very little experience. Some have suggested that the Department of Education should be given the lead in this area; others note (correctly) that administrative competence within the department is notoriously low, particularly in student loans.

One proposal for breaking this impasse would be to give some competent intermediary such as Sallie Mae lead responsibility for developing efficient and effective ways of implementing this part of the president-elect's proposal. The President and

CEO of Sallie Mae has indicated his willingness to cooperate in this endeavor.

RESTRUCTURING THE NATIONAL EDUCATION FINANCING SYSTEM

Restructuring the national education financing system is the other major component of your National Service Program. Your campaign proposals included:

- Replacing existing loan programs with direct federal lending to students;
- Making loan repayment contingent on income and collectible through the tax system; and
- Total or partial loan forgiveness in return for national or community service.

Current Law

In the Higher Education Amendments of 1992, Congress enacted a number of programs similar to, though not as far-reaching as, your proposals.

Universal loan availability Perhaps the most important change makes loans universally available. Beginning October 1, 1992, students who are not judged to be financially needy through the traditional financial aid process are nonetheless eligible for an "unsubsidized" Stafford loan. While this loan has the same terms and conditions as the regular Stafford loan, the government does not make interest payments. The student must either make the payment or add the interest to the principal.

Direct lending pilot The most controversial provision (which drew a veto threat from Bush) was a Direct Loan Demonstration Program to test the idea of taking the banks and Sallie Mae out of the student loan business. This pilot program will use a representative sample of schools at which the loan volume this year totals \$500 million, or about four percent of the current loan program.

Income-contingent repayment The law authorized, but did not mandate, three provisions relating to income-contingent repayment. The Secretary of Education has discretion in designing the program, except that the law requires that loans be forgiven after no more than 25 years, and that the new system cost less than the current system. Implementation will require cooperation from the IRS, which resists the idea, and needs your leadership to ensure movement toward implementation.

Loan forgiveness for community service. The 1992 amendments also include a \$10 million demonstration program in loan forgiveness for teaching, nursing and other

community service work.

Restructuring Loan Programs: Options and Recommendations

There are three basic options for reforming the current student loan program to establish a comprehensive system of financing college education with national service and income-contingent loan repayment options:

1. Scrap the existing program completely and make income-contingent repayment and national/community service cancellation available as part of a direct loan program;

2. Consolidate the current GSL programs and make the new repayment options available to all borrowers; or

3. Make the new repayment options available to all borrowers, consolidate the current GSL programs, and expand the direct loan pilot program authorized in the Higher Education Amendments of 1992.

The third option is most realistic, both administratively and politically. A discussion and analysis of the options follows.

Option 1: Eliminate The Current Guaranteed Loan Program.

Under the existing GSL Program, banks make loans to students, and the federal government subsidizes interest and other costs, covering defaults through state guarantee agencies. This option proposes that the government make loans directly to students through schools, eliminating the confusion and cost of the banker-guarantor system.

The primary arguments in favor of this option are:

1. *It's Bold.* Developing a new loan program would be a bold, imaginative step consistent with your emphasis on change and investing in people. Revising the existing program is unlikely to capture the public's imagination as much as launching a new one.

2. *It Saves Money.* A direct loan program will save billions of dollars over five years because of reduced subsidy costs. There may, of course, be ways to save money by reducing the number of players in the current system, but not moving all the way to direct lending.

3. *It's Right.* Banks should not be making profits at the expense of students. If the federal government can run a student loan program more cheaply, it should.

4. *It's Efficient.* Guarantee agencies, loan servicers and collection agencies are all

involved in the student loan program. Terminating the existing student loan program would eliminate these middlemen and simplify the program.

It's Good for Borrowers. A direct lending system will be simpler, ending numerous problems students currently encounter: the complexities associated with getting loans and repaying them; servicing problems that plague even the most careful borrowers; lenders and servicers with little administrative ability; student "defaults" because of loan servicer mistakes causing problems in their credit records.

It's Popular. Influential members (primarily Democrats) in both the House and the Senate strongly favored a direct loan program in the last Congress.

Option 2: Consolidate the Loan Programs and Programs and Provide Newer Forms of Repayment.

Achieving the goals of a National Service program may not require scrapping the current system entirely. They may be attainable through several modifications to the existing guarantee system:

- Consolidate the four existing loan programs into two, or possibly one, program.
- Continue to provide lower-income students assistance in making interest payments.
- For other students and parents, create a less subsidized loan program incorporating the current SLS, PLUS, and unsubsidized Stafford programs.
- For students in community service, the government can simply make loan payments to banks, as it does currently for loan deferment.
- For students choosing income-contingent repayment, the federal government could either purchase the loans for collection by the IRS, or arrange with Sallie Mae or another entity to collect payments based on IRS information.

The primary arguments for this option are:

Administrative Ability. Given that the Department of Education has not effectively administered the GSL program, better results are unlikely if it runs a direct loan program giving it even greater responsibilities.

School Concerns. When Congress considered replacing GSL with a direct loan

program, smaller schools and those without significant administrative expertise opposed the idea, particularly historically black colleges and community colleges. While they may be more favorable to such an idea in a Clinton Administration, they remain concerned about taking legal responsibility from the banks for originating the loans.

3. *Questionable Schools.* You would not want every school to be able to originate loans in the name of the federal government, without far better monitoring than has historically happened. Witness the number of schools in the GSL program with dubious records.

4. *Political Opposition.* Banks will vehemently oppose establishing a comprehensive new program, citing possible harm to their financial stability. Organizations with a stake in the existing program – particularly guarantee agencies linked to state governments – will oppose it vociferously since direct loans would put them out of business. Higher education associations will be lukewarm since their memberships are split. Student groups who favor streamlining the loan program don't have strong opinions about direct lending.

5. *Action.* Everyone is excited about the program. We want to satisfy public expectations by making changes quickly. Implementing income contingent repayment and service cancellation will be difficult enough. Trying to start a direct loan program simultaneously will unduly complicate the task at hand.

Option 3: Combine the Consolidated GSL and Direct Loan Approaches.

This option aims to blend the previous two, establishing a National Service Trust Fund that moves toward direct lending (Option 1), while continuing a consolidated guaranteed loan program (Option 2). Under this option:

- For students choosing income contingent repayment, the NSTF would purchase the loans from the holders (or transfer them from the direct loan program) and arrange for collection through the IRS. The precise level of loans to be purchased will depend on the speed with which the IRS can implement income-contingent repayment.
- For students engaging in national/community service, the NSTF could either purchase the loans or make payments to the holders to cancel portions of the loan as the borrower completes his or her service. Participants would receive \$10,000 in loan forgiveness for each of up to two years of certified community service. These options would be available to any borrowers, regardless of the type of federal student loan that they have.

- Expand the direct loan demonstration gradually to include more schools, without threatening loan availability. While the direct loan idea is too promising to ignore, and the potential savings too great to ignore, there are compelling reasons to proceed cautiously. We propose expanding from 200 to 500 schools in the first year of the test. Further expansion would be authorized, depending on results and interest.

The advantages of this option are:

1. *Increase Momentum to Change.* This option moves the system toward a direct loan program without fighting the battle for immediate implementation. A larger demonstration will quickly indicate whether the program is really feasible, and success on a large scale will bring pressure for expansion from schools who will want to participate. Such pressure will make it easier to overwhelm opposition from those with a stake in the current program whose primary line of defense against the program is that it is untried.
2. *Encourage Competition.* Keeping both systems will provide students with more attractive repayment options both from the government and private lenders. Sallie Mae recently dropped rates for those who pay on-time, the first time a major lender admitted they could afford to charge less for student loans. They deny it was a response to the direct lending threat. It could also save money by giving Congress a better sense of the subsidy level necessary to keep banks and secondary markets in the program.
3. *Simpler to Implement.* The administrative challenges are more manageable, and the risks of a serious administrative problem greatly reduced, by phasing the program in more slowly.
4. *Selectivity Among Schools.* By selecting which schools will participate in the direct loan initiative, the federal government will be in a better position to ensure that only schools with the administrative capacity to run the program are permitted in the program.
5. *Easier Politically.* While lenders, guarantee agencies, secondary markets and servicers should find it more difficult to oppose this initiative, the threat of change may lead them to offer alternative ideas worth could be worth pursuing.

Analysis and Recommendations

The major challenge in developing the National Service Trust Fund is how to balance the desire to move boldly forward with a major new initiative that captures the public imagination with the dangers inherent in proceeding in uncharted territory. Nothing could be more damaging than to have the program's objectives and public support undermined by encountering unexpected consequences from a poorly thought-

out or tested reform effort. Incremental reform as in Option 2, would be easier to pass and easier to implement. Dramatic changes, such as a quick move to a full direct loan program (Option 1), would clearly capture the public's attention but face serious administrative and political problems discussed above.

To combine a significant new reform of student aid with minimal political problems and make implementation more manageable, we recommend the third option. By pursuing this course, we can take credit for dramatically expanding options for education, training, and economic opportunity while maximizing political support. This strategy also minimizes the chances of significant administrative problems and allows time to correct them. Finally, it sets in motion an orderly process that, over time, will lead to a total transformation of the current system, which would not be feasible if pursued immediately and explicitly.

There are several major issues to consider in designing the proposal for income-contingent repayment of loans, including:

IRS participation. Some argue that the IRS exists to collect taxes, not loan payments. While student loan payments can be based on income, they should still be collected by servicers. Experience in one test program points to significant possible problems, particularly getting former students to send copies of tax returns to loan servicers to confirm their income. Without returns, payment schedules have to be based on assumed income increases from the previous year, instead of real income.

We recommend collecting payments through the existing tax system. To reduce the burden on employers, extra amounts due could appear as increased income tax withholding rather than a separate line item. The amounts can later be reconciled with the borrower's income tax filing.

Option or requirement? If income-contingent repayment is required on all loans, we can assume that borrowers will have a wide variety of income patterns, and that losses on some loans will be balanced by gains on others. The program will be actuarially sound. But if, under an optional plan, only borrowers who expect to be low income participate in the program, or if borrowers are allowed to move in and out of the income-contingent repayment system, gaming of the program may make its costs more unpredictable. This problem is known as "adverse selection."

We recommend making income contingent repayment optional, exercised either at the time the loan is taken or upon graduation. Borrowers who default on their traditional loans should automatically be placed on the income-contingent collection system.

Avoiding adverse selection. Past designs for income-contingent loan collection often included "cross-subsidies"—borrowers who make high incomes after college in effect subsidize those with lower income. For example, a program at Yale in 1972-73

allowed students to "postpone" tuition payments by agreeing to pay a percentage of income over 35 years, up to a maximum of 150% of the tuition charge, plus interest. The program was discontinued, in part because the high-income penalty led to low participation.

We do not recommend including a significant cross-subsidy in the program. Subsidies for lower-income borrowers should come through default reduction (due to IRS collection), and perhaps with some of the savings from direct lending. If income-contingent repayment is an option, it should offer slightly better terms than conventional repayment, such as a lower interest rate or lower fees reflecting the lower cost of automatic collection and countering the impression that there is a high income penalty.

Eligibility and consolidation. While it would be simplest to implement income-contingent repayment for borrowers who do not already have any guaranteed student loans, many current and former students will want to participate in the program.

We recommend making the national service and income-contingent repayment options available for new loans, including new loans to old borrowers. Borrowers who opt for income-contingent repayment on their new loans should be allowed to consolidate their old loans into the program. Consolidation for purposes of national service forgiveness would be too costly, however.

Payment formula. This is perhaps the most complex issue. Having borrowers pay a fixed percentage of income for a fixed number of years won't work because it results in a major cross-subsidy, leading to adverse selection (discussed above). Some propose addressing this problem by requiring a fixed percentage of income until the loan is paid off, subject to an outside time limit. That is not without its own problems, however. For example, an 8 percent payment may be a burden for someone in poverty, but not a problem for a middle-income borrower. It also seems unreasonable to require an \$8,000 payment from someone making \$100,000 a year if they only owe \$10,000.

One approach to be seriously considered is an "adjusted amortization schedule," under which repayment for a borrower with average income is set so that the loan is paid off over a reasonable period, such as 12 years. The schedule could be adjusted for borrowers whose income is significantly above or below the average. At the low end, a basic living allowance should be protected, and a ceiling imposed on the maximum percentage of remaining income that can be taken for loan payment. Any remaining debt should be forgiven after 25 years.

We must also pay particular attention to what we demand of borrowers who are relatively low income after college. We do not want to subsidize students who simply take time off after college, but we may want to assist those who do low-income work, or are low income for a longer period. This will add to the cost of the program, but will also encourage students to perform community service or go into a lower-paying pro-

fession.

Designing the payment formula and testing it for unintended incentives and actuarial soundness requires further time and consideration. The issues discussed here are just some of the complexities associated with designing the payment formula. Others include the treatment of married couples and the definition of income.

Costs, Savings & Related Issues

A direct loan system could save a substantial amount of money, as could income-contingent repayment, depending on the design of the program. These savings could be used to offset the costs of the National Service program.

Direct Lending. The U.S. General Accounting Office estimates that the federal government could save \$4.8 billion over five years by switching completely to a direct lending system for all new loans. The Congressional Budget Office and the Education Department have previously estimated similar or higher savings. These savings arise primarily because it is cheaper for the federal government to acquire capital directly, rather than paying banks to do it. The savings under our recommended plan will obviously be less since savings depend on the size and pace of the expansion of the Direct Loan Demonstration.

Income-contingent repayment. Using the tax system to collect loan payments will reduce loan defaults substantially. One third of the nearly \$3 billion set aside for the cost of loans made this year covers the cost of future loan defaults. Savings will be highest if either (1) all loans are collected on an income-contingent basis, or (2) all new borrowers, even those who choose conventional repayment, switch automatically to IRS collection in the case of default. The marginal cost of IRS collection will likely be lower than contracting with outside servicers for conventional collection, although start-up costs at IRS may be substantial.

Income-contingent repayment will also involve some costs. Borrowers who remain very low-income after college (or after dropping out) will have their remaining debt forgiven by the government after a period of time (25 years in most proposals). This is essentially a "default" that cannot be avoided, because the person has no or inadequate income. In addition, it may make sense to design a system that helps lower-income borrowers in other ways, such as reducing the interest that is capitalized when payments are too low. As noted above, helping these borrowers would have the added benefit of subsidizing people who engage in low-paying public service jobs.

Questions have also been raised about the appropriateness of the current in-school interest subsidy received by Stafford borrowers, and about the possible impact of the National Service Trust Fund on college tuition.

In-school interest subsidy. The largest government cost in the student loan pro-

gram is making interest payments on Stafford loans while students are in school. This benefit goes to poor and middle-income students, and graduate students who qualify based on need. According to the Congressional Budget Office, charging these borrowers interest while they are in school would save \$575 million in 1992, and \$4.1 billion over the 1992-96 period.

There are serious political problems in using these savings to fund National Service. Like earlier proposals to fund service by eliminating Pell Grants, this would be portrayed as taking aid away from needy students to fund a non needs-tested program. It might be more equitable — but still very controversial — to use the savings to subsidize borrowers who are low-income after college, instead of during college. The argument for this approach is that students with high incomes after college should not be getting a large subsidy while in school; instead, the program should provide those who fail to reap the income benefits of postsecondary education with lower indebtedness. But to the higher education community, the in-school interest subsidy is sacred, and any proposed changes will be vehemently opposed.

Rising college tuitions. Some fear that a major new student aid program will result higher college tuitions. This should not be an issue with the National Service Trust Fund because the program does not increase the amount of aid that most students can receive, it simply offers new options for repaying loans. Research suggests that while federal aid and tuition may be related at proprietary schools, there is no such link in the traditional college sector. Tuition at community colleges and other state institutions is affected almost exclusively by the level of state appropriations, while private colleges respond principally to forces other than student aid. We would view any proposal for a federal role in college tuition-setting practices as politically unpalatable and administratively unworkable.

CONCLUSION: AN HISTORIC OPPORTUNITY

Like John F. Kennedy three decades ago, a young President-elect has captured the nation's imagination with his call for a renewed ethic of service to country. There is now an historic opportunity to mobilize citizens and resources, public and private, to address long-ignored national needs.

There are signs that this mobilization is already gaining momentum. The recently authorized Civilian Community Corps offers a promising new way for recently deactivated military personnel to guide young people in performing national service. The Returned Peace Corps Volunteers, numbering more than 135,000, have indicated their eagerness to respond to your call. Across the country, service organizations are growing, in communities and schools, on college campuses, and among senior citizens.

The untapped potential to address unmet needs is enormous. The federal gov-

ment itself can be made service-friendly. Business can be challenged to do more. Each of us can be challenged to do better. With efficient use of resources and effective employment of the moral authority of your office, you can catalyze the profound social transformation—the renewal of citizenship—for which so many Americans have earned and worked for so long.

Individuals and Groups Consulted (partial listing)

Full Board of the National and Community Service Commission

Ad hoc Washington working group

Craig Bury, Chambers Associates

Richard Danzig, Latham and Watkins

Peter Edelman, Georgetown Law Center

Terry Hartle, Senate Committee on Labor and Human Resources

Nick Littlefield, Senate Committee on Labor and Human Resources

David Long, Manpower Demonstration Research Corporation

Shirley Sagawa, National Women's Law Center

John Shattuck, General Counsel, Harvard University

Bob Shireman, Senate Subcommittee on Employment and Productivity

Melanne Verveer, Presidential Transition Office, Office of Hillary Rodham Clinton

National Service Meeting, John F. Kennedy School of Government

Senator Sam Nunn

Senator Barbara Mikulski

Senator Harris Wofford

Congressman Dave McCurdy

Alan Khazei, Co-Director, City Year

Mike Brown, Co-Director, City Year

Catherine Milton, Executive Director, NCSC

Charles Moskos, Northwestern University

Gary Orren, JFK School

Graham Allison, JFK School

Will Marshall, Progressive Policy Institute

Kevin Kelly, office of Senator Mikulski

Alden Schacher, office of Congressman McCurdy

Dee Duffey, President, American University

Richard Rosser, President, National Association of Independent Colleges and Universities

Robert Atwell, President, American Council on Education
Neil Rudenstine, President, Harvard University
Clare Cotton, President, Association of Independent Colleges and
Universities of Massachusetts
Gregory Fusco, Vice President, Columbia University
David Morse, Vice President, University of Pennsylvania
Hank Dullea, Cornell University
Jack Crowley, Director of Federal Relations, MIT
Madeleine Kunin, Former Governor of Vermont
Sam Brown, Former Director, ACTION
Bob Durkee, Vice President, Princeton University
Dorothy Robinson, Vice President, Yale University
Norm Richter, staff, Senate Finance Committee
Amy Peck Abraham, staff, Senate Budget Committee
Carol Mitchell, staff, Senate Appropriations Committee
Ken Holdsmen, Legislative Director, Congressman Rob Andrew
Representative Bill Ford, House Education and Labor Committee
Susan Stroud, Executive Director, Campus Compact
Lisa Woll, National Association of Service and Conservation Corps
Vanessa Kirsch, Public Allies
Sam Halperin, WT Grant Commission
Jerry Klepner, AFSCME
Youth Serve America Working Group
Young Peoples's National Service Coalition
National and Community Service Act Coalition
John Briscoe, Executive Director, PennSERVE
Don Mathis, Director, Pennsylvania Conservation Corps
Mimi Mager, Former Executive Director, Friends of VISTA
Richard Celeste, Former Governor, Ohio
Dave Evans, office of Senator Pell
Kim Wallace, office of Senator Mitchell
Ken Apfel, office of Senator Bradley
Kathleen Kennedy Townsend
Toby Moffitt
Michael Bailin, Public/Private Ventures
Roger Landrum, Director, Youth Service America
Frank Slobig, Youth Service America

BUDGETARY EFFECTS
(In Billions)

<u>NATIONAL SERVICE</u>							
<u>PROGRAM</u>	<u>FY93*</u>	<u>FY94</u>	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>94-98</u>
National Service (Cost Per 100,000 Students, Assumes 100,000 Students By January 1996)	0	.350	1.1	1.8	2.1	2.4	7.75
NATIONAL SERVICE SUBTOTAL	0	.350	1.1	1.8	2.1	2.4	7.75

National Service Trust Fund Act of 1993

DRAFT

"Give every American the right to borrow money for college by maintaining the Pell grant program, scrapping the existing student loan program, and establishing a National Service Trust Fund. Those who borrow from the fund will be able to choose how to repay the balance: either as a small percentage of their earnings over time, or by serving their communities doing work their country needs."

--Putting People First

Purposes

The purposes of the National Service Trust Fund Act are:

- to inspire in all Americans a new commitment to serving their country, their communities, and their fellow citizens;
- to provide access to higher education and job training for all young Americans, regardless of their economic background;
- to enable students to finance their education and job training by working in national and community service activities; and,
- to allow students to repay their loans as a percentage of their income and to consolidate and simplify the Federal student loan programs.

National and Community Service

The Act establishes a National Service Trust Fund, administered by the Commission on National and Community Service, to provide education benefits -- in the form of scholarships, student loan forgiveness, or job training -- to those who perform qualified national service. For each one-year term of full-time service or three-year term of part-time service, participants will receive benefits worth \$5,000. Participants may serve up to two terms, for a total of \$10,000 in benefits.

Qualified national service includes service in the areas of education, environmental protection, human services, and public safety, such as **VISTA** and the **Peace Corps**, and:

- **Conservation Corps**, such as rehabilitation and improvement of wildlife habitat, road maintenance, and energy conservation projects.
- **Youth Corps**, serving in nursing homes, child and adult day care centers, law enforcement agencies, and other government agencies.

- **Pre-Professional Corps**, offering training and placement of teachers, police officers, nurses, child care workers, service-learning coordinators, or other professionals.
- **Model National Service Programs** funded by the Commission to promote innovation and experimentation in national service.
- **Public Interest Entrepreneurs**, to support individual proposals for community and national service.
- **Employment in hard-to-fill public service jobs**, such as teachers in high-poverty schools, Head Start staff, or nurses in community health centers.

The Commission will establish criteria for states to use in designating qualifying service positions. Positions will be listed in a national database, and the sponsoring organization will select the participants. Participation will be open to individuals before or after college, or by non-college bound youth, based on the needs of the qualifying program. To expand the number of national service placements available, additional funding for service programs sponsored by states, institutions of higher education, and public or private non-profit organizations will be made available through the National and Community Service Act.

Income-Contingent Repayment to Encourage Service

The Act establishes a program that will allow students to repay their loans as a percentage of their income over time. This will enable graduates to choose **public service professions** or to devote a few years to **national service**, instead of being forced into higher-paying jobs because of their student debt burden. The Secretary of Education will establish the repayment formula and mechanism through the Internal Revenue Service or another entity.

College Opportunity

• **Student Loans.** The National Service Trust Fund Act ensures that any American can afford to go to college through a simplified student loan program. In addition to Pell Grants and other aid already available, the new program will offer loans to cover tuition, supplies, room and board up to:

	<u>Dependent Students</u>	<u>Independent Students</u>
First year	\$2,625	\$6,625
Second year	\$3,500	\$7,500
Remaining undergraduate years	\$5,500	\$10,500
Graduate students	n/a	\$18,500

Parents of dependent students may borrow additional funds up to the cost of attending the college. Dependent students may borrow a total of \$23,000; independent students may borrow up to \$46,000 as undergraduates and up to \$138,500 as graduate students. For low- and middle-income students, the government will

continue to pay all or part of the interest on loans while the students are in school.

- **A New System.** The Act doubles the size of a test program that provides loans to students directly through schools instead of through the complex guarantee system. This expansion will save taxpayers an estimated \$--- million over five years. The Secretary of Education is authorized to expand the program further if it is successful, saving up to \$1 billion a year.

--**DRAFT** January 21, 1993

NATIONAL SERVICE TRUST FUND ACT.

Short Title: National Service Trust Fund Act of 1993.

TITLE I. Purposes. The purposes of this Act are:

--to inspire in all Americans a new commitment to serving their country, their communities, and their fellow citizens;

--to provide access to higher education and job training for all young Americans, regardless of their economic background;

--to enable students to finance their education and job training by working in national and community service activities; and,

--to allow students to repay their loans as a percentage of their income and to consolidate and simplify the Federal student loan programs.

TITLE II. Amendments to the National and Community Service Act of 1990.

Part A: Creation of the National Service Trust Fund

The National and Community Service Act of 1990 is amended by adding the following new subtitle:

"Subtitle __. National Service Trust Fund.

There is created a National Service Trust Fund to provide educational benefits to participants performing qualified national service.

A. Eligibility of Individuals. Participants shall be eligible to receive educational benefits from the National Service Trust Fund if they:

--are a citizen of the United States or lawfully admitted for permanent residence;

--are an out-of-school youth or graduated from an institution of higher education in the previous two years; and

--are accepted into and serve for a term defined in section C in a qualified national service placement.

B. Term of Service. Participants shall serve:

--in the case of full-time service of not less than 40 hours per week, for a period of not less than nine months;

--in the case of part-time service of more than an average of [nine?] hours a week for a period of not less than three years.

C. Qualified National Service. Individuals shall serve in positions meeting educational, human service, environmental or public safety needs. As provided in section I, states or the Commission on National and Community Service may designate any of the following as qualified national service:

--service as a VISTA volunteer;

--service in the Peace Corps;

-- service in programs funded under parts C, D, or sections 6 and 7 of part E of this Act;

--programs comparable to those funded under parts C, D, or sections 6 and 7 or part E of this Act that meet quality criteria established by the Commission;

--in the case of an individual who has completed one term of qualified national service, service on the staff of a qualified

national service program;

--service as a service-learning coordinator in a program eligible for funding under subtitle B of this Act; and,

--service, in positions determined by the Commission or the state, which provide health insurance to participants and which:

--meet human, educational, environmental or public safety needs; **and**,

--have been vacant for not less than [twelve months] and are unlikely to be filled in the next [six months] due to a shortage of qualified applicants; **OR**

--are located in an [urban or rural enterprise zone].

D. National Database. Qualified national service positions shall be listed in a national computerized database, accesible through college and high school placement offices, employment service centers, volunteer centers, and other entities.

E. Selection of Participants. Organizations sponsoring qualified national service positions shall select individuals to serve in such positions.

F. Educational Benefits. Participants successfully completing a term of qualified national service shall receive a certificate worth \$5,000 in educational benefits for each such term, up to two terms. Educational benefits may be used for:

--repayment of a qualified federal student loan;

--payment of tuition, fees, room and board at an institution of higher education; or

--employment training, including apprenticeship.

G. Remittance of Certificates. The Commission shall remit a payment to eligible entities presenting a completed certificate. A completed certificate shall include a statement, signed by the participant and the eligible entity under penalty of perjury, declaring that the funds are being used for the purposes intended, and may include supporting documentation as required by the Commission. An eligible eligible entity is the holder of a loan described in F (below), an institution of higher education (as defined in the Higher Education Act, section --), or any other entity approved by the Commission.

H. Qualified Federal Student Loan. A qualified federal student loan is any loan issued or insured by the federal government under Title IV of the Higher Education Act or Title VII of the Public Health Service Act.

I. Designation of Qualified National Service Positions. From funding authority appropriated pursuant to part L, the Commission shall allocate the authority to designate positions eligible for the education benefits certificate described in part F. Authority to designate the recipients of certificates shall be allocated as follows:

--[not less than one-third] to qualified states based on [population];

--[up to one-third] to qualified states on a competitive basis.
and

--[not less than one-third] directly to public or private nonprofit organizations providing qualified national service opportunities.

Such states and organizations shall use criteria established by the Commission in designating positions offering education benefits certificates.

J. Qualified States. For a state to be eligible to designate positions under part I:

--the chief executive officer of such state shall designate a state lead agency responsible for administering the program;

--the state shall have in place a state National Service Commission described in section 178;

--the state lead agency shall submit a plan, approved by the state Community Service Commission, specifying proposed qualified national service positions within the state, describing a system for ensuring compliance with this subtitle, describing how the state will make child care available for children of participants to the maximum extent practicable, and describing how such positions will be coordinated with other service initiatives within the state, and

--the state shall arrange group activities for participants and make other efforts designed to promote the ethic of service.

K. Commission on National and Community Service. The Commission on National and Community Service shall administer the National Service Trust Fund. The Commission shall:

--in consultation with experts in the field of national service, establish criteria for qualified national service opportunities.

--monitor compliance with the provisions of this subtitle.

--arrange for the national database described in section D.

--arrange for a national visibility campaign promoting a national service ethic and participation and national service;

--provide a national training curriculum for participants to foster a national program identity;

--facilitate the creation of an alumni network of national service participants;

--coordinate this subtitle with other provisions of the Act;

--provide training and technical assistance to states and programs offering qualified national service positions;

L. Authorization of Appropriations. There are authorized to be appropriated:

--to provide education benefits described in section F, [\$X00 million], which shall remain available until expended; and,

--to carry out other activities described in this subtitle, and to administer the National Service Trust Fund, [\$X million].

Part B: Reauthorization and Expansion of the National and Community Service Act.

The National and Community Service Act of 1990 is amended to:

--continue and expand the funding authorization for the Youth Service and Conservation Corps, Serve America, and Model National Service Programs; and,

--add new authority for a Pre-Professional Corps and Public Interest Entrepreneurs.

TITLE III. Federal Family Education Loans.

Section 428A of the Higher Education Act is amended as follows:

A. Establishment of New Loan Program. There is established one federal student loan program to ensure that all students have access to the financial resources to attend college.

B. Loan Limits. Full-time students are entitled to borrow the following amounts annually (students attending part-time or in short-term programs will have lower limits):

	<u>Dependent Students</u>	<u>Independent Students</u>
First year	\$2,625	\$6,625
Second year	\$3,500	\$7,500
Remaining undergrad years	\$5,500	\$10,500
Aggregate undergrad limit	\$23,000	\$46,000
Graduate	n/a	\$18,500
Aggregate graduate limit	n/a	\$138,500

No student may receive more financial aid from the federal programs than the amount needed to cover the cost of attendance.

C. Repeal of Existing Programs. [The new program incorporates eligibility from Stafford, SLS, and the unsubsidized program].

D. Universal Eligibility. No student shall be denied a loan based on either personal or family income.

E. In-school interest subsidy. Section 428 of the Higher Education Act is amended to provide for a federal interest subsidy for financially needy students, as identified under the needs analysis provisions in section _____. The subsidy would apply to that portion of their loan for which they are eligible, up to a maximum of \$2,625 in the first year, \$3,500 in the second year, \$5,500 in the remaining undergraduate years, and \$8,500 in the graduate years. [Deferral

benefits must also be included].

F. Interest rate. Section 427 is amended such that the interest rate on the loans shall be equal to the 91-day Treasury bills plus 3.1 percent, with a maximum of 9 percent. (The current SLS maximum is 11 percent, so this is a better deal for students).

G. Origination Fee. Borrowers under the federal student loan program shall be charged an origination fee equal to ___ percent of the loan principal. [The level of the fee must be determined based on cost estimates of the overall program -- current origination fee levels on federal student loans are either 5 or 6.5 percent.]

H. Guarantee Fee. Guarantee agencies may charge borrowers a fee as permitted under section ____.

I. Loan Consolidation. Loans made under this program shall be eligible for student loan consolidation as under current law, to simplify repayment for borrowers.

TITLE IV. Establishment of Income-Contingent Repayment Option.
(Expansion of §437A on the Higher Education Amendments of 1992).

A. Purpose. It is the purpose of this section to

--establish a program that will allow student borrowers to repay their loans as a percentage of their income over time.

--allow the Secretary to identify and implement other measures to encourage borrowers not participating in the National Service Trust Fund programs to enter into low-paying public service work.

B. Authorization. The Secretary shall establish a program allowing student borrowers under this part or part D to choose to repay their loans on an income-contingent basis. The Secretary is authorized to

(1) acquire from eligible holders, or to otherwise arrange for the transfer of, the notes of borrowers who submit a request for income-contingent repayment; and,

(2) to enter into contracts or arrangements with private firms or other agencies of the Government to carry out the purposes of this section.

C. Regulations. The Secretary shall establish the terms and conditions for the income contingent repayment program. The regulations shall:

(1) specify the schedules under which income will be assessed for repayment of loans;

(2) provide for the discharge of any remaining obligation after the borrower has been in repayment status (non-student status) for not more than 25 years; and,

(3) establish other terms and conditions as may be necessary

[This provides the Secretary with maximum flexibility to address issues such as types of borrowers who can participate (new borrowers, new loans, old borrowers, graduate, etc.); when borrowers opt for the program (and the opt-out procedure, if any); the definition of income (and provisions to protect against hiding of income); the assessment of income (including whether there is an adjustment to reduce negative amortization for lower income borrowers and/or a surcharge for higher income borrowers, and how married couples are treated); etc.].

D. Community Service Incentives. The Secretary, in cooperation with the Commission on National and Community Service, may establish alternative terms, conditions, and discharge provisions to

encourage borrowers to participate in low-paying public service work.

[This permits the Secretary to establish loan forgiveness and/or interest deferral provisions other than those provided for in the income-contingent repayment formula to help borrowers who engage in a particular type of work. For example, the Secretary could pay the interest costs for anyone making less than \$10,000 and working for a charitable corporation providing direct services to low-income or disabled individuals.

E. National Service Loan Forgiveness. To facilitate loan forgiveness under [section ___ of the National and Community Service Act, as amended above], the Secretary of Education is authorized to acquire from eligible holders, or to otherwise arrange for the transfer of, the notes of borrowers who are engaging in national and community service activities pursuant to [the National Service Trust Fund]. If the participant has loan amounts remaining, or fails to complete the service, the Secretary shall assign the loan to a servicer to resume repayment.

F. Authorization of Appropriation. There are authorized to be appropriated funds for the purchase of loans on behalf of students who will engage in national service and to cover any additional costs associated with part D (Community Service Incentives).

V. Expansion of Direct Lending Demonstration Program.

(§451 of the Higher Education Amendments of 1992 et. seq.)

A. 500 schools. Section ___ is amended to require the Secretary to enter into agreements with not fewer than 400 nor more than 500 institutions of higher education to participate in the direct loan demonstration program. Further amend to allow the program to begin with some schools as early as July 1993.

B. Expansion. After the first year, the Secretary may increase the

number of institutions participating in the program, if the Secretary determines that the Federal government has the administrative capacity to do so.

C. Guaranty Agency protections. Section 453 (e) should be deleted and replaced with two new provisions.

(1) The Secretary shall assure that no guaranty agency's administrative cost allowance (ACA) will be reduced by more than 15% of its level for fiscal year 1992; and,

(2) The Secretary may, for any guarantee agency with a substantial volume of loans under the direct loan demonstration program, reimburse agencies based on a percentage of outstanding loans guaranteed by the agency, rather than 1% of the new loans guaranteed by the agency. (The Secretary may determine the percentage that would be appropriate).

[Current law requires the Secretary to choose schools so as not to reduce the volume of new loans at any guaranty agency by more than 15 percent, and to determine that all affected guaranty agencies "will remain financially sound." This provision places the Secretary in the position of publicly declaring some agencies financially troubled.]

D. Default Reduction. Reduce Federal reinsurance to guaranty agencies by 3 percentage points for every percent of defaults above 2.5%. [Currently, there is a "cliff" of sorts when the default rate reaches 10 percent and the reinsurance rate is reduced to X%. This would instead encourage constant effort to reduce defaults, to counter the incentive created by the bounty on already-defaulted loans.]

TITLE VI. Amendments to the Domestic Volunteer Service Act and to the Peace Corps Act. [If necessary].

Joan Baggott

THE WHITE HOUSE

WASHINGTON

May 12, 1993

MEMORANDUM FOR DISTRIBUTION

FROM: ELI SEGAL,
ASSISTANT TO THE PRESIDENT,
DIRECTOR, OFFICE OF NATIONAL SERVICE

SUBJECT: An Update on Where We Stand

From time to time, I would like to update you on what our office is doing.

1. The Legislation

On April 30, the President described the National Service Trust Act of 1993 in detail during a speech to students at the University of New Orleans. The following Thursday, May 6, the bill was introduced to Congress with a letter of transmittal from the President. That same day, Peter Edelman, counselor to Donna Shalala and senior advisor to our office, testified on behalf of the legislation before the Senate Appropriations Subcommittee on VA/HUD/Independent Agencies.

Yesterday, Secretary Babbitt, Gerald McEntee of AFSCME, and Catherine Milton of the Commission on National and Community Service each testified on behalf of the bill before the Senate Education and Labor Committee.

Throughout this process, we have worked hard to reach out to Congressional Republicans. To date, the legislation has four GOP co-sponsors in the Senate (Chafee, Durenburger, Jeffords, and Specter) and 19 GOP co-sponsors in the House.

2. "Summer of Service"

Last Thursday, May 6, Catherine Milton and I held a joint press conference to announce the eleven sites and sixteen programs across the nation which will participate in the "Summer of Service" (SOS). The event was transmitted live via satellite to any local station wishing to cover it.

SOS will be a pilot leadership-training program in which 1,500 young people will participate in national service programs on the local level. Participants will receive a \$1,000 educational reward at the end of the summer.

Attached are an assortment of recent newspaper clips generated from the President's speech and the announcement of SOS.

WPost 5/11/93

MARY McGRORY

Perchance, the 'Us' Decade?

The best of Bill Clinton has gone up to Capitol Hill. It's his idealistic but shrewd proposals for "national service" and student loan reform. Between them, they bring back memories of the Peace Corps and the GI Bill. The national service program will certify the suspicion that U.S. youth has ditched the cynicism and greed of the '80s and has gone back to the shameless caring of the Kennedy years.

Clinton doesn't ask for the self-sacrifice that was required of the Peace Corps. Volunteers get stipends and the satisfaction of doing good. But in this Peace Corps-come-home experiment, in addition to a minimum wage stipend (\$4.25 an hour) participants get a subsidy for their college or training school education—\$5,000 a year.

If successful, it could demonstrate a new Democratic philosophy, giving people to problems rather than money. Rich and poor alike between the ages of 17 and 25 are eligible: all they need is a willingness to pitch in and tutor ghetto children, clean parks, rehabilitate schools—and maybe save our cities.

Almost imperceptibly, the student who lived only to storm Wall Street has been fading from the American campus. The young are no longer unwilling to identify with losers. Lately, colleges have organized altruistic enterprises like fasts to show solidarity with Haiti. They send out their students to help poor children with homework, serve in soup kitchens, sit with the old, shelter the homeless and in general acknowledge that we are all in this together.

In some states and cities, students are required to do community service.

One of the more imaginative projects is being carried on at Georgetown Law School. Volunteers run the D.C. Family Literacy Project. Students travel to Lorton Reformatory, carrying such childhood classics as "Goodnight, Moon" and "Black Beauty." They teach the inmates how to read these books to their children. They coach them in diction and dramatic presentation and conduct seminars in child development. On visiting day, the incarcerated parents put on shows for their families. They did a dramatization of "The Three Bears."

Whenever he spoke of national service in the campaign, Clinton got his biggest response. After he formally announced the program at Rutgers

University on March 1, the national service office got 6,000 letters from young people who were just waiting to be asked. One recent Villanova graduate declared a willingness to give up a well-paid accountant's job because "I want the business of my life to be helping others, not dollars and cents."

Last week, National Service Director Eli Segal, a lifelong exponent of participatory politics, a longtime friend of Clinton's and a highly successful Boston toy tycoon, announced the opening of a pilot program called "Summer of Service." It's strikingly modest. In 11 cities, 1,000 volunteers will work in enterprises already well established in their communities.

Four-hundred-fifty cities and towns applied. Washington did not make the cut, but Boston did.

Its well-known "City Year" got a grant of \$313,000 to expand its activities. City Year volunteers wear uniforms and do calisthenics every morning before plunging into their work. They clean parks and vacant lots—erstwhile drug-dealers' offices, which they have turned into playgrounds or urban gardens. This summer, they will keep open an inner-city elementary school. They will have summer camp, tutoring, crafts. Children will go on day trips to the aquarium, the airport and other points of interest.

The lucky thing about Summer of Service is that the money—\$10 million—was appropriated last year. No one can quarrel with the idea of national service. The one difficulty anticipated on Capitol Hill involves the change in student loans. Previously, banks made government-guaranteed loans. Now Uncle Sam will make direct loans to students, who will pay back on an income-related scale. Republicans would prefer to keep the banks in the picture, but they can't deny that money will be saved. Enforcement will be transferred to the Internal Revenue Service. The current student loan default rate is a scandalous \$3 billion a year. By 1997, the Corporation for National Service should have 150,000 young people on its rolls. The only rational complaint that could be made about the whole thing is that it isn't big enough.

Eli Segal promises there will be no bureaucracy, no boondoggles.

"This is about excellence," he says.

National service could give Bill Clinton a much-needed success.

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CLINTON PROPOSES SERVICE PROGRAM TO AID STUDENTS

ALSO URGES LENDING
6/195/70/
**\$10,000 Grants Planned
in Return for 2 Years
in Community Jobs**

By **THOMAS L. FRIEDMAN**
Special to The New York Times

NEW ORLEANS, April 30 — President Clinton outlined a plan today to overhaul the way Americans pay for college, offering students up to \$10,000 for college or vocational training in return for two years of community service. In addition, he would change the student loan program to allow students to borrow money directly from the Government.

Mr. Clinton unveiled the aid program — a central promise of his campaign, with great appeal to middle-class voters — to a cheering audience of students at the University of New Orleans, saying that if adopted by Congress, it would “revive America’s commitment to community and make affordable the cost of a college education for every American.”

G.I. Bill of the 90’s?

He said his National Service Trust Act would be to the 1990’s what the G.I. Bill was for the 1950’s and the Peace Corps was for the 1960’s — the place “where higher learning goes hand in hand with the higher purpose of addressing our unmet needs.”

If Congress passes the national service bill this year, Mr. Clinton said, the program can start in 1994. The National Service budget calls for \$400 million in 1994, which would cover about 25,000 community service jobs, rising to \$3.4 billion a year for 150,000 participants in 1997.

They would do minimum-wage jobs in education, the environment, public safety and human services. On top of their wages, about \$8,500 a year, they would get \$5,000 a year to repay college loans or otherwise pay for education and training.

Bypassing Banks

The other major component of the aid program, to be introduced as a separate bill, is direct student loans from the Federal Government. Such loans are now guaranteed by the Government but made by banks, which earn a profit on the interest. The President said direct aid would eliminate bank profits, making loans available at lower rates.

In 1992, banks made \$13.6 billion in federally insured student loans. Administration officials estimate that demand for such loans could rise to \$20 billion to \$25 billion a year after five years. The Government would raise the money it lends in the bond market,

not from taxes.

The legislation will include a proposal to allow graduates to repay tuition loans at a monthly rate linked to their income, thereby reducing defaults and encouraging graduates to take low-paying community service jobs. The payments would be collected through the Internal Revenue Service, Mr. Clinton said, most likely through payroll deductions or as part of income tax filings.

Contrary Opinions

Administration officials said they were cautiously optimistic that the plan would have bipartisan support in Congress, but early reaction was mixed.

“The President’s plan gets two A’s from me because it makes a college education or better job training more affordable and accessible to our young people and our workers,” said Representative William D. Ford, of Michigan, chairman of the House Education and Labor Committee.

But Representative Marge Roukema of New Jersey, the senior Republican on Mr. Ford’s committee, said the President “should be concentrating on reducing the deficit, instead of proposing new multibillion-dollar entitlement programs.”

The night before his announcement, Mr. Clinton decided to slash the compensation for community service from a maximum of \$13,000 for two years’ work to \$10,000, in hopes of pre-empting complaints from Republicans about costs, and to deal with Pentagon concerns that too much cash would lure young people away from the military which has its own scholarship program in return for service.

Mr. Clinton said his proposal, which is the work of Eli Segal, the director of the White House national service bureau, had been designed to put as much of the bureaucratic burden as possible on state and local institutions.

Bones of the Program

It would work as follows: A National Service Corporation would be set up by the Government to allocate National Service slots to states, which would allot them to community service groups and municipalities.

The number of a state’s slots would be based on population, but the Administration hopes to encourage competition by giving states the opportunity to get more if they come up with creative ideas. The states would decide which groups would get slots and the National Service Corporation in Washington will simply ratify the choices.

A community service program authorized for three slots, for instance, can make this offer to three people ages 17 years or older: If they will work for the minimum wage of \$4.25 an hour for one year, the national service trust fund will provide up to \$5,000 toward their tuition, room and board. That money, if used for tuition payments, would be paid by the Government directly to the college of the student’s choice; money for loan repayment for former students would be made directly to the bank.

Anyone could volunteer for national service and receive the grants regardless of family income. If a volunteer works for two years, the government would pay \$10,000 toward his education, the maximum available under the

program. The money must be used for education within five years of the service work. The Federal government would also pay 85 percent of the \$4.25 minimum wage — roughly \$6,000 a year per person — with state and local authorities expected to pick up the rest.

The states would be responsible for monitoring the local service organizations to prevent fraud, and the National Service Corporation would also have its own inspector general to monitor the programs. Any program caught in fraud would be removed.

As for the student loan programs, Mr. Clinton proposed two fundamental changes. The first is the establishment of what is being called one-stop direct student loans. Student loans are now provided by commercial banks at below-market interest rates and guaranteed by the Government. When students default, the Government pays the banks; defaults cost the Government about \$3 billion a year.

Under the new program detailed by Mr. Clinton today, the Federal Government would provide a pool of public money for student loans, replacing the private capital being provided by commercial banks. The government would grant student loans, with colleges and vocational schools working as the middlemen. Mr. Clinton said he would like to phase in this program, beginning with roughly \$500 million in loan capital for fiscal 1994 and eventually growing to cover all loans by 1997.

The commercial banking industry is expected to fight this proposal.

Mr. Clinton argued that in the long run this program would save taxpayers money, primarily because the gov-

National Service Plan

\$10,000 per student in school grants would be available in return for community work (\$5,000 per year of service).

Students would also be paid at least the minimum wage, and receive health care and child care assistance if needed.

25,000 students would take part in 1994, working in human services, education, the environment and safety.

Student Loan Overhaul

MONEY would be lent to students directly by the Government.

REPAYMENT would be based on a percentage of a worker’s income. Those with lower income jobs would have longer to pay.

WAGE WITHOLDING might be used by the Internal Revenue Service to enforce loan collection.

2 of 2

The National Service Plan



Who is eligible?

High school graduates and those with a General Equivalency Diploma, 17 or older, can qualify for school grants in return for community service.

How long will participants serve?

At least one year of full-time service.

How much are the awards worth?

Awards of \$5,000 will be paid for each year of service; students can choose one or two years. The money could be used to repay college loans, or to pay for other education or training. Students would also receive at least minimum-wage stipends, along with health care and child care assistance if needed.

What kinds of jobs will be available?

Service will be in four broad areas. Here are examples:

Education: Assisting teachers in Head Start or in classrooms.

The Environment: Working on recycling or conservation projects.

Human services: Providing care to homebound elderly. Helping to build housing for the homeless.

Public safety: Teaching drug education seminars. Serving as a community service officer with a police department.

ernment will no longer have to extend a subsidy to commercial banks to keep the loans below market rate, because bank profits will be taken out of the equation and because the Government can borrow money for student loans more cheaply than banks can. The loan program is intended to pay for itself.

In the 1991-92 school year, annual costs — tuition, room, board, books and expenses — at four-year public institutions averaged \$7,584, according to the College Board, while the costs of four-year private institutions averaged \$16,292.

The last program Mr. Clinton unveiled is called Excel Accounts, under

which the Government would provide all students with the opportunity to pay back their student loans as a percentage of their income over time; the less the graduate makes, the more time he has to pay off the loan. The value of this program, he said, is that graduates, freed from the pressure of large loan payments, would be encouraged to take low-paying public service jobs.

Mr. Clinton directed the Secretaries of the Treasury and Education to come up with a plan for I.R.S. collection of student loans, through wage withholdings or some other means, to reduce defaults and simplify the system for borrowers.

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Wash. Post 5/2

National Service: The Proposal

THERE'S BEEN a strong and steady windup to the national service program that President Clinton is now ready to pitch to Congress. Mr. Clinton has spoken often, both during the campaign and since, of a civilian volunteer corps in the nation's schools, clinics, parks and police stations. But until last week the idea achieved most of its velocity as a symbol—of responsibility, community and democracy. With his remarks in New Orleans Friday and the release of a legislative outline, the national service program acquires substantive as well as symbolic import. This is a serious and plausible proposal. The obstacles, however, are many, from the Hill on down.

The administration wants to establish a Corporation for National Service, a quasi-governmental body that would combine the existing agencies dealing with volunteer service—ACTION, which includes Vista, and the Commission on National and Community Service, for instance—as well as administer a new trust for the awards and stipends that would go to the 150,000 recruits eventually expected. The corporate model is useful; it silences those who would balk at the creation of yet another federal bureaucracy while permitting the solicitation of private funds.

Many of the service groups that would seek certification and funding from the national board already exist. They range from nonprofit neighborhood-improvement groups, such as the much-touted City Year in Boston, to Head Start, the federal government's preschool program for impoverished children. Other groups undoubtedly would come forward. This is meant to be a national program nourished and sustained by local roots. The challenges are many—from

guarding against patronage and corruption to ensuring that the activities help not just the participants but the recipients and the greater community. National service, after all, is primarily about helping the served.

The mostly young people who opt for service would receive an award—\$5,000 a year with a two-year maximum. This amount, based on the average indebtedness of undergraduates these days and roughly commensurate with veterans' educational benefits, is intended to help students pay off their loans or to pay for further training. The money—a new subsidy, in effect—is advertised as a means toward greater educational opportunity, like the GI Bill. But that's misleading. National service won't really alter the overall student aid equation. Five million students receive loans to finance their college educations, and many of them graduate more than \$5,000 in debt. This program would help only a very small proportion of the college-goers (which is why the administration pairs this program with other proposals intended to reform student aid, such as income-contingent repayment).

Still, national service remains an appealing option. Mr. Clinton is being faulted for starting small. But if anything the administration and Congress begin with too much. One hundred and fifty thousand people and a budget of \$7.4 billion over four years is a major investment—one that will compete mightily for funds along with such programs as Head Start and, not incidentally, grants for needy college students. President Clinton said to his college audience Friday, "We need you." First, though, he needs the money.

Today's debate is on **NATIONAL SERVICE**
and whether the president's proposal is worthwhile.

Give national service a try

OUR VIEW **The national service plan offers a way for young people to meet their goals while filling the nation's needs.**

President Clinton has a plan to create opportunity while teaching responsibility. At \$3 billion a year — a buck a month for each American — it's too good an idea not to give a try.

The plan is national service. It is part of Clinton's proposal — unveiled Friday — to make college more affordable. Here's what the dollar a month would pay for in 1997:

► 150,000 young people working on jobs communities need done. They'd build homes for the homeless, teach preschool youngsters, care for the infirm and elderly, and help the police.

► Participants would earn the minimum wage and get credits of up to \$10,000 over two years to use for college or pay off old student loans.

Rewarding service with education has given the country a boost before. Millions of veterans after World War II took advantage of the GI Bill. And they spurred the nation's phenomenal

growth in the '50s and '60s.

Today, with the military shrinking, Clinton's service plan offers another means for young people to meet their goals while filling national needs.

Tough questions, though, remain about how the plan will work:

Will needy youngsters benefit from the program? If they don't, money might better be spent on direct grants to them.

Will the jobs meet real needs, yet not deprive full-time employees of work? The aim is to do work not being done now, not replace permanent employees.

Will running the program be costly? Clinton plans to combine existing federal volunteer agencies into a Corporation for National Service, so administration should be cheap. But if it isn't, national service won't provide enough educational and service bang for the buck.

Clinton plans to phase in the program slowly — 25,000 jobs in 1994, growing to 150,000 in 1997. That offers time to answer those concerns.

For now, a buck a month for national service looks like a great buy.

Slow but Sure on National Service

President Clinton promised voters "a domestic G.I. Bill that will pledge college assistance to any student who wants it." But the national service plan he recently announced falls short of that lofty goal. Only a handful of students will participate, and they will receive a fraction of what it takes to attend private colleges.

Some are urging the President to move faster. But in the current political vortex faster is probably wrong. Mr. Clinton is already trying to ram three major bills — the budget, health care reform and the Mexican trade pact — through Congress this summer. Moreover, Congress needs his strong leadership to strengthen and pass the campaign finance legislation expected to be unveiled later this week. To add an ambitious national service plan to the Congressional agenda risks overload — and gridlock.

So Mr. Clinton has decided to start national service off slowly. That's acceptable, as long as he honors his campaign promises by accelerating the plan next year.

The Clinton plan would open college gates to more students through national service and a restructured student loan program. High school graduates who volunteer for a year or two of community service would, besides earning the minimum wage, receive awards of up to \$10,000 toward post-secondary education or training.

The award isn't large enough to pay for four years at private colleges. And the program would initially accommodate only 25,000 students — a tiny fraction of the eligible population. But a slow pace may prove wise.

Mr. Clinton's vision is grand: young Americans advancing themselves as they combat illiteracy, aid the homeless or rehabilitate housing. But if it is rushed, the program could degenerate into a government bureaucracy handing out useless jobs that

wouldn't be filled by anyone other than volunteers.

The President also proposes to open college to students who don't volunteer for community service by providing affordable student loans. The current loan program is a complex myriad of options under which commercial banks extend loans with the backing of Federal guarantees and subsidies.

Mr. Clinton's would simplify the process by having the Government directly lend to students, thereby cutting out the banks and saving money. The plan would also give students the option to tie repayment to their future income — thereby eliminating the fear of bankruptcy for those who enter low-paid occupations. Whether the plan would work smoothly depends on details that have yet to be provided.

President Clinton's student loan program would be simpler than the current program. But it may not be cheaper. The money saved by eliminating bank profits could easily be swallowed up by bloated bureaucracy and less vigilant collection from deadbeats. And there are ways to cut out fat from the existing program — by reducing the subsidies paid to the banks and forcing them to bear more of the risk from student defaults.

What's odd is Mr. Clinton's decision to revamp the system even before the results of a pilot project of direct lending is studied. Surely it would make sense to see how the program works on a small scale before launching it nationwide.

The President's vision draws on the inspiring model of the G.I. Bill of Rights, which put millions of World War II veterans into college classrooms and made them the best educated, and most productive, workers American has ever had. His plan isn't up to that standard — yet. But Mr. Clinton is on to something important — an idea that is fully consistent with his campaign pledge to fashion government programs that help the needy only in exchange for performance. This worthy endeavor need not be rushed.

Roger Landrum 195/10

Chance of A Lifetime

National service now.

President Clinton's proposal to link National Service with federal college scholarships or loan forgiveness packs a powerful political punch. It evokes memories of a GI bill rewarding the young men who won World War II with a college education—a venture that also revitalized American higher education. For younger voters and their parents, a National Service Trust Fund is also the modern political equivalent of “a chicken in every pot.”

But with the size of the federal deficit and competing priorities for human resources investment, skeptics say that fulfilling a pledge to reward civic service with federal education assistance is impossible beyond a token effort. Not so. A transforming social initiative can be forged if a new kind of national service vision comes to the fore.

The good news for the president is that the new national service has been taking shape in the nonprofit sector for a decade. The scale is still small, but most of the pieces are in place. A new model of national service that will last for generations, far beyond the Clinton administration, cannot be built overnight, nor can it carry only the Clinton imprint; it must be bipartisan. And to capitalize on the strengths of our society, it needs to be a joint venture of corporations, foundations, educational institutions, the nonprofit sector and government at all levels.

One thing is certain: The new national service cannot be created with a stroke of the presidential pen or constructed with old habits of federal action.

National service used to be defined as a monolithic and one-dimensional federal program following the models of military forces, Franklin D. Roosevelt's Civilian Conservation Corps, and John F. Kennedy's Peace Corps. These programs were built on the guiding assumption that these were activities to be undertaken by young people roughly 18 to 25 years of age in projects funded and administered by government on a full-time basis during a period spent away from civilian life.

The new national service is based on a different set of assumptions. Young participants represent a wider range of ages and come from diverse backgrounds. Some are serving full-time, others part-time. There are many successful program models, organized by different kinds of institutions and supported by different funding sources, public and private. The operations are decentralized, and the leadership is primarily nongovernmental. The next steps forward must build on this foundation.

The president needs to help lay out strategies that persuade corporations, foundations, state and local governments and individuals to at least match the federal government's outlays in direct support of a national service

initiative of their choice. The process is already underway; it only needs to be accelerated. Private foundations such as Ford, Kellogg, DeWitt Wallace-Reader's Digest, MacArthur, AT&T, Bonner Foundation, Reebok and others are already large investors in national service. So are the state governments of Pennsylvania, California and Minnesota. In addition, the president's proposed National Service Trust Fund—post-service college scholarships for those who serve—could be doubled or tripled by private contributions. If every college and university in the nation engages in the process by establishing its own National Service Trust Funds to augment the federal scholarships, many more young people will be able to gain educational assistance through joining service programs.

The president will have an opportunity to pioneer a set of innovative federal investment strategies for building the new national service, rather than creating a government monopoly. They should include:

- A federalism strategy of investing on a competitive basis in state plans. This approach is already underway on a modest scale through the Commission on National and Community Service, up this year for reauthorization. The commission should be continued, but it is essential that this not be the only investment strategy, because this would place all leadership and direction in the hands of government agencies.

- A franchise strategy of investing in generic youth service models developed and tested by entrepreneurs. The goal would be to replicate them nationally.

- A hub strategy of investing large block grants in national and regional nonprofits with important zones of expertise and excellence, which are essential for improving and ensuring the quality of the new national service. These areas include evaluation research, leadership development, strategic planning and management, replication, communications and promotion, and technical assistance. The Clinton administration should take the step of farming out venture capital to the nongovernmental leadership that organized and led the movement before government became a partner.

Other investment strategies are feasible, but the key is to build the new national service with much broader ownership, diversity and innovation. President Clinton deserves great credit for moving ahead so boldly, but he should not be expected to carry the entire responsibility for building national service. This is the chance of a lifetime to give a great many young people more active and positive roles in our society. Now is the time for all of the country's major institutions to join in creating the new national service.

The writer is executive director, Youth Service America, a national policy, training and public education organization.

E. J. Dionne Jr.

W. Post 5/4

The Government Albatross

The albatross hanging around the necks of President Clinton and almost every other Democrat is called "government." Democrats can't get to where they want to go as long as voters see government as a synonym for "waste." This leaves Democrats with two choices: They can pretend they're anti-government as anyone else, or they can try to change people's minds about government.

Democrats often opt for the most disingenuous course. At election time, they rail against government waste and pledge to be skinflints. When safely in Congress, they vote for substantial spending while continuing to pretend that they're anti-government. As a result, voters only rarely hear the case for active government and thus decide (not unreasonably) that the people they are electing are being dishonest.

This critique, by the way, applies at least as much to so-called conservative Democrats as to liberals. The liberals are more likely to be direct in making the case for government—one thinks, as just one example, of Rep. David Obey of Wisconsin. Clinton also likes to talk about the power of government to do good. But many of the moderate-to-conservative Democrats who scream loudest about the budget deficit turn out to be the advocates of big subsidies for farmers, ranchers and rural electrification and big foes of cutting the defense budget, the super collider or the space station.

The strategy of being rhetorically anti-government and operationally pro-government may win some elections, but it's not sustainable over the long haul—especially if you have to govern. This may explain why Sen. Bob Krueger is having trouble in the special election in Texas. Clinton also suffers to the extent that the anti-government mood makes deficit reduction the one and only test of his seriousness for a lot of voters—especially Ross Perot's admirers—and for much of the commentating class. Clinton's program, which also includes a lot of new spending, is doomed to fail such a narrow test.

The anti-government constituency is fed by two quite different streams of voters. There are the principled conservatives and libertarians who think government is necessarily wasteful and oppressive. This view was neatly summarized by David Stockman, Ronald Reagan's first budget director, who spoke for "minimalist government—a spare and stingy creature that offered evenhanded public justice but no more."

Only a minority of the electorate believes in this. The anti-government constituency has swelled because of people who would like government to do good things, but have lost faith in its capacity to do so. Their ambivalence is expressed in the fact that they often blame government for the troubles facing the economy. That shows they'd actually like government to "fix" the economy—which is asking government to do a lot. But when government fails to do that, they turn on it with a vengeance.

This impulse is especially common among Perot voters. Mark Mellman, a Democratic pollster, says that Perot backers "have Democratic priorities and favor Republican solutions." They want government to do some-



BY BARRIE MAGUIRE

thing about the economy and health care, among other things, but don't really trust it to get matters right. So they fall back on calls for cutting government down to size.

Defenders of the federal government have another problem: The benefits it confers are often invisible or taken for granted. Voters living under even the worst local governments can see cops and firemen on the streets; they know there are parks and libraries and school buildings and teachers; most of the time, the garbage gets picked up. Local government failures also feed the anti-government mood. But at least the benefits of local government are tangible.

Not so those of the federal government: Over 60 percent of federal spending goes to Social Security, Medicare and other health programs, defense and interest on the debt.

Nothing need be said about the non-benefits of the interest payments. Defense spending does benefit particular groups, but the link between how much we spend and how well-defended we feel is pretty obscure. While slashing the defense budget may make some people feel less secure, each additional dollar spent on the military doesn't make people experience a dollar more of security.

As for Social Security and Medicare, most of the retired will argue that they paid in for years and are thus entitled to the benefits. Government gets no credit, only blame if benefits are trimmed.

Clinton's "new Democrat" message arose in direct response to the sense among so many middle-class people that they were getting nothing from government. It's simply not true that in declaring himself a "new Democrat" last year, Clinton ran as an anti-government candidate. He ran as a candidate who fa-

vored active government but who'd also make government do things differently, see to it that the middle class got something out of government and shape programs that reflected its values. To the extent that Clinton abandons new Democrat themes, he is weakening the case for government. The paradox is that old-fashioned Democrats who want government to do more need Clinton to be an effective new Democrat.

Thus the importance of his new national service-student loan initiative. The service portion is organized in an anti-bureaucratic way to promote activities by non-governmental institutions. It makes the point that government should not only hand out booty but also encourage citizens to behave like citizens. The student loan part is about relieving the middle class of a big headache—its worries about how to send the kids to college.

But there will inevitably be large problems in a new program that's getting started so fast. So it's imperative that those who run the service agency be prepared to shut down bad programs fast and build in ways of detecting failure early. Nothing so discredits government as a program that begins in idealism and ends in scandal.

Democrats may complain that the case for government is hard to make in the current climate. Government's job, after all, is to take care of the problems the market leaves behind—the problems that are hardest to solve. That puts government in charge of failures. And government has failed often enough that taxpayer skepticism cannot be dismissed as simple cold-heartedness. But if Democrats can't make the case for government, they'll not only lose; they'll deserve to.

GIVE CLINTON A CHANCE

Whoosshhhh!! To paraphrase Ross Perot, that sucking sound you hear is the air rushing out of Bill Clinton's balloon as he ends his first 100 days in office. Over the past two weeks, in an orgy of harsh assessments, enemies and friends alike have been sticking in so many pins that his presidency is losing altitude at an alarming rate.

Clinton brought many of these troubles on himself. By pledging to have "the most productive 100-day period in modern history," he guaranteed a sense of letdown. After running the best Democratic campaign of modern times, his team has also made a surprising number of mistakes in the White House: lurching to the left too often, emphasizing tax increases over spending cuts, treating adversaries with arrogant disdain and gradually losing a central thrust to its leadership. Clinton needs to refocus attention on his economic plan, especially on the creation of jobs, and postpone his health care proposals until fall. Otherwise, he risks loss of both.

Whatever Clinton's sins, however, they hardly merit the extraordinary denunciations that have issued from so many quarters in recent days. Voters express their disappointment that he hasn't brought more change and grade his performance at little more than a gentleman's C. Republicans along with Ross Perot razz him as a liar. Pundits in the press — or the commentariat, as one newspaper calls it — have acted as if he is an utter failure and probably shot his mother when no one was looking. One incident blown out of proportion, for example, was his failure to accept responsibility for Waco in the first hours after the tragedy occurred: in fact, he three times suggested to the staff that day that he speak up and was urged to wait until the facts were clear.

Politicians in his own party have been equally critical. Carefully speaking anonymously, they worry to the press that he is another Jimmy Carter. Every misstep seems to be magnified, every misdemeanor treated as a capital offense. Leon Panetta, his budget director and a former creature of the Hill, added to the frenzy last week with ill-chosen words to the press that his boss was in trouble and Congress might reject his key proposals. Watching his friends pile on, Clinton might have recalled Lyndon

Johnson's remark at a vexatious moment in the 1960s: "The difference between cannibals and liberals," he said, is that "cannibals eat only their enemies."

One might dismiss today's caterwauling as just another outbreak of low jinks on the Potomac were something serious not at stake. But something serious is at risk. Over the past 30 years, America has had a series of broken presidencies: Five of the past six occupants have been driven from the Oval Office in defeat or despair. Only Ronald Reagan survived for two terms, and he too was running out of steam before it was over.

With so much to do at home, America cannot afford the destruction of another presidency. But that is where we are headed unless we regain our sensibility. We are making politics a spectator sport in which our only duty is to vote somebody into office and then retire to the grandstands. When our hero first arrives, we stand and cheer. But when we see he has feet of clay — and they all do — it's "Throw the bum out!" No democracy can succeed as an entertainment.

We owe each other more. The press should show us Clinton's warts, but what about the rest of him? Will his proposal for a national service corps — a fine idea that has been strengthened by his staff — receive as much attention

this week as, say, Panetta's remarks last week? When Education Secretary Richard Riley issued a major initiative for overhauling schools recently, it wound up on page A-28 of the Washington Post. Is that balance?

Republicans should indeed stand up against Clinton proposals that violate their philosophy. But where is an alternative Republican agenda that offers positive ideas for change? Where, too, is Ross Perot's real program? He is still maddeningly vague. As for Democrats, they ought to wake up: Voters have put them in charge, at least for now, and rightly expect them to stop complaining and get on with things.

Bill Clinton has had the courage to focus the nation on its major needs of better jobs, better education and better health care, and he is trying to fix them. If he doesn't have all the right answers, we should stop jeering, get off the sidelines and help him find them. For the next 1,300 days, he is the only president we have. ■

'If he doesn't have all the right answers, we should stop jeering, get off the sidelines and help him find them.'



2 Programs in L.A. Chosen for 'Summer of Service'

■ **Youth: UCLA School of Nursing project and another by a group of schools and community organizations are among the first selected.**

By ELIZABETH SHOGREN
TIMES STAFF WRITER

WASHINGTON—Two programs designed to help needy Los Angeles neighborhoods are among the first 16 projects chosen to launch President Clinton's national service program, the Administration said Thursday.

The programs—one run primarily by the UCLA School of Nursing, the other by a group of schools and community organizations—together would employ 200 Los Angeles-area youths ages 17 to 25. They will be among 1,500 young people nationally to participate in the Administration's "summer of service," the first stage of a program aimed at producing a network of community service projects that would employ 150,000 young people by 1997.

"This is about more than meeting the needs of communities," Eli Segal, the head of the President's national service office, said at a news conference called to announce the selections. "This is about changing the lives of young people."

The summer program—for which \$10

'This is about more than meeting the needs of communities. This is about changing the lives of young people.'

ELI SEGAL

million has been allotted—will pay participants minimum wage and offer them \$1,000 stipends for education or job training. The money will be redirected from other social service programs.

Los Angeles will receive about \$900,000 for its two projects.

The full-fledged national service program, which would require congressional approval, would provide similar salaries plus \$5,000 stipends for each year of service. A bill authorizing the program was introduced in the House and Senate on Thursday, where it has support from lawmakers in both parties.

The concept of a federally funded domestic Peace Corps-type program that would instill a service ethic in young Americans while helping them pay for education was among Clinton's most popular campaign themes. The summer projects will provide the first chance to measure the potential benefits of such a program.

"We are prepared to be held to a high standard this summer," Segal said.

Under the UCLA School of Nursing project, 50 minority high school and college

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SERVICE

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students will be recruited to improve health care services for at-risk children. The recruits will conduct medical assessments of at least 1,000 children at clinics and residences to help the university understand what barriers prevent those children from getting quality health care.

Participants also will be taught basic science and trained to teach classes on preventing and dealing with violence, sexual and physical abuse, substance abuse and other issues facing area children.

Dr. Gwen VanServellen, a professor at the UCLA School of Nursing and director of the project, said the program will fit into a larger emphasis on recruiting young people from neighborhoods that are considered "at risk" because of poverty, gang activity, violence, crime, substance abuse and other urban problems.

"We need more culturally sensitive and people sensitive health care providers," she said. "We do not have a high enough proportion of health care providers who represent people at risk."

The second L.A. program, called Building Up, involves five universities and colleges, 29 community organizations and more than 20 secondary and elementary schools. It will place 150 young people in a wide range of service projects, including tutoring children, helping health care professionals immunize children, planting gardens at elementary schools and leading crime prevention seminars.

Martha Diepenbrock, director of Building Up, said project organizers had hoped for more money. "It's small," she said of the grant. "We don't plan to have a recruitment push. We're not going to have a hard time finding applicants. It is going to be hard to pick who gets to participate."

But Rep. Maxine Waters (D-Los Angeles) expressed gratitude for Los Angeles' inclusion in the initial national service program. "We need this. We need so much in Los Angeles that you could talk about anything from a graffiti cleanup to trips out of the community to state parks and we would need it."

Other projects chosen to receive initial grants are in Atlanta; Baltimore; Oakland/East Bay; New Orleans; Newark, N.J.; New York City; Philadelphia; Delaware; Ohio, and Red Lake, Minn.

back at Kevin McHale's career and examines the Celtics' future -

The Boston Globe

FRIDAY, MAY 7, 1993

THE BOSTON GLOBE • FRIDAY, MAY 7, 1993

8

White House grants to sponsor 2 Boston volunteer programs

By Kevin Galvin
STATES NEWS SERVICE

WASHINGTON - Sen. Edward M. Kennedy filed legislation yesterday on behalf of President Clinton that would establish a national service program and reform student loans, and the White House awarded grants to sponsor two volunteer programs in the Boston area this summer.

Boston's City Year won \$380,000 and Tufts University was awarded \$250,000 from the White House Office of National Service and the Commission on National and Community Service, an independent

agency chartered by Congress.

Kennedy took to the Senate floor to introduce the National Service Trust Fund Act of 1993 and the Student Loan Reform Act of 1993. "These measures proposed by President Clinton provide two types of federal support to tap the energy and ideals of our greatest resources: the young men and women of America," Kennedy said.

The Massachusetts awards were part of a kickoff to the "Summer of Service" program, which is to serve as a pilot program and train leaders for Clinton's planned National Service Program. Sixteen groups were awarded grant money nationwide.

City Year, often touted as a model for any national service program, will pick 75 young adults to run an eight-week summer camp for 470 inner-city youngsters, restore a garden area near the Wheatley Middle School in Roxbury, promote childhood vaccinations and health care throughout the city and organize a day-long "servathon" of street cleaning and planting.

Tufts' Lincoln Filene Center, which promotes public service, will direct 50 volunteers in operating a community health outreach program, tutoring sixth-graders from Boston public schools and working with the Environmental Diversity Forum.

The Philadelphia Inquirer

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Metro

Man found guilty in slayings of 2 bosses. B2.

News in Brief B2
The Scene B2

Friday, May 7, 1993

Phila. wins grant to immunize youth

The Clinton plan puts 150 college students to work. The goal is to reach 5,000 youths.

By Vernon Loeb
INQUIRER STAFF WRITER

The Clinton administration yesterday awarded Philadelphia a \$1.1 million grant designed to put 150 area college students to work this summer immunizing 5,000 low-income children at neighborhood clinics.

Mayor Rendell and Health Commissioner Robert K. Ross unveiled the immunization program at a Center City news conference shortly after President Clinton announced in Washington that Philadelphia and 13 other cities would be receiving grants to run national service projects.

The Commission on National and Community Service is sponsoring the "Summer of Service" program, with Philadelphia the only recipient

using a grant to improve child immunization.

"You just show up and that's enough — don't need an appointment, don't need an insurance card, no long waiting lines," Dr. Ross said. "If you've got a kid, we'll get that kid immunized."

Ross said that there are thought to be between 30,000 and 50,000 preschool children in Philadelphia — more than half of the 60,000 total — who are not properly immunized.

Donna Gentile O'Donnell, a deputy health commissioner, said the immunization program represented the first time that a city administration had been able to develop a full-scale partnership with the region's impressive array of universities, particularly its medical and nursing schools.

Developed jointly by the Health Department, the school district and the Philadelphia Higher Education Network for Neighborhood Development, the grant proposal calls for 150 area students — two-thirds from

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Phila. wins \$1.1 million grant to immunize low-income children

(PHILADELPHIA) from E1
nursing schools — to begin work
June 28 for nine weeks at minimum
wage.

They will also receive a \$1,000 stipend toward their education in addition to five days of community-service training at a converted military base outside Oakland, Calif., according to Patricia L. Gerrity, an associate professor of nursing at La Salle University who will act as the program's director.

Gerrity flew to Oakland yesterday for a weekend training session for program directors from grant recipients around the country.

Philadelphia's immunization pro-

gram, designed to reach out to low-income parents and make immunizing their children easier and more accessible, will operate out of six neighborhood-based clinics and two mobile clinics, Ross and O'Donnell said.

O'Donnell said the program's goal of immunizing 5,000 children would probably represent a fourfold increase over the number of children who would otherwise receive immunizations at the city's district health centers.

All children must be fully immunized against an array of communicable diseases in order to attend school. But immunizing children be-

low the age of 6 has long presented a major challenge to public health officials.

"The Centers for Disease Control has been trying to figure out how to get preschool kids immunized for 30 years," Ross said.

"We're going to keep trying different ways of getting this done, and this is another way.

"We've got a huge educational resource in this city, plenty of universities, lots of medical schools, lots of nursing schools," he said. "How do we work together with the public sector to get these kids immunized."

"I'm sure the CDC is going to be interested and the White House is

going to be interested, and we're going to make this thing go."

Ross called child immunizations a "critical public health need" and said that rates for diseases such as measles, mumps and whooping cough — previously well controlled — have increased recently.

"The most dramatic example of this current trend occurred during the 1990-1991 measles epidemic," Ross said, when 1,539 cases were reported and nine children died.

In 1986, by contrast, only 16 cases of measles were reported in Philadelphia.

The Clinton administration is negotiating with Congress over a pro-

gram that would fully immunize all children in America who are on Medicaid or are uninsured, but O'Donnell said Philadelphia's summer program would proceed regardless of the fate of that national legislation.

Much of the cost of Clinton's plan — originally estimated at \$1.1 billion but later significantly reduced — would go toward purchasing vaccines, which are relatively expensive.

But Philadelphia, O'Donnell said, is able to receive all the vaccines it needs for child immunizations through the CDC in Atlanta.

Clinton proposed the "Summer of

Service" as a prototype for a larger program of national service that would encompass 100,000 low-paid volunteers by 1997 if Congress approves. This summer, 1,500 people will take part, commission officials said.

"We've got huge public health problems that are rooted in a lot of urban crises," Ross said. "And I don't know that we have everything we need to fix the AIDS crisis, or fix the drug problem, or completely fix the tuberculosis problem and make it all go away.... But I do know one thing that the department is going to do: We are going to get these kids immunized."

'Summer of Service' comes to Baltimore

By Tom Bowman
Staff Writer

City's was among 12 proposals to win Clinton initiative

Baltimore was chosen yesterday as one of 12 cities and states to participate in the "Summer of Service," one of President Clinton's initiatives to hire young men and women to work on education, health and conservation projects.

Seventy-five young adults — including high school students from the Baltimore area and college students statewide — will be chosen for the seven-week program. They will receive minimum wage, \$4.25 per hour, plus \$1,000 toward their education.

More than 430 proposals from across the country were received by

the federal Commission on National and Community Service, which announced the selections yesterday in Washington.

An estimated 1,500 young people nationwide will take part in the \$50 million federal initiative, with Baltimore's effort costing \$500,000.

"This is very exciting. This is a great opportunity for young people to try and make changes in the community," said Kathleen Kennedy Townsend, director of the Maryland Student Service Alliance, one of three organizations that will be involved in Baltimore's "Summer of

Service."

The local program will be open to young people aged 17 to 25, who will work from 30 to 40 hours a week in the city as teachers' assistants, conservationists, counselors and coaches.

The 75 participants also will oversee high school students who volunteer to work with disadvantaged children.

Through its various components, the program is expected to reach more than 2,000 city children.

Organizers said that in selecting from the applications — which are

due over the next two weeks — they will look for diversity in ethnicity, economic background and education.

The University of Maryland at College Park developed the local proposal and is helping to run the program.

Besides the Maryland Student Service Alliance, the other participant is Civic Works, a Baltimore-based youth service corps.

The federal initiative represents President Clinton's "call to the younger generation," said Georgia Sorenson, director of the Center for Political Leadership and Participa-

tion at College Park, who helped write the Maryland proposal. "This is part of leadership development — getting involved in the community," she said.

"Summer of Service" is being touted by Clinton administration officials as a trial run for a more ambitious National Service program outlined by the president at Rutgers University in March.

Legislation authorizing that program, in which participants could work for as long as two years to earn money to help pay for college, was introduced yesterday in Congress.

Eli Segal, director of the White

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Baltimore Sun 5/7

BALTIMORE'S 'SUMMER OF SERVICE' PROGRAM

The "Summer of Service" program is open to high school students from the Baltimore-metropolitan area, including Baltimore City and Baltimore, Anne Arundel, Howard, Harford and Carroll counties. College students who either study or live in Maryland can apply. University of Maryland students are expected to submit their applications by Monday; the deadlines for others are listed below. The three projects that comprise Baltimore's "Summer of Service" are:

Civic Works Summer of Service — 51 participants. Four crews of 17- to 21-year-olds will serve as teachers' aides at Herring Run Middle School, health outreach assistants with the Baltimore City Department of Health, environmental conservationists and instructors with Save our Streams, and counselors/coaches at the Madison Recreation Center. Corps members who do not have a high school diploma will be required to attend GED classes offered by Civil Works. Applications — due May 19 — are available by calling 366-8533. The program runs from June 17 to Aug. 20.

Maryland Student Service Alliance Summer Corps 1993 — 20 participants. The team leaders aged 17-25 will supervise 200 middle and high school students who volunteer to work with at-risk children at community-based centers in Baltimore. The team leaders will guide students as they help provide vaccinations, improve children's reading, writing and math skills and coach sports. The team leaders will live together at the College of Notre Dame in Baltimore. For team leader and corps members applications, call 333-2427. They are due May 17. The program runs from June 28 to Aug. 13.

Team Maryland — Four participants. Four student-athletes from the University of Maryland College Park will do outreach to assist both Civic Works and the MSSA Summer Corps in their education and health work. They also will live at the College of Notre Dame. Applications, due Monday, are available by calling (301) 405-5751.

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House Office of National Service, said in an interview yesterday that the summer program "is a demonstration to the U.S. Congress that national service can work."

Mr. Segal predicted the summer program also will show taxpayers that national service is a "cost effective" way of meeting community needs.

The Clinton administration hopes its National Service program will begin next year and reach 25,000 stu-

dents at a cost of \$400 million.

By 1997, the administration hopes the funding will increase to \$1.5 billion and support 150,000 students performing community service in exchange for stipends and educational benefits.

Besides Baltimore, the cities selected yesterday for the Summer Service program include Atlanta, Boston, Los Angeles, Oakland, New Orleans, Newark, New York, Philadelphia and Red Lake, Minn. Proposals from the states of Delaware and Ohio also were chosen.

S.F. Chronicle

Bay Area Youths Eager to Serve in Service Program

By William Carlson
Chronicle Staff Writer

Nineteen-year-old Jeff Carpenter is ready to give up his \$11-per-hour job working in an auto traffic school for a \$4.25-per-hour minimum wage position teaching disadvantaged middle school kids this summer.

"I've always been against all the money spent on campus for ROTC," said the University of California at Berkeley freshman. "Military spending ends up being used outside the country while inside the country things are falling apart. This is a chance to be-

come a soldier to help rebuild my country."

Last week, Carpenter was among 400 UC Berkeley students who descended on a cramped student activities office to grab the hottest item on campus — applications for a pilot project in President Clinton's recently proposed national service program.

Even before official word of the project had gone out, all 400 applications had been snapped up in less than 24 hours.

250 Bay Area Jobs

On Thursday, White House officials announced the selection of

11 locations nationwide as model sites for a "Summer of Service" program for 1,500 youths. The San Francisco Bay Area received 250 job slots, the largest number in the country.

The summer projects are designed to serve as a kind of domestic Peace Corps prototype for Clinton's full-fledged plan to employ 150,000 young people in community service by 1997. Legislation for the large-scale program, which will allow youths to perform a year of public service at minimum wage in exchange for a \$5,000 educational grant, was introduced in Congress last week.

Under the summer pilot program, which draws on \$8.6 million in existing congressional grants, 1,500 participants between the ages of 17 and 25 will earn the minimum wage for eight weeks of community service, then receive a \$1,000 voucher for college tuition, vocational training or to pay back student loans.

Favorable Response

The program, one of the central promises in Clinton's presidential campaign, has struck a nerve not only in the Bay Area but nationwide.

"We have been inundated

with application requests," said Ben Poulin, assistant director of the Center for Political Leadership at the University of Maryland, College Park, one of the project sponsors selected last week.

Harlan Eplan, who is handling applicants for a project site in Atlanta, said his group, Hands on Atlanta Inc., has added extra volunteers to field all the phone calls. "The response is overwhelming," he said. "This is the beginning of something very big."

He said his group has only 50

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jobs slots but could easily fill 1,000 with qualified people.

In the Bay Area, the local project is being administered by the nonprofit East Bay Conservation Corps in partnership with UC Berkeley and the Haas Center for Public Service at Stanford University. Project sponsors also include Mills College, East Bay community colleges, California State University at Hayward and a dozen public agencies and school districts that will employ the youths who are finally selected.

The focus of the local project is on disadvantaged children in the poorest areas of Berkeley, Oakland and East Palo Alto. The 250 young people chosen will serve as tutors, counselors and special activities coordinators in the schools, health aides in clinics and will help organize immunization and disease prevention drives.

Project administrators said they are casting a wide net in their recruiting throughout the Bay Area and are seeking a mix of college, community college and high school students and graduates, as well as young people in vocational schools.

Key Qualifications

Key qualifications for the program include applicants' leadership abilities, desire to serve their community, interest in working with children and record of reliability. Applicants are asked to give their academic background (but not grades), references and to write an essay giving their reasons for applying and information on any previous public service they have performed. Applications, due by May 19, are available through the East Bay Conservation Corps. For information, anyone interested can call 1-800-59-SERVE.

Competition for the limited slots will be intense, the project sponsors said. They noted that the recent steep rises in school tuition, as well as a tough job market in California's lingering recession, have added to the intensity of interest in the program.

But applicants in Berkeley last week insisted that service to the community is just as important as the much-needed \$1,000 educational grants.

"I really want to work with young kids," said Carpenter, a Spanish and political economy major who came to Berkeley from Vancouver, Wash. "At a certain age, kids can become lost and they need help because there are so many dangers out there — drugs, sex, AIDS."

"I've been privileged to come to Berkeley," said Marcus Lee, a 22-year-old English major, "but I know that there are a lot of kids out there that won't be able to do the same without help."

'Chance to Give Something Back'

Adam Messner, 21, a senior from Colorado majoring in legal studies at Berkeley, said that he knows of jobs right on Telegraph Avenue that would pay more than the program but that it was hard to find any job that was meaningful.

"I'd much rather be doing something like helping kids than flipping burgers," he said. "It's a chance to give something back to the community."

In addition to winning the most job slots, the Bay Area will also play host next month to all 1,500 participants from around the country selected for the program. They will be brought to Treasure Island for one week of leadership training before they fan out into communities to start work.

In August, when the program ends, a "summit" is planned between the participants and Clinton to discuss the results.

Clinton's national service program is not without detractors, however. Richard Black, UC Berkeley's director of financial aid, said that Clinton's plan was not the most effective use of federal education dollars.

"I'm very pro public service," he said, "but our federal grant program for students is already underfunded." Black said he fears that some of the money for the

new program will ultimately come out of the federal funds now used for student aid.

He pointed out that the current \$6 billion federal aid program serves 4 million students. "I really question a program that spends \$4.2 billion and serves only 150,000," he said.

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T-D
5/6

Summerbridge picked for grant

By BRUCE ALPERT
Washington bureau

WASHINGTON — A 4-year-old New Orleans summer program that prepares at-risk sixth- and seventh-graders for middle school was selected as one of 16 nationwide to receive financing under President Clinton's new "Summer of Service" program.

The White House is scheduled to announce today that the New Orleans Summerbridge program will receive a grant of about \$400,000, enabling a major expansion of the program.

"We feel excited and glad to have the opportunity for more staff and students," said Jay Alt-

man, the program's executive director. "We get four times the applications from staff and students as we have openings."

Altman, who started the program, will expand the rigorous, six-week session from its two sites at Isidore Newman School and Benjamin Franklin Senior High School to another as-yet undisclosed public school and Tulane University.

Summerbridge, which started 14 years ago in San Francisco, is supported by public, private and corporate money. Two major sponsors are Louisiana Land and Exploration Co. and the Lupin Foundation.

The grant will enable the

See N.O. PROGRAM, next page

N.O. program: Financed

From B-1

program to enroll 360 students and 125 high school and college student teachers. Last year's student enrollment was 170, with a staff of 66.

The White House said that the programs selected for financing represent an outgrowth of Clinton's national service initiative.

Last week in New Orleans, Clinton unveiled a legislative proposal that would let students work off student loans in community programs.

The second aspect of the program, to be announced today, is

designed to meet critical needs of at-risk children, while building future National Service leaders, the White House said.

Other programs selected for financing include a primary health care project for children at risk, and a low-income housing safety program.

The New Orleans program, the only Louisiana project chosen for financing, is also designed to help high school and college students prepare for teaching jobs. They get first-hand experience helping prospective middle-schoolers make the often difficult leap from elementary school.

Cleveland Plain Dealer

National service gets started in Ohio

By D.J. BURROGH
PLAIN DEALER BUREAU

WASHINGTON

President Clinton's dream of a national service program, where students get college money in exchange for community service work, will begin with a small program in Ohio and selected other sites, the White House has announced.

Ohio Wesleyan University, a small liberal arts school in Delaware, will host a "Summer of Service" program, which will put 75 students, ages 17 to 25, into full-time jobs tutoring inner-city youngsters in Columbus and Delaware.

Students will be paid minimum wage for the eight-week program and will be provided room and meals. At the end of the summer, participants will each be given a \$1,000 voucher for use toward college tuition.

The program was one of 16 chosen out of more than 430 submitted by non-profit organizations throughout the country. The federal government plans to spend \$10 million on the pilot program this year and employ about 1,500 students. Programs will focus on helping at-risk children.

"Summer of Service" is intended to build support and set the groundwork for a yearlong program that would involve thousands of students.

In June, the 1,500 initial participants will meet for a week of leadership training and then disperse to the separate programs. At summer's end, they will attend a "summit" with Clinton to discuss ideas for a national service program.

"It will make a difference," said Todd Wilson, spokesman for Ohio Wesleyan University. "It is clearly not a panacea. The programs will still need good support from the community, but as a beginning it certainly is a good first step."

Local organizations and the university will match the nearly \$300,000 the federal government is providing to the program, Wilson

said. The university will place students in jobs at about 20 community service organizations.

Students will tutor elementary school children, give sight screenings and renovate low-income housing.

The Ohio Wesleyan program is the only one selected that will house participants. Students will be trained by university experts and community service advisers on helping at-risk children and their families.

The program will begin the week of June 14. Applications can be obtained from the university and will be accepted for the next two weeks.

A SUMMER IN SERVICE

Federal grant puts Newark youth to work for community

By TERRI P. GUESS

A coalition of Newark colleges and community organizations received a \$1 million grant yesterday to fund the Newark Summer of Service program, part of President Clinton's service initiative.

The grant was awarded by the White House Office of National Service and the Commission on National and Community Service. It was announced during a press conference at New Jersey Institute of Technology (NJIT).

The program, administered by NJIT, will include Essex County College, Rutgers-Newark and the University of Medicine and Dentistry of New Jersey (UMDNJ) and will assist youngsters throughout Newark.

Jessica Phipps, chairwoman of the Summer of Service Advisory Board and a Rutgers student, said, "This is an opportunity for Newark-area youth to pull together and get involved in rebuilding the community. We have targeted programs that will immediately impact at-risk children, those who are in danger of sacrificing their potential due to low self-esteem, lack of adequate services and difficult physical surroundings."

The program will mobilize 200 full-time paid corps members ages 18 through 25 and several hundred volunteers to deliver specialized education, health care, environmental and public safety programs. Phipps said 80 percent of them will be Newark residents.

Newark was one of 16 sights chosen for the program.

"This type of program is critically important because it provides job opportunities for at-risk students who normally find it hard to find summer employment," said Mayor Sharpe James.



Jessica Phipps, chairwoman of the Summer of Service Advisory Board and a student at Rutgers-Newark, announces a \$1 million grant to fund the Newark Summer of Service program

Photo by Richard Raska

"Now they will not only have summer employment, but also academic counseling, community service and development of self-esteem," he said.

Jill Mijanovic, a Rutgers student and one of the first to volunteer for the program, said she is involved because there is a need to help the community grow. "We have to educate our youth and once we educate our youth and get them involved in the community, they will be the future leaders of Amer-

ica."

Mijanovic said she believes community service is on the rise and compared it to the early 1960s, when President John F. Kennedy began the

Peace Corps.

Funding for the project includes the \$800,000 federal grant, \$200,000 for related expenses and \$300,000 in in-kind services from four higher education institutions.

Sen. Bill Bradley (D-N.J.) said the Newark Summer of Service program will set an example for other cities grappling with problems.

"Newark's program to cultivate youth leadership and service among 13,400 children at risk is an example of the kind of urban renewal that can occur when the federal government helps cities like Newark help themselves," he said.

Sen. Frank Lautenberg (D-N.J.) also supported the program, saying it will help in developing a child's potential through education and leadership activities.

Partnership service organizations include the Boys and Girls Clubs of Newark, Community Agencies Corp. of New Jersey, Consortium for Pre-College Education in Newark, Greater Newark Conservancy, Habitat for Humanity-Newark, International Youth Organization, La Casa de Don Pedro, Link Community Middle School, New Community Corp., New Jersey Youth Corps, Newark Police Department, Newark Public Library, NJIT Division of Physical Education and Athletics, Project BABIES, Quest of Essex County, St. Michael's Medical Center and UMDNJ's Community 2000 project.

Newark Star Ledger 5/17