

National / Community  
Service  
Reauthorization

Kincaid

Total Pages: \_\_\_\_

LRM ID: CJD57

EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
Washington, D.C. 20503-0001

Tuesday, June 24, 1997

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer - See Distribution below

FROM: *Janet R. Forsgren*  
Janet R. Forsgren (for) Assistant Director for Legislative Reference

OMB CONTACT: Constance J. Bowers  
PHONE: (202)395-3803 FAX: (202)395-6148

SUBJECT: Corporation for Natl and Community Service Draft Bill on National and  
Community Service Improvement Act of 1997

DEADLINE: cob Tuesday, July 1, 1997

In accordance with OMB Circular A-19, OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President. Please advise us if this item will affect direct spending or receipts for purposes of the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.

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LBM ID: CJB5 /

**SUBJECT: Corporation for Natl and Community Service Draft Bill on National  
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# RESPONSE TO LEGISLATIVE REFERRAL MEMORANDUM

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- (2) sending us a memo or letter

**Please include the LRM number shown above, and the subject shown below.**

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**Office of Management and Budget**  
**Branch-Wide Line (to reach legislative assistant): 395-7362**

**FROM:** \_\_\_\_\_ (Date)  
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 \_\_\_\_\_ (Agency)  
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**The following is the reponse of our agency to your request for views on the above-captioned subject:**

\_\_\_\_\_ Concur

\_\_\_\_\_ No Objection

\_\_\_\_\_ No Comment

\_\_\_\_\_ See proposed edits on pages \_\_\_\_\_

\_\_\_\_\_ Other: \_\_\_\_\_

**FAX RETURN of \_\_\_\_\_ pages, attached to this response sheet**

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**FROM:** \_\_\_\_\_ (Date)  
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\_\_\_\_\_ Concur

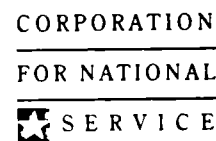
\_\_\_\_\_ No Objection

\_\_\_\_\_ No Comment

\_\_\_\_\_ See proposed edits on pages \_\_\_\_\_

\_\_\_\_\_ Other: \_\_\_\_\_

**FAX RETURN of \_\_\_\_\_ pages, attached to this response sheet**



The Honorable Newt Gingrich  
Speaker of the House  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Mr. Speaker:

Enclosed is a proposed bill, entitled the National and Community Service Improvements Act of 1997, to extend and amend national service legislation, including the National and Community Service Act of 1990 and the Domestic Volunteer Service Act of 1973.

In developing this legislation, the Corporation identified four themes that guided our specific proposals: (1) devolve more authority and provide greater flexibility to States and local communities in implementing national service programs; (2) provide opportunities to streamline the delivery system, thereby resulting in reduced costs and improved efficiencies; (3) provide for greater coordination among national and community service programs authorized under these acts as well as those carried out by States and local communities and organizations; and (4) modify and improve programs based on the experience developed over the last several years. In addition, this bill will make a number of technical revisions to the existing statutes.

As you may be aware, authorization for programs under the National and Community Service Act and the Domestic Volunteer Service Act expires at the end of fiscal year 1997.

We believe that the programs authorized under national service legislation, and the Corporation itself, have proven highly effective over the last several years in meeting the mandate set by the President to foster and expand citizen service in communities throughout the nation. This mandate was passed by the Congress through the National and Community Service Trust Act of 1993, which extended and modified the National and Community Service Act of 1990 and the Domestic Volunteer Service Act of 1973.

In the three years since the program was created, the Corporation has accomplished a rapid and effective start-up and made significant progress in helping communities to use service as a strategy to address their most critical needs.

1201 New York Avenue, NW  
Washington, DC 20525  
Telephone 202-606-5000

**Getting Things Done.**  
AmeriCorps, National Service  
Learn and Serve America  
National Senior Service Corps

In this brief three-year period, approximately 70,000 AmeriCorps Members have served in over 1,800 non-profit operating sites. A 1996 evaluation of AmeriCorps programs conducted by an independent contractor, Aguirre International, examined the activities of one out of every ten AmeriCorps Members then serving. Aguirre found these AmeriCorps members to have: a) taught, tutored, or mentored almost 64,000 students; b) collected, organized and distributed 974,000 pounds of food; c) helped 2,550 homeless people find shelter; d) developed and distributed 38,500 sets of information about HIV/AIDS, street safety, health care, and other issues; e) ran violence-prevention after-school programs for 50,000 youth; f) performed energy audits for more than 18 million square feet of buildings; and g) planted more than 210,000 trees.

Other independent evaluators have reviewed the program, and concluded that national service yields a positive return on investment. For example, in a Cost and Benefit study of Two AmeriCorps projects in the State of Washington, the Northwest Regional Educational Laboratory concluded that every dollar invested yielded a return of up to \$2.40. They also catalogued less-easily measured benefits to both the participants and the community. In another study, the Charles A. Dana, IBM International, and James Irvine Foundations commissioned a team of economists to examine more than 70 AmeriCorps sites. The results indicate an expected return on each dollar invested of up to \$2.60 in direct, measurable benefits.

The other components of AmeriCorps--Volunteers in Service to America (VISTA) and the National Civilian Community Corps (NCCC)--have a similar record of accomplishment. For example, a recent evaluation of VISTA projects showed that the overwhelming majority of projects designed and created by VISTAs continued even after individual VISTAs had completed their service.

Similar results exist for Learn and Serve America and National Senior Service Corps programs. Learn and Serve America was started in 1990 through the National and Community Service Act signed by President Bush. A recently-completed three-year evaluation of Learn and Serve America programs by Brandeis University and Abt Associates Inc. determined that these programs strengthen civic attitudes, promote volunteer activity, and improve the ability of young people to learn. The authors also found that such programs "produce about \$3 in direct community benefits for every dollar in program costs." More than three quarters of a million students at the elementary, secondary, and postsecondary levels are supported by this legislation.

The programs that comprise the National Senior Service Corps have existed for almost three decades, and provide today an opportunity for over 500,000 seniors to meet unmet needs in communities across the country. Our evaluations show that seniors are a critical resource to local organizations, and we have set goals to double the size of the effort and to strengthen programming to maximize the benefits for local communities.

We propose to build on this brief but significant history of the Corporation. Accordingly, this proposed legislation would reauthorize the major programs for fiscal years 1998 through 2002. The programs to be reauthorized include: AmeriCorps, including AmeriCorps\*State which

provides grants to State Commissions on National and Community Service appointed by Governors; AmeriCorps\*National which provides direct grants to national organizations; AmeriCorps\*VISTA (Volunteers in Service to America), and AmeriCorps\*NCCC (National Civilian Community Corps); Learn and Serve America, including Elementary and Secondary Education and Higher Education; the National Senior Service Corps, including the Retired and Senior Volunteer Program, Foster Grandparent Program, and the Senior Companion Program; as well as demonstration and other authorities necessary to provide continued support for the infrastructure and quality improvement necessary to enable national service to thrive into the next century.

In preparing this legislation we have attempted to build on the lessons learned over the last several years, responding to the bipartisan interest in the Congress to support service to one's community as an integral part of what it means to be an American. The recent Presidents' Summit for America's Future in Philadelphia reenforced and strengthened the role of the Corporation for National and Community Service as a key vehicle to provide our young people with five fundamental resources that are necessary to maximize their potential, experience the American dream, and have the opportunity to give back to their communities.

In general, the bill complies with existing legislative requirements and the President's Budget for fiscal year 1998 and beyond. The single exception is the proposal to make the education award for AmeriCorps Members not subject to Federal income tax. Based on our assumptions which may require revision, the tax expenditure on an annual basis will be about \$14 million. As the AmeriCorps program expands due to the President's "challenge scholarships" and America Reads plans, the annual cost will approach \$20 million.

Following are the specific legislative proposals contained in the bill.

The proposed legislation includes a new authority -- Service Collaboration Agreements -- that will provide a means for improving the planning and administration of the Corporation's national service programs in a State. The authority will be used selectively and voluntarily, and tailored to the circumstances of those States wishing to participate. Service agreements will be made with Governors and will incorporate performance goals and indicators.

The name AmeriCorps, which was conceived after passage of the 1993 Act, will be codified. Other changes affecting AmeriCorps are:

- Explicit authority for making AmeriCorps grants to Federal agencies is removed.
- The distribution of AmeriCorps grant funds (two-thirds for AmeriCorps\*State and one-third for AmeriCorps\*National) remains unchanged. However, the relative percentages of AmeriCorps\*State monies distributed on a formula/competitive basis are changed from 50/50% currently to 60/40% in 1998; 65/35% in 1999; and 70/30% thereafter.
- The generation of unstipended volunteers is made an explicit AmeriCorps grants priority.

- The Corporation's average budgeted costs per AmeriCorps Member is reduced; the ceiling is \$16,000 for programs funded in fiscal year 1998 and \$15,000 (adjusted for inflation) thereafter. Waivers of matching requirements are authorized.
- AmeriCorps Leaders are brought under federal workers' compensation and tort claims liability laws.
- Enhanced waiver authority is provided to allow the Corporation to test innovative approaches to national service.
- The description of prohibited activity, including political activity, is strengthened.
- The minimum grant for State Commission administration is set at \$200,000. The minimum amount of AmeriCorps\* grant funds per State is set at \$500,000.
- The bill expands the education award only approach by authorizing the use of subtitle C funds for this purpose.

Various AmeriCorps\*NCCC provisions are changed to more explicitly conform to current practice, including:

- Designating campuses (the current Act describes camps).
- Identifying response to natural disasters as a purpose of NCCC.
- Describing goals that are related to national service and military service.
- Raising the minimum age for AmeriCorps\*NCCC membership from 16 to 18 (except for summer programs).
- Clarifying educational requirements and eligibility for an educational award, and eliminating the alternative cash benefit for AmeriCorps\*NCCC Members.

Administration of the National Service Trust is addressed by:

- Expanding the definition of institutions of higher education and revising the definition of a qualified student loan.
- Specifying that the education award not be treated as income for Federal tax purposes.
- Clarifying that no more than two full-time awards or their equivalent in part-time service awards may be earned.

- Authorizing use of the National Service Trust for scholarships at the high school level for community service.
- Permitting the use of Trust funds for purposes related to administering Members' accounts.

AmeriCorps\*VISTA is also modified:

- The purpose is clarified to emphasize promoting sustainable activities in communities.
- Miscellaneous and obsolete administrative requirements are removed.
- AmeriCorps\*VISTA Members are provided family and medical leave benefits.
- Cost sharing with other organizations is explicitly encouraged.
- AmeriCorps\*VISTA service for an individual Member is limited to three years, with an education award available for no more than two years of service.

For Learn and Serve America, titling is clarified and:

- Funds available for capacity building activities under Learn and Serve America School Based Programs are increased to a maximum of 25% of funds distributed by formula. Funds distribution is restricted to States and established at 70% based on formula and 30% on a competitive basis. The minimum grant amount per State is increased to \$100,000, and States are required to distribute funds competitively.
- For Learn and Serve America Higher Education programs, State Commissions and State Higher Education Boards are added as eligible applicants; and service learning is added as a fundamental purpose.
- Authority for supporting multi-State programs, demonstrations, and activities to improve the quality of service learning programs is added.
- States are given authority to designate a single State entity to administer Learn and Serve America school based and community-based programs in the State, either the State Commission or the State Education Agency.

The name National Senior Service Corps is codified in the Act, and:

- The program's purpose is modified to emphasize impact within communities of senior service. The minimum age for participants is made uniform at 55 years.
- The ability to provide incentives for sustained service under the Retired and Senior

Volunteer Program is included; meeting community needs is added as a purpose; and a 45-day period for review of certain RSVP grants is eliminated.

- Authority for Foster Grandparent Program Leaders is included; up to 10% of federal funds may be used to support individuals who are not low-income; eligibility is raised to 150% of the poverty level; and funding for programs of national significance is simplified.
- The changes in the Senior Companion Program are comparable to those planned for the Foster Grandparent Program.

Authorities for supplemental and outreach grants for individuals with disabilities is extended to all AmeriCorps, Learn and Serve America and National Senior Service Corps programs. Training and technical assistance authorities are also extended to all programs supported by the Corporation.

Finally, various redundant or obsolete authorities are repealed, including VISTA Literacy Corps; certain Special Volunteer Programs; and Challenge Grants for National Service Programs. Changes in administration and organization include clarifying the role of the Corporations' appointed representatives to State Commissions; revising the process for terminating grant assistance; revising participant hearing and grievance procedures; adding authority for personal services contracts; providing retirement incentive (buy out) authority; and modifying references to the Corporation's Managing Directors.

Authorities for authorization of appropriations (President's Budget for FY 1998 and such sums as are necessary for fiscal years 1999-2002) are also provided and various technical budgetary and appropriations issues are addressed, including removal of a requirement limiting the use of AmeriCorps\*VISTA Members to support other Corporation programs, and removal of a redundant requirement mandating a minimum number of AmeriCorps\*VISTA service years. As you may be aware, authorization for programs under the National and Community Service Act and the Domestic Volunteer Service Act expires at the end of fiscal year 1997.

On behalf of the Administration, I respectfully request prompt consideration and enactment of this necessary legislation. I look forward to discussions with the Congress about the specifics of the proposal, and wish to recognize in advance the strong bipartisan commitment to service.

The Office of Management and Budget advises that there is no objection to the presentation of this proposed legislation to Congress and that its enactment would be in accord with the program of the President.

Sincerely,

Harris Wofford  
Chief Executive Officer

Enclosure

1 A BILL

2 To extend for five years the authorization of appropriations for the programs under the  
3 National and Community Service Act of 1990 and the Domestic Volunteer Service Act of 1973,  
4 and for other purposes.

5 Be it enacted by the Senate and the House of Representatives of the United States of  
6 America in Congress assembled, That this Act may be cited as the "National and Community  
7 Service Improvements Act of 1997".

8 TABLE OF CONTENTS

9 SEC. 1. The table of contents for this Act is as follows:

10  
11 Sec. 1. Table of contents.  
12 Sec. 101. References.

13  
14  
15 TITLE I - AMENDMENTS TO NATIONAL AND COMMUNITY SERVICE  
16 ACT OF 1990

17  
18 SUBTITLE A - AMENDMENTS TO SUBTITLE A (GENERAL PROVISIONS)

19  
20 Sec. 111. Purposes of Act.  
21 Sec. 112. Definitions.

22  
23  
24 SUBTITLE B - AMENDMENTS TO SUBTITLE B (SCHOOL-BASED AND COMMUNITY-  
25 BASED SERVICE- LEARNING PROGRAMS)

26  
27  
28 Sec. 121. Recipients of school-based grants.  
29 Sec. 122. Streamlining school-based applications.  
30 Sec. 123. Grants and allotments.  
31 Sec. 124. Applications to the Corporation.  
32 Sec. 125. Limitations on uses of funds.  
33 Sec. 126. General authority; State administrative flexibility.  
34 Sec. 127. Clearinghouse.  
35 Sec. 128. Indian Tribes and U.S. Territories.

1 Sec. 129. Multi-state, demonstration, and other initiatives.  
2 Sec. 131. Higher education programs for community service.

3  
4 SUBTITLE C - AMENDMENTS TO SUBTITLE C (NATIONAL SERVICE TRUST  
5 PROGRAM)  
6

7 Sec. 141. Restrictions on Federal agencies; limits on Corporation costs.  
8 Sec. 142. Training and technical assistance.  
9 Sec. 143. Assistance to State Commissions.  
10 Sec. 144. Grants to States; disability funds; reduction in Corporation costs.  
11 Sec. 145. Volunteer generation.  
12 Sec. 146. Selection of national service participants.  
13 Sec. 147. Release for compelling personal circumstances.  
14 Sec. 148. Adjustments to living allowance.  
15 Sec. 149. Waiver of requirements regarding matching funds and use of  
16 assistance.

17  
18 SUBTITLE D - AMENDMENTS TO SUBTITLE D (NATIONAL SERVICE TRUST AND  
19 PROVISION OF NATIONAL SERVICE EDUCATIONAL AWARDS)  
20

21 Sec. 151. Availability of funds in the National Service Trust.  
22 Sec. 153. Disbursement of national service educational awards; tax  
23 treatment.  
24 Sec. 154. National Service Scholars Program.

25  
26 SUBTITLE E - AMENDMENTS TO SUBTITLE E (NATIONAL CIVILIAN COMMUNITY  
27 CORPS)  
28

29 Sec. 161. Purpose.  
30 Sec. 162. Minimum age.  
31 Sec. 163. Team Leaders.  
32 Sec. 164. Consultation with State Commissions.  
33 Sec. 165. Authorized benefits for Corps members.  
34 Sec. 166. Permanent Cadre.  
35 Sec. 167. Advisory Board.

36  
37 SUBTITLE F - AMENDMENTS TO SUBTITLE F (ADMINISTRATIVE PROVISIONS)

38 Sec. 171. Prohibitions on use of assistance.  
39 Sec. 172. Notice, hearing, and grievance procedures.  
40 Sec. 173. Treatment of benefits.  
41 Sec. 174. Agreements with States.

1  
2 SUBTITLE G - AMENDMENTS TO SUBTITLE G  
3 (CORPORATION FOR NATIONAL AND COMMUNITY SERVICE)  
4

- 5 Sec. 181. Peer reviewers.  
6 Sec. 182. Officers.  
7 Sec. 183. Personal services contracts.  
8 Sec. 184. Voluntary separation incentive payments.  
9

10 SUBTITLE H - AMENDMENT TO TITLE III (POINTS OF LIGHT FOUNDATION)  
11

- 12 Sec. 301. Points of Light Foundation.  
13

14 SUBTITLE I - AMENDMENTS TO TITLE V (AUTHORIZATION OF APPROPRIATIONS)  
15

- 16 Sec. 501. Authorization of Appropriations.  
17

18  
19 TITLE II - AMENDMENTS TO DOMESTIC VOLUNTEER SERVICE ACT OF  
20 1973  
21

22 SUBTITLE A - AMENDMENTS TO TITLE I (NATIONAL VOLUNTEER  
23 ANTIPOVERTY PROGRAMS)  
24

- 25 Sec. 611. Purpose of the VISTA program.  
26 Sec. 612. Authority to operate VISTA program.  
27 Sec. 613. Assistance in post-transition.  
28 Sec. 614. Cost-sharing.  
29 Sec. 615. Limitation on number of terms of service.  
30 Sec. 616. Grievance procedure.  
31 Sec. 617. Competition requirement for grants and contracts.  
32 Sec. 618. Repeal of VISTA literacy corps.  
33 Sec. 619. Emphasis on merit selection of projects.  
34 Sec. 620. Repeal of Special Volunteer Programs.  
35

36 SUBTITLE B - AMENDMENTS TO TITLE II (NATIONAL SENIOR VOLUNTEER CORPS)  
37

- 38 Sec. 631. Change in name; purpose.  
39 Sec. 632. Grants and contracts for volunteer service projects.  
40 Sec. 633. Age-related eligibility for enrollment.  
41 Sec. 634. Agreement on services.  
42 Sec. 635. Definition of low-income persons.

- 1 Sec. 636. Participation regardless of income.
- 2 Sec. 637. Foster Grandparent Leaders.
- 3 Sec. 638. Age-related eligibility for enrollment.
- 4 Sec. 639. Senior Companion Leaders.
- 5 Sec. 640. Programs of national significance.

6

7 SUBTITLE C - AMENDMENTS TO TITLE IV (ADMINISTRATION AND

8 COORDINATION)

9

- 10 Sec. 651. Notice and hearing procedures for suspension and termination of
- 11 financial assistance.
- 12 Sec. 652. Family and medical leave.
- 13

14 SUBTITLE D - AMENDMENTS TO TITLE V (AUTHORIZATION OF APPROPRIATIONS)

15

- 16 Sec. 671. Authorization of appropriations for VISTA program.
- 17 Sec. 672. Authorization of appropriations for National Senior Service Corps.
- 18 Sec. 673. Administration and coordination.
- 19 Sec. 674. Evaluation.
- 20

21 TITLE III - TECHNICAL AMENDMENTS

22 SUBTITLE A - TECHNICAL AMENDMENTS TO THE NATIONAL AND COMMUNITY

23 SERVICE ACT OF 1990

24

- 25 Sec. 701. References.
- 26 Sec. 702. Technical amendments to table of contents.
- 27 Sec. 703. Technical amendments to subtitle B.
- 28 Sec. 704. Technical amendments to subtitle C.
- 29 Sec. 705. Technical amendments to subtitle D.
- 30 Sec. 706. Technical amendments to subtitle E.
- 31 Sec. 707. Technical amendments to subtitle F.
- 32 Sec. 708. Technical amendments to subtitle G.
- 33 Sec. 709. Technical amendments to subtitle H.
- 34

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36 SUBTITLE B - TECHNICAL AMENDMENTS TO THE DOMESTIC VOLUNTEER

37 SERVICE ACT OF 1973

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- 39 Sec. 721. References.
- 40 Sec. 722. Technical amendments to table of contents.
- 41 Sec. 723. Technical amendments to Title I.

1    Sec. 724.                   Technical amendments to Title II.  
2    Sec. 725.                   Technical amendments to Title IV.  
3    Sec. 726.                   Technical amendments to Title V.

4

5                   TITLE IV - AMENDMENTS TO OTHER LAWS

6    Sec. 801.                   Higher Education Act of 1965.  
7    Sec. 802.                   Public Lands Corps.  
8    Sec. 803.                   Urban Youth Corps.

9

10                   TITLE V - EFFECTIVE DATE

11

12    Sec. 901.                   Effective Date.

13

14

1 TITLE I--AMENDMENTS TO NATIONAL AND COMMUNITY SERVICE ACT OF 1990

2 REFERENCES

3 SEC. 101. Except as otherwise specifically provided, whenever in this title an  
4 amendment or repeal is expressed in terms of an amendment to, or repeal of, a provision, the  
5 reference shall be considered to be made to a provision of the National and Community Service  
6 Act of 1990 (42 U.S.C. 12501 et seq.).

7 SUBTITLE A--AMENDMENTS TO SUBTITLE A (GENERAL PROVISIONS)

8 PURPOSES OF ACT

9 SEC. 111. Section 2(b) (42 U.S.C. 12501(b)) is amended--

10 (1) in paragraph (7), by striking "citizens; and" and inserting "citizens;";

11 (2) in paragraph (8), by striking the period and inserting "; and"; and

12 (3) by adding at the end the following:

13 "(9) expand and strengthen service-learning programs to improve the education of  
14 children and youth and to maximize the benefits of national and community service.".

15 DEFINITIONS

16 SEC. 112. Section 101 (42 U.S.C. 12511) is amended--

17 (1) in paragraph (2), by striking "approved national service position" both places  
18 it appears and inserting "AmeriCorps national service position";

19 (2) in paragraph (17)(B), by striking "program in which the participant is  
20 enrolled" and inserting "organization or organizations receiving assistance under the national  
21 service laws through which the participant enrolls in an AmeriCorps national service position";

(3) in paragraph (26), by striking the second sentence;

(4) by redesignating paragraph (29) as paragraph (30); and

(5) by inserting after paragraph (28) the following:

“(29) STATE AGENCY FOR HIGHER EDUCATION.--The term “State agency for higher education” means the State board of higher education or other agency or officer primarily responsible for the State supervision of higher education, or, if there is no such officer or agency, an officer or agency designated for the purpose of carrying out this part by the Governor or by State law.”.

SUBTITLE B--AMENDMENTS TO SUBTITLE B (SCHOOL-BASED AND COMMUNITY  
BASED SERVICE-LEARNING PROGRAMS)

RECIPIENTS OF SCHOOL-BASED GRANTS

SEC. 121. Section 111(42 U.S.C. 12521(a)) is amended--

(1) in the heading, by striking “AUTHORITY TO ASSIST STATES AND INDIAN TRIBES” and inserting “AUTHORITY TO MAKE GRANTS AND ALLOTMENTS”;

(2) in subsection (a)--

(A) in the matter preceding paragraph (1), by striking “(through State educational agencies), and to Indian tribes,”;

(B) in paragraph (1), by striking “or Indian tribes (which may be accomplished through grants or contracts with qualified organizations)”;

(C) in paragraph (3), by striking “paragraph (2); and” and inserting “paragraph (2);”;

(D) in paragraph (4), by striking the period and inserting “; and”; and

(E) by adding at the end the following: “(5) providing training and technical assistance to service-learning programs.”;

(3) in subsection (c)--

(A) by striking “A partnership, local educational agency, or other qualified organization” and inserting “An entity”; and

(B) by inserting “training and technical assistance,” before “and evaluations”; and

(4) by adding at the end the following:

“(d) STATE ADMINISTRATION.--

“(1) A State may apply for assistance under this subpart either through a State educational agency or through a State Commission.

“(2) If a State applies for assistance under this subpart through a State Commission, all references in this subpart to a State educational agency shall be deemed to include a State Commission.

“(3) A State receiving assistance under this subpart must ensure that the State educational agency and the State Commission coordinate their respective activities.”.

## STREAMLINING SCHOOL-BASED APPLICATIONS

SEC. 122. Subpart A is amended by striking section 111A (42 U.S.C. 12522), section 111B (42 U.S.C. 12523), and section 114 (42 U.S.C. 12526).

## GRANTS AND ALLOTMENTS

1 SEC. 123. Section 112 (42 U.S.C. 12524) is amended--

2 (1) by striking subsection (a);

3 (2) by redesignating subsections (b), (c), and (d) as subsections (a), (b), and (c),  
4 respectively;

5 (3) in subsection (a) (as redesignated by this section)--

6 (A) in the matter preceding paragraph (1), by striking "The Corporation"  
7 and inserting "After operation of subpart D, the Corporation";

8 (B) in paragraph (1)--

9 (i) by striking "25 percent" and inserting "30 percent"; and

10 (ii) by striking "to--" and all that follows and inserting "to States.";

11 (C) in paragraph (2), by striking "37.5 percent" each place it appears and  
12 inserting "35 percent"; and

13 (D) in paragraph (3)--

14 (i) by striking "the allotment such State received for fiscal year  
15 1993 under section 112(b) of this Act, as in effect on the day before the date of enactment of this  
16 part" and inserting "\$100,000"; and

17 (ii) by striking "25 percent" and inserting "30 percent";

18 (4) in subsection (b) (as redesignated by this section)--

19 (A) by striking "or Indian tribe" each place it appears;

20 (B) by striking ", and Indian tribes,"; and

21 (C) by striking ", after making any grants under section 111A to a

partnership or agency described in such section.”; and

(5) in subsection (c) (as redesignated by this section)--

(A) by striking “subsections (a) and (b)” and inserting “subsection (a)”;

and

(B) by striking “and Indian tribes,”.

#### APPLICATIONS TO THE CORPORATION

SEC. 124. Section 113 (42 U.S.C. 12525) is amended--

(1) in the heading, by striking “STATE OR TRIBAL APPLICATIONS” and inserting “APPLICATIONS TO THE CORPORATION”.

(2) in subsection (a), by striking “a grant under section 112(b)(1), an allotment under subsection (a) or (b)(2) of section 112, a reallocation under section 112(c), or a grant under section 112(d), a State, acting through the State educational agency, or an Indian tribe,” and inserting “assistance under this subpart, an applicant”;

(3) in subsection (b)(2)(A), by striking “; and” and inserting a semi-colon;

(4) in subsection (b)(2)(B)--

(A) by striking “section 177” and inserting “section 174”;

(B) by striking “section 176(f)” and inserting “section 176(e)”;

(C) by striking “; and” and inserting a semi-colon; and

(5) by inserting after subsection (b)(2)(B) the following:

“(C) the applicant selected programs on a competitive basis; and”.

#### LIMITATIONS ON USES OF FUNDS

SEC. 125. Section 116A (42 U.S.C. 12530) is amended--

(1) in subsection (a)(1), by striking “a State educational agency, Indian tribe, or grantmaking entity that is the original recipient of a grant or allotment under subsection (a), (b), (c), or (d) of section 112” and inserting “the original recipient of a grant or allotment under this subpart”;

(2) in subsection (b)(1)--

(A) by striking “Except” and inserting “Subject to the restrictions”;

(B) by striking “not more than 15 percent” and inserting “not more than 25 percent”;

(C) by striking “or Indian tribe”; and

(D) by striking “subsection (a), (b), (c), or (d) of section 112” and inserting “this subpart”; and

(3) by amending paragraph (2) to read as follows:

“(2) RESTRICTIONS.--The Chief Executive Officer may place restrictions on the types and amounts of activities authorized in paragraph (1).”.

#### GENERAL AUTHORITY; STATE ADMINISTRATIVE FLEXIBILITY

SEC. 126. Section 117A (42 U.S.C. 12542) is amended--

(1) in subsection (a)--

(A) by striking “From the funds appropriated” and inserting “After operation of subpart D, from the funds appropriated”; and

(B) by striking “, grantmaking entities, and qualified organizations”;

(2) by redesignating subsection (b) as subsection (c);

(3) by adding after subsection (a) the following:

“(b) STATE ADMINISTRATION.--

“(1) A State may apply for assistance under this subpart either through a State educational agency or through a State Commission.

“(2) If a State applies for assistance under this subpart through a State educational agency, all references in this subpart to a State Commission shall be deemed to include a State educational agency.

“(3) A State receiving assistance under this subpart must ensure that the State educational agency and the State Commission coordinate their respective activities.”; and

(4) in subsection (c) (as redesignated by this section)--

(A) in paragraph (1), by striking “STATE COMMISSIONS AND GRANTMAKING ENTITIES.--A State Commission or grantmaking entity” and inserting “GRANTMAKING.--A State Commission”; and

(B) in paragraph (2), by striking “, other than a grantmaking entity,”.

#### CLEARINGHOUSE

SEC. 127. Section 118 (42 U.S.C. 12551) is amended--

(1) in subsection (a), by striking “The Corporation shall provide financial assistance, from funds appropriated to carry out subtitle H,” and inserting “The Corporation may provide financial assistance”; and

(2) in subsection (b), by striking “PUBLIC OR PRIVATE NONPROFIT

1 ORGANIZATIONS--Public or private nonprofit organizations” and inserting “ELIGIBLE  
2 ORGANIZATIONS--Organizations.”.

3 INDIAN TRIBES AND U.S. TERRITORIES

4 SEC. 128. Subtitle B is amended by adding after subpart C the following:

5 “SUBPART D--INDIAN TRIBES AND U.S. TERRITORIES

6 “SEC. 118A. INDIAN TRIBES AND U.S. TERRITORIES

7 “(a) ALLOTMENT--Of the amounts appropriated to carry out subpart A and subpart B  
8 for any fiscal year, the Corporation shall reserve an amount of not more than 3 percent for  
9 payments to Indian tribes, the United States Virgin Islands, Guam, American Samoa, and the  
10 Commonwealth of the Northern Mariana Islands, to be allotted in accordance with their  
11 respective needs.

12 “(b) RULES--Unless specifically authorized otherwise by the Corporation, assistance  
13 under this subpart shall be provided and used in accordance with the applicable provision of  
14 subpart A or subpart B, as the case may be.”.

15 MULTI-STATE, DEMONSTRATION, AND OTHER INITIATIVES

16 SEC. 129. Subtitle B is amended by adding after subpart D the following:

17 “SUBPART E--MULTI-STATE, DEMONSTRATION, AND OTHER INITIATIVES

18 “SEC. 118B. DEFINITIONS.

19 “As used in this subpart:

20 “(1) GRANTMAKING ENTITY--The term “grantmaking entity” means a  
21 qualified organization that--

“(A) submits an application under section 118C to make grants to qualified organizations;

“(B) was in existence at least one year before the date on which the entity submitted the application; and

“(C) meets such other criteria as the Chief Executive Officer may establish.

“(2) QUALIFIED ORGANIZATION.--The term “qualified organization” has the same meaning given the term in section 117.

“SEC. 118C. GRANTS TO SUPPORT MULTI-STATE, DEMONSTRATION, AND OTHER INITIATIVES.

“(a) METHODS OF SUPPORTING ACTIVITIES.--From the funds appropriated to carry out this subpart for a fiscal year, the Corporation may make grants to, or enter into contracts or cooperative agreements with, eligible entities to support multi-State, demonstration, or other activities to improve or expand effective service-learning programs.

“(b) ELIGIBLE ENTITIES.--Eligible entities under this subpart are--

“(1) grantmaking entities;

“(2) qualified organizations;

“(3) institutions of higher education; and

“(4) subdivisions of States.

“(c) AUTHORIZED ACTIVITIES.--Funds under this subpart may be used to--

“(1) conduct school-based or community-based programs in more than one State;

“(2) conduct school-based or community-based programs of sufficient size to serve as national models;

“(3) replicate a school-based or community-based program in more than one locality; or

“(4) provide training and technical assistance and to disseminate materials and information about best practices to school-based and community-based programs.”.

#### HIGHER EDUCATION PROGRAMS FOR COMMUNITY SERVICE

SEC. 131. Section 119 (42 U.S.C. 12561) is amended--

(1) in the heading, by striking “INNOVATIVE”;

(2) in subsection (a)--

(A) by striking “supporting innovative community service programs” and inserting “supporting service-learning and community service programs”; and

(B) by striking the period and inserting “and across the nation.”;

(3) in subsection (b)--

(A) in the matter preceding paragraph (1), by striking “make grants to, and enter into contracts with, institutions of higher education (including a combination of such institutions) and partnerships comprised of such institutions and of other public or private nonprofit organizations, to pay for” and inserting “to pay for, by grant, contract, or cooperative agreement”;

(B) in paragraph (1), by striking “enabling such an institution or partnership to create or expand” and inserting “creating or expanding”;

1 (C) in paragraph (6), by striking “and”;

2 (D) in paragraph (7), by striking the period and inserting “; and”; and

3 (E) by adding at the end the following:

4 “(8) support other activities described in section 111(c).”;

5 (4) by redesignating subsections (c) through (g) as subsections (d) through (h),  
6 respectively;

7 (5) by inserting after subsection (b) the following:

8 “(c) ELIGIBLE APPLICANTS--Eligible applicants under this part are--

9 “(1) Institutions of higher education (including such institutions that apply as part  
10 of a consortium of public or private nonprofit organizations);

11 “(2) State Commissions (as part of a consortium that includes at least one  
12 institution of higher education); and

13 “(3) State agencies for higher education (as part of a consortium that includes at  
14 least one institution of higher education).”;

15 (6) in subsection (d)(1)(A) (as redesignated by this section), by striking “carrying  
16 out a community service project” and inserting “carrying out a service-learning or community  
17 service project”;

18 (7) in subsection (e)(2)(A)(ii) (as redesignated by this section)--

19 (A) by striking “section 177” and inserting “section 174”; and

20 (B) by striking “section 176(f)” and inserting “section 176(e)”; and

21 (8) in subsection (f) (as redesignated by this section)--

(A) in the matter preceding paragraph (A), by striking “(1) In general.--In making grants and entering into contracts under subsection (b), the Corporation shall give priority to applicants that submit applications containing proposals that--” and inserting: “In making grants and entering into contracts under subsection (b), the Corporation may give priority to proposals that--”;

(B) by striking paragraph (2);

(C) by redesignating subparagraphs (A) through (G) as paragraphs (1) through (7), respectively;

(D) in paragraph (1) (as redesignated by this section), by striking “supporting the community service projects” and inserting “supporting the service-learning and community service projects”; and

(E) in paragraph (4) (as redesignated by this section)--

(i) by redesignating clauses (i), (ii), and (iii) as subparagraphs (A), (B), and (C), respectively; and

(ii) in subparagraph (B) (as redesignated by this section), by redesignating subclauses (I), (II), and (III) as clauses (i), (ii), and (iii), respectively.

SUBTITLE C--AMENDMENTS TO SUBTITLE C (NATIONAL SERVICE TRUST PROGRAM)

RESTRICTIONS ON FEDERAL AGENCIES; LIMITS ON CORPORATION COSTS

SEC. 141. Section 121 (42 U.S.C. 12571) is amended--

(1) in subsection (b)--

(A) in the matter preceding paragraph (1), by inserting “RESTRICTIONS ON” before “AGREEMENTS WITH FEDERAL AGENCIES”;

(B) by striking paragraph (2) and inserting the following:

“(2) PROHIBITION ON OPERATIONAL ASSISTANCE.--The Corporation may not provide operational assistance to a Federal agency.”; and

(C) in paragraph (3)--

(i) by striking “receiving assistance under this subsection” and inserting “operating a national service program”; and

(ii) by striking “using such assistance”;

(2) in subsection (d)--

(A) in paragraph (1), by striking “or (b)”;

(B) in paragraph (2)(A), by striking “or (b)”;

(3) by adding at the end the following:

“(f) COST OF PARTICIPANTS.--

“(1) The Corporation’s share of the cost of positions approved under the national service laws, as measured by the average budgeted cost per individual enrolled in an AmeriCorps national service position, including administrative and support costs attributable to such individuals, may not exceed--

“(A) \$16,000 in fiscal year 1998 funds;

“(B) \$15,000 in fiscal year 1999 funds; and

“(C) \$15,000, adjusted in inflation, as measured by the Consumer Price

1 Index for All Urban Consumers published by the Secretary of Labor, in fiscal years 2000 through  
2 2002.

3 “(2) The limits in paragraph (1) are based on aggregate Corporation expenditures  
4 attributable to individuals enrolled in AmeriCorps positions approved under the national service  
5 laws.”.

6 TRAINING AND TECHNICAL ASSISTANCE

7 SEC. 142. Section 125 (42 U.S.C. 12575) is amended--

8 (1) in subsection (a)(1), by striking “national service programs assisted  
9 under section 121” and inserting “programs assisted or allotted AmeriCorps national service  
10 positions under the national service laws”;

11 (2) in subsection (b), in the matter preceding paragraph (1), by striking  
12 “described in section 121” and inserting “assisted or allotted AmeriCorps national service  
13 positions under the national service laws”; and

14 (3) in subsection (b)(2), by striking “under such section or under a grant  
15 program conducted using assistance provided under such section”.

16 ASSISTANCE TO STATE COMMISSIONS

17 SEC. 143. Section 126 (42 U.S.C. 12576) is amended--

18 (1) in subsection (a)--

19 (A) in paragraph (1), by striking “\$125,000” and inserting  
20 “\$200,000”; and

21 (B) in paragraph (2), by striking “, together with other Federal

1 funds available” and all that follows through “assistance under this subsection” and inserting

2 “may not exceed the non-Corporation share of costs to operate the State Commission”; and

3 (2) by striking subsection (c).

4 GRANTS TO STATES; DISABILITY FUNDS; REDUCTION IN CORPORATION COSTS

5  
6 SEC. 144. Section 129 (42 U.S.C. 12581) is amended--

7 (1) in subsection (a)--

8 (A) in the heading, by striking “APPROVED” and inserting

9 “AMERICORPS”;

10 (B) by striking paragraph (1) and inserting the following:

11 “(1) Allotment of assistance to certain States.--

12 “(A) Of the funds allocated by the Corporation for provision of assistance  
13 under subsection (a) of section 121 for a fiscal year, the Corporation shall make a grant under  
14 section 121(a) (and a corresponding allotment of AmeriCorps national service positions) to each  
15 of the several States, the District of Columbia, and the Commonwealth of Puerto Rico that has an  
16 application approved by the Corporation under section 133.

17 “(B) The amount allotted as a grant to each State under subsection (a)(1)  
18 of section 121 for a fiscal year shall be no less than the amount that bears the same ratio to 40  
19 percent of the allocated funds for fiscal year 1998, 43 1/3 percent of the allocated funds for fiscal  
20 year 1999, and 46 1/3 percent of the allocated funds for fiscal years 2000, 2001, 2002, as the case  
21 may be, as the population of the State bears to the total population of the several States, the  
22 District of Columbia, and the Commonwealth of Puerto Rico.

“(C) The amount allotted as a grant to each State under subsection (a)(1) of section 121 for each fiscal year must be equal to or greater than \$500,000.”;

(C) in paragraph (2)--

(i) by striking “provision of assistance under subsections (a) and (b) of section 121” and inserting “provision of assistance under section 121(a)”; and

(ii) by striking the second sentence; and

(D) in paragraph (3), by striking “subsections (a) and (b) of section 121 for a fiscal year, the Corporation shall reserve 1 percent of the allocated funds for grants under section 121(a)” and inserting “section 121(a) for a fiscal year, the Corporation shall reserve one percent for grants”;

(2) by striking subsection (b) and redesignating subsections (c) through (g) as subsections (b) through (f), respectively;

(3) in subsection (b) (as redesignated by this section), by striking “or challenge grants under subsection (c) of such section”;

(4) in subsection (c) (as redesignated by this section)--

(A) in paragraph (1)--

(i) by striking “provision of assistance under subsections (a) and (b) of section 121” and inserting “provision of assistance under section 121(a)”; and

(ii) by striking “the Corporation shall use not less than 33 1/3 percent of the allocated funds to make grants to States” and inserting “the Corporation shall use no more than 26 2/3 percent of the allocated funds in fiscal year 1998, no more than 23 1/3

percent of the allocated funds in fiscal year 1999, and no more than 20 1/3 percent of the allocated funds in fiscal years 2000, 2001, and 2002, as the case may be, to make grants to States”;

(B) in paragraph (2)--

(i) by striking “FEDERAL AGENCIES AND OTHER APPLICANTS” and inserting “OTHER APPLICANTS”;

(ii) by inserting “and” before “institutions of higher education”;

and

(iii) by striking “, and Federal agencies”;

(C) by striking paragraph (3) and redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively; and

(D) in paragraph (4)(B) (as redesignated by this section)--

(i) in the heading, by striking “ASSIST ENTITIES IN PLACING APPLICANTS WHO ARE” and inserting “INCREASE THE PARTICIPATION OF”;

(ii) in clause (i)(I), by striking “receive a grant to carry out a national service program under paragraph (1) or (2)” and inserting “receive assistance or an allotment of AmeriCorps national service positions under the national service laws”;

(iii) in clause (i)(II), by striking “a substantial number of”;

(iv) in clause (i)(III), by striking “placing a substantial number of such individuals with a disability as participants in projects carried out through the program” and inserting “increasing the participation of individuals with a disability in activities carried out

under the national service laws”; and

(v) in clause (ii), by striking “as funds made available through a grant made under paragraph (1) or (2)” and inserting “as the supplemented grant or allotment”; and

(5) by adding at the end the following:

“(g) RESERVATION OF FUNDS TO SUPPORT PROGRAMS REDUCING CORPORATION COSTS.--

“(1) From amounts appropriated for a fiscal year to provide financial assistance under subtitle C and consistent with the restriction in paragraph (2), the Corporation may reserve an amount up to \$15,000,000 to provide operational assistance to programs that receive AmeriCorps national service positions but do not receive funds under section 121(a).

“(2) Operational support under this subsection may not exceed \$1,000 per individual enrolled in an AmeriCorps national service position.

“(3) The Chief Executive Officer may waive, or specify alternative requirements for, requirements otherwise provided in subtitle C in connection with national service positions approved under this subsection after determining that such action will further the purposes of the national service laws.”.

#### VOLUNTEER GENERATION

SEC. 145. Section 133(c) (42 U.S.C. 12585(c)) is amended by redesignating paragraph (8) as paragraph (9) and inserting after paragraph (7) the following:

“(8) If applicable, the extent to which the program generates the involvement of

1 volunteers.”.

2 SELECTION OF NATIONAL SERVICE PARTICIPANTS

3 SEC. 146. Section 138 (42 U.S.C. 12592) is amended--

4 (1) in subsection (e)(3), by striking the second sentence; and

5 (2) by inserting after subsection (e)(3) the following:

6 “(4) Status of Leaders under Federal Law.--

7 “(A) In General.--Except as otherwise provided in this section, individuals  
8 who receive special leadership training from the Corporation and who are assigned by the  
9 Corporation to programs shall not, by reason of their status as such leaders, be considered  
10 Federal employees or be subject to the provisions of law relating to Federal employment.

11 “(B) Work-Related Injuries.--

12 “(i) In general.--For purposes of subchapter I of chapter 81 of title  
13 5, United States Code, relating to the compensation of Federal employees for work injuries,  
14 individuals who receive special leadership training from the Corporation and who are assigned  
15 by the Corporation to programs shall be considered as employees of the United States within the  
16 meaning of the term ‘employee’, as defined in section 8101 of such title.

17 “(ii) Special rule.--In the application of the provisions of  
18 subchapter I of chapter 81 of title 5, United States Code, to an individual referred to in paragraph  
19 (1), the individual shall not be considered to be in the performance of duty while absent from the  
20 individual's assigned post of duty unless the absence is authorized in accordance with procedures  
21 prescribed by the Corporation.

“(iii) Tort Claims Procedure.--Individuals who receive special leadership training from the Corporation and who are assigned by the Corporation to programs shall be considered employees of the United States for purposes of chapter 171 of title 28, United States Code, relating to tort claims liability and procedure.”.

#### RELEASE FOR COMPELLING PERSONAL CIRCUMSTANCES

SEC. 147. Section 139(c) (42 U.S.C. 12593) is amended--

(1) in paragraph (1)(A), by striking “as demonstrated by the participant” and inserting “as determined by the organization responsible for granting a release, if the participant has performed satisfactorily and has completed at least 15 percent of the original term of service”;

(2) in paragraph (2)(A), by striking “provide to the participant that portion of the national service educational award” and inserting “certify the participant's eligibility for that portion of the national service educational award”; and

(3) in paragraph (2)(B), by striking “to allow return to the program with which the individual was serving in order to complete” and inserting “to complete”.

#### ADJUSTMENTS TO LIVING ALLOWANCE

SEC. 148. Section 140 (42 U.S.C. 12594) is amended--

(1) in subsection (a)--

(A) in paragraph (1)--

(i) by striking “paragraph (3)” and inserting “paragraphs (3) and (4)”; and

(ii) by inserting “for twelve months” before “on a full-time basis”;

(B) by redesignating paragraphs (4), (5), and (6) as paragraphs (5) (6), and (7), respectively; and

(C) by inserting after paragraph (3) the following:

“(4) ADJUSTMENT FOR FEDERAL WORK-STUDY STUDENTS.--The living allowance that may be provided to an individual whose term of service includes hours for which the individual receives Federal Work-Study wages shall be reduced by the amount of the individual’s Federal Work-Study award.”; and

(2) in subsection (h), by striking “a third, or subsequent, term” and inserting “more than two terms”.

#### WAIVER OF REQUIREMENTS REGARDING MATCHING FUNDS AND USE OF ASSISTANCE

SEC. 149. Subtitle C is amended by adding at the end the following:

##### “WAIVER OF MATCH REQUIREMENTS AND RULES ON USE OF FUNDS

“SEC. 142. The Corporation may, upon a determination of the Chief Executive Officer that such action furthers the purposes of the national service laws, waive, or specify alternative requirements for, the matching fund requirements under sections 121(e) and 140 and rules on the use of assistance applicable to programs funded under this subtitle, except for the requirements under section 171, sections 173 through 175, section 177, section 180, and sections 183 through 184, which may not be waived.”.

#### SUBTITLE D--AMENDMENTS TO SUBTITLE D (NATIONAL SERVICE TRUST AND PROVISION OF NATIONAL SERVICE EDUCATIONAL AWARDS)

1 AVAILABILITY OF FUNDS IN THE NATIONAL SERVICE TRUST

2 SEC. 151. Section 145 (42 U.S.C. 12601) is amended--

3 (1) in subsection (a)(1)--

4 (A) in subparagraph (A), by striking “and”; and

5 (B) by adding at the end the following:

6 “(C) national service scholarships; and

7 “(D) administrative expenses necessary to ensure effective management of  
8 the Trust;”;

9 (2) in subsection (c), by striking “for payments of national service educational  
10 awards in accordance with section 148.” and inserting “for--

11 “(1) payments of national service educational awards in accordance with section  
12 148;

13 “(2) payments of interest in accordance with section 148(e);

14 “(3) the federal share of national service scholarships in accordance with section  
15 149; and

16 “(4) the necessary cost of administering the disbursement of funds under this  
17 subtitle.”; and

18 (3) in subsection (d)--

19 (A) in paragraph (3)(B), by striking “and”;

20 (B) in paragraph (4)--

21 (i) by striking “approved national service positions” and inserting

1 “AmeriCorps national service positions”; and

2 (ii) by striking the period and inserting “; and”; and

3 (C) by adding at the end the following:

4 “(5) identify the number of students who have been designated as national service  
5 scholars and specify the amount of federal and matching funds expended on an annual basis on  
6 the national service scholar program; and

7 “(6) specify the amount expended on administrative costs during the preceding  
8 fiscal year.”.

9 INDIVIDUALS ELIGIBLE TO RECEIVE A NATIONAL SERVICE EDUCATIONAL  
10 AWARD FROM THE TRUST  
11

12 SEC. 152. Section 146 (42 U.S.C. 12602) is amended--

13 (1) in subsection (a)--

14 (A) in the matter preceding paragraph (1), by striking “if the individual”  
15 and inserting “if the organization responsible for supervision certifies that the individual”;

16 (B) by striking paragraphs (1), (2), and (3); and inserting the following:

17 “(1) met the applicable eligibility requirements for the position; and

18 “(2) (A) successfully completed the required term of service described in  
19 subsection (b) in an AmeriCorps national service position; or

20 “(B)(i) satisfactorily performed prior to being granted a release for  
21 compelling personal circumstances under section 139(c) and

22 “(ii) served at least 15 percent of the required term of service  
23 described in subsection (b); and”; and

(C) by redesignating paragraph (4) as paragraph (3);

(2) in subsection (b), by striking “approved national service position” and inserting “AmeriCorps national service position”;

(3) by striking subsection (c) and inserting the following:

“(c) LIMITATION ON RECEIPT OF EDUCATIONAL AWARDS.--An individual may receive no more than the aggregate value of two full-time national service educational awards.”; and

(4) in subsection (d)(2)(B), by striking “approved national service position” and inserting “AmeriCorps national service position”.

DISBURSEMENT OF NATIONAL SERVICE EDUCATIONAL AWARDS; TAX  
TREATMENT

SEC. 153. Sec. 148 (42 U.S.C. 12604) is amended--

(1) in subsection (a)--

(A) in paragraph (3), by striking “and”;

(B) by redesignating paragraph (4) as paragraph (5); and

(C) by inserting after paragraph (3) the following:

“(4) to pay expenses incurred in enrolling in an educational institution or training establishment that meets the requirements of chapter 36 of title 38, United States Code (38 U.S.C. 3451); and”;

(2) in subsection (b)(7)--

(A) subparagraph (A), by striking “and”;

1 (B) in subparagraph (B), by striking the period and inserting “; and”; and

2 (C) by adding the following:

3 “(C) any loan--

4 “(i) made directly to a student by an eligible lender, as defined by

5 Section 435 of the Higher Education Act of 1965 (20 U.S.C. 1085); and

6 “(ii) used to attend an institution of higher education; and

7 “(D) any loan--

8 “(i) made directly to a student; and

9 “(ii) determined by an institution of higher education to be

10 necessary to cover a student's cost of attendance at the institution.”;

11 (3) in subsection (c)--

12 (A) in paragraph (5), by striking “approved national service positions” and

13 inserting “AmeriCorps national service positions”; and

14 (B) by striking paragraph (6);

15 (4) in subsection (e), by striking “subsection (b)(6)” and inserting “subsection

16 (b)(7)”;

17 (5) in subsection (f), by striking “Director” and inserting “Chief Executive

18 Officer”; and

19 (6) by adding at the end the following:

20 “(h) TREATMENT OF EDUCATIONAL AWARD AS EDUCATIONAL

21 ASSISTANCE.--For purposes of section 127 of the Internal Revenue Code of 1986 (26 U.S.C.

127), payments under section 148 of subtitle D shall be considered educational assistance.”.

NATIONAL SERVICE SCHOLARS PROGRAM

SEC. 154. Subtitle D is amended by adding at the end the following:

“SEC. 149. NATIONAL SERVICE SCHOLARS PROGRAM

“(a) PROGRAM AUTHORIZED.--The Corporation may use amounts in the Trust to support a National Service Scholars Program to recognize high school juniors and seniors who are engaged in outstanding community service.

“(b) APPROVED USE OF SCHOLARSHIPS.--The Corporation may use amounts in the Trust to supplement locally-funded scholarships to help cover an individual’s postsecondary education or job training costs.

“(c) CORPORATION SHARE.--The Corporation’s share of an individual’s scholarship under this program may not exceed \$500.”.

SUBTITLE E--AMENDMENTS TO SUBTITLE E (NATIONAL CIVILIAN COMMUNITY CORPS)

PURPOSE

SEC. 161. Section 151 (42 U.S.C. 12611) is amended--

(1) in the matter preceding paragraph (1), by striking “provide a basis for determining”;

(2) in paragraph (1)--

(A) by striking “whether” and inserting “use”; and

(B) by striking “can significantly increase” and inserting “to increase”;

(3) in paragraph (2), by striking “whether such programs can”;

(4) in paragraph (3)--

(A) by striking “whether” and inserting “provide an opportunity for”;

(B) by striking “can provide” and inserting “to provide”; and

(C) by striking “and”;

(5) in paragraph (4)--

(A) by striking “whether” and inserting “offer”;

(B) by striking “can serve as a substitute for the traditional option” and inserting “as an alternative to the traditional option”; and

(C) by striking the period and inserting “; and”; and

(6) by adding at the end the following:

“(5) meet national and community needs related to natural and other disasters in coordination with the Federal Emergency Management Agency and other public and private organizations.”.

#### MINIMUM AGE

SEC. 162. Section 153(b) (42 U.S.C. 12613(b)) is amended--

(1) in paragraph (1), by striking “at least 16” and inserting “at least 18”; and

(2) by striking paragraph (2) and inserting the following:

“(2)(A) has received a high school diploma or its equivalent; or

“(B)(i) has not dropped out of an elementary or secondary school to enroll in the program; and

“(ii) agrees to obtain a high school diploma or its equivalent.”.

#### TEAM LEADERS

SEC. 163. Section 155 (42 U.S.C. 12615) is amended by inserting after subsection (b)(3) the following:

“(4) Team Leaders.--The Director may select individuals with prior supervisory or service experience to be Team Leaders in the National Civilian Community Corps to perform service that includes leading and supervising teams of Corps Members. Team Leaders shall--

“(A) be selected without regard to the age limitation under section 153(b)(1);

“(B) be members of the National Civilian Community Corps; and

“(C) be provided the rights and benefits applicable to Corps Members, except that the limitation on the amount of living allowance under section 158(b) shall not apply.”.

#### CONSULTATION WITH STATE COMMISSIONS

SEC. 164. Sec. 157 (42 U.S.C. 12617) is amended--

(1) in subsection (b)(2), by inserting “State Commissions,” before “and persons involved in other youth service programs.”; and

(2) in subsection (c), inserting after paragraph (2) the following:

“(3) Environmental Projects and Disaster Assistance.--The Director shall place appropriate emphasis on projects addressing the environment and in support of disaster relief efforts.”.

AUTHORIZED BENEFITS FOR CORPS MEMBERS

SEC. 165. Section 158 (42 U.S.C. 12618) is amended--

(1) by striking subsections (e) and (g); and

(2) by redesignating subsection (f) as subsection (e).

PERMANENT CADRE

SEC. 166. Section 159(c) (42 U.S.C. 12619(c)) is amended--

(1) in paragraph (2)--

(A) in subparagraph (A), by striking "The Director shall establish a permanent cadre of" and inserting "the Chief Executive Officer shall establish a permanent cadre that includes the Director and other appointed supervisors and training instructors"; and

(B) in subparagraph (B), by striking "The Director shall appoint the members" and inserting "The Chief Executive Officer shall consider the recommendations of the Director in appointing the other members"; and

(C) in subparagraph (C), by striking "the Director" and inserting "the Chief Executive Officer"; and

(2) in the first sentence of paragraph (3), by striking "the members" and inserting "other members".

ADVISORY BOARD

SEC. 167. Section 163 (42 U.S.C. 12623) is amended--

(1) in subsection (a), by inserting "the Chief Executive Officer and" before "the Director"; and

(2) in subsection (b)--

(A) in paragraph (8), by inserting “nonprofit organizations,” before  
“industry, youth, and labor unions.”; and

(B) in paragraph (9), by striking “Chief Executive Officer” and inserting  
“Director of the Federal Emergency Management Agency”.

## SUBTITLE F--AMENDMENTS TO SUBTITLE F (ADMINISTRATIVE PROVISIONS)

### PROHIBITIONS ON USE OF ASSISTANCE

SEC. 171. Subtitle F is amended by striking section 174 (42 U.S.C. 12634) and inserting  
the following:

#### “SEC. 174. [42 U.S.C. 12634] PROHIBITIONS ON USE OF ASSISTANCE

“(a) POLITICAL ACTIVITY.--Assistance under this title shall not be used--

“(1) to promote or deter union organizing or related activities;

“(2) to finance, directly or indirectly, any activity designed to influence the  
outcome of an election to public office or other ballot measure;

“(3) to engage in voter registration or other activities relating to voting, other than  
ensuring that program participants have an opportunity to register and to vote;

“(4) for the purpose of influencing legislation, as defined in section 4911 of the  
Internal Revenue Code of 1986 (26 U.S.C. 4911).

“(b) RELIGIOUS PROSELYTIZATION.--Assistance under this title shall not be used to  
provide religious instruction, conduct worship services, engage in any form of religious  
proselytization, provide a material benefit to facilities that are devoted to religious instruction or

1 worship.

2 “(c) NONDUPLICATION.--Assistance under this title shall not be used to duplicate an  
3 activity otherwise available in the same community.

4 “(d) NONDISPLACEMENT.--Assistance under this title shall not be used to--

5 “(1) displace or supplant an employee or an employee's duties or position;

6 “(2) reduce an employee's hours, wages, or employment benefits;

7 “(3) infringe on an employee's promotional opportunities;

8 “(4) duplicate activities that would otherwise be performed by an employee as  
9 part of the assigned duties of any employee;

10 “(5) supplant services, duties, or activities with respect to which an individual has  
11 recall rights pursuant to a collective bargaining agreement or applicable personnel procedures;

12 “(6) support services or duties that have been performed by or were assigned to  
13 any--

14 “(A) presently employed worker;

15 “(B) employee who recently resigned or was discharged;

16 “(C) employee who is subject to a reduction in force or has recall rights  
17 pursuant to a collective bargaining agreement or applicable personnel procedures;

18 “(D) employee who is on leave (terminal, temporary, vacation, emergency,  
19 or sick); or

20 “(E) employee who is on strike or who is being locked out.

21 “(e) EXISTING CONTRACTS.--Assistance under this title shall not be used to impair

existing contracts for service or collective bargaining agreements.

“(f) BENEFICIARIES.--

“(1) In General.--Assistance under this title shall not be used to provide a primary and direct benefit to any--

“(A) business organized for profit, except as provided in paragraph (2);

“(B) labor union;

“(C) partisan political organization;

“(D) organization engaged in religious activities, unless such service does not involve the use of assistance to--

“(i) give religious instruction;

“(ii) conduct worship services;

“(iii) provide instruction as part of a program that includes mandatory religious education or worship;

“(iv) construct or operate facilities devoted to religious instruction or worship or to maintain facilities primarily or inherently devoted to religious instruction or worship; or

“(v) engage in religious proselytization; or

“(E) nonprofit organization, if a substantial part of the organization's activities consist of influencing legislation, as defined in section 4911 of the Internal Revenue Code of 1986 (26 U.S.C. 4911).

“(2) Regional Corporation.--The prohibition in paragraph (1) regarding benefits to

businesses organized for profit shall not apply with respect to a Regional Corporation, as defined in section 3(g) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(g)), that is established in accordance with such Act as a for-profit corporation but that is engaging in nonprofit activities.

“(g) STANDARDS OF CONDUCT.--Programs that receive assistance under this title shall establish and stringently enforce standards of conduct at the program site to promote proper moral and disciplinary conditions.

“(h) RULES AND REGULATIONS.--The Chief Executive Officer shall issue rules and regulations to provide for the enforcement of this section that shall include provisions for summary suspension of assistance for not more than 30 days, on an emergency basis, until notice and an opportunity to be heard can be provided.”.

#### NOTICE, HEARING, AND GRIEVANCE PROCEDURES

SEC. 172. Section 176 (42 U.S.C. 12636) is amended--

(1) in subsection (a)--

(A) in paragraph (1)--

(i) by striking “a contract or grant providing assistance” and inserting “an agreement providing assistance”;

(ii) by striking “related to the grant or contract” and inserting “related to the agreement”;

(iii) by striking “approved national service positions” and inserting “AmeriCorps national service positions”; and

(iv) by striking “any such grant or contract issued” and inserting  
“any agreement made”; and

(B) in paragraph (2)--

(i) in subparagraph (A), by striking “of this title”; and

(ii) in subparagraph (B), by striking “applicable terms and  
conditions of this title” and inserting “the applicable terms and conditions”;

(2) by striking subsections (b) and (f);

(3) by redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d),  
respectively; and

(4) by inserting after subsection (d) (as redesignated by this section) the  
following:

“(e) GRIEVANCE PROCEDURES.--

“(1) In general.--An organization that receives assistance under this title shall  
establish and maintain procedures for the filing and adjudication of grievances from--

“(A) participants, including individuals applying for selection as  
participants, regarding the terms and conditions of service or any adverse action taken against an  
individual participant or applicant; and

“(B) labor organizations, and other affected individuals, regarding  
compliance with subsection (a) or (b) of section 174.

“(2) Deadline for grievances.--Except for a grievance that alleges fraud or  
criminal activity, a grievance shall be made not later than 90 days after the date of the alleged

1 occurrence of the event that is the subject of the grievance.

2 “(3) Hearing procedures.--Subject to the provisions of subparagraphs (A) and (B),  
3 the Chief Executive Officer shall prescribe procedures for hearings other than those conducted  
4 under subsection (f)(5).

5 “(A) Hearing.--A hearing on any grievance conducted under this  
6 subsection shall be conducted not later than 30 days after the filing of such grievance.

7 “(B) Decision.--A decision on any such grievance shall be made not later  
8 than 60 days after the filing of such grievance.

9 “(4) Arbitration for grievances regarding duplication or displacement.--

10 “(A) In general.--

11 “(i) Jointly selected arbitrator.--In the event of a decision on a  
12 grievance under subsection (f)(1)(B) that is adverse to the party who filed such grievance, or 60  
13 days after the filing of such grievance if no decision has been reached, such party shall be  
14 permitted to submit such grievance to binding arbitration before a qualified arbitrator who is  
15 jointly selected and independent of the interested parties.

16 “(ii) Appointed arbitrator.--If the parties cannot agree on an  
17 arbitrator, the Chief Executive Officer shall appoint one.

18 “(B) Deadline for proceeding.--An arbitration proceeding shall be held not  
19 later than 45 days after the request for such arbitration proceeding, or, if the arbitrator is  
20 appointed by the Chief Executive Officer in accordance with subparagraph (A)(ii), not later than  
21 30 days after the appointment of such arbitrator.

“(C) Deadline for decision.--A decision concerning a grievance shall be made not later than 30 days after the date such arbitration proceeding begins.

“(D) Cost.--

“(i) In general.--Except as provided in clause (ii), the cost of an arbitration proceeding shall be divided evenly between the parties to the arbitration.

“(ii) Exception.--If a labor organization or other affected individual prevails under a binding arbitration proceeding, the organization receiving assistance under this title that is a party to such grievance shall pay the total cost of such proceeding and the attorneys' fees of such labor organization or other affected individual, as the case may be.

“(5) Proposed placement.--If a grievance is filed regarding a proposed placement of a participant that receives assistance under this title, such placement shall not be made unless the placement is consistent with the resolution of the grievance pursuant to this subsection.

“(6) Remedies.--Remedies for a grievance filed under this subsection include--

“(A) selection or reinstatement of the individual applicant or participant, as the case may be, with commensurate provision of benefits under sections 140 and 141;

“(B) prohibition of the placement described in paragraph (5); and

“(C) in a case in which the grievance involves a violation of subsection (a) or (b) of section 174 and the employer of the displaced employee is the recipient of assistance under this title--

“(i) reinstatement of the displaced employee to the position held by such employee prior to displacement;

“(ii) payment of lost wages and benefits of the displaced employee;

“(iii) reestablishment of other relevant terms, conditions, and

privileges of employment of the displaced employee; and

“(iv) such equitable relief as is necessary to correct any violation of

subsection (a) or (b) of section 174 or to make the displaced employee whole.

“(7) Enforcement of arbitration awards.--Suits to enforce arbitration

awards under paragraph (4) may be brought in any district court of the United States having

jurisdiction of the parties, without regard to the amount in controversy and without regard to the

citizenship of the parties.”.

#### TREATMENT OF BENEFITS

SEC. 173. Subtitle F is amended by striking section 177 (42 U.S.C. 12637) and

inserting the following:

“SEC. 177. [42 U.S.C. 12637] TREATMENT OF BENEFITS.--Section 142(b) of the Job Training Partnership Act shall apply to the projects conducted under this title as if such projects were conducted under the Job Training Partnership Act, except that benefits received under this title shall not affect an individual’s eligibility for benefits under titles II, XVI, XVIII, and XIX of the Social Security Act.”.

#### AGREEMENTS WITH STATES

SEC. 174. Section 178 (42 U.S.C. 12638) is amended--

(1) in subsection (a)(1), by striking “approved national service positions” and

inserting “AmeriCorps national service positions”;

(2) in subsection (c)(3), by striking “, unless the State permits the representative to serve as a voting member of the State Commission or alternative administrative entity”;

(3) in subsection (d)(6)(A), by striking “discussion or decision regarding the provision of assistance or approved national service positions” and inserting “discussion or decision regarding the provision of assistance or AmeriCorps national service positions”;

(4) in subsection (e)(8), by striking “approved national service positions” and inserting “AmeriCorps national service positions”; and

(5) by adding at the end the following:

“(k) AUTHORITY TO ENTER INTO SERVICE COLLABORATION AGREEMENTS WITH STATES.--

“(1) In general.--(A) Consistent with the provisions of subparagraph (B), the Chief Executive Officer may, after determining that such action furthers the purposes of the national service laws, enter into a Service Collaboration Agreement with a Governor to improve the delivery of national service programs in a State.

“(B) If primary responsibility for the State supervision of public elementary and secondary schools is vested under State law in another agency or official, the Service Collaboration Agreement must include that agency or official.

“(2) Purpose and Characteristics of Service Collaboration Agreements.--

“(A) The purpose of Service Collaboration Agreements is to improve the coordinated planning and administration of national service programs in a State.

“(B) Agreements shall identify impediments to efficient administration and operation of national service programs in the State and include measures, including waivers

1 or delegations under paragraphs (3) and (4), to improve the ability of programs to address unmet  
2 community needs in the State.

3 “(C) The Chief Executive Officer may determine the form and duration of  
4 Agreements under this section, except that the duration of an Agreement may not exceed three  
5 years.

6 “(3) Waiver authority.--(A) Except as provided under subparagraph (B), the Chief  
7 Executive Officer may waive, or specify alternative requirements for, requirements of the  
8 national service laws if the Chief Executive Officer determines that such action furthers the  
9 purposes of those laws.

10 “(B) The Chief Executive Officer may not waive requirements under  
11 sections 145 through 149, section 171, sections 173 through 175, section 177, section 180, and  
12 sections 183 through 184.

13 “(4) Delegation authority.--(A) The Chief Executive Officer may, after  
14 determining that such action furthers the purposes of the national service laws, delegate to a  
15 Governor the authority to carry out functions that are otherwise reserved to the Corporation in  
16 connection with the administration of programs established under the national service laws that  
17 operate in the Governor’s State.

18 “(B) The Chief Executive Officer may suspend or revoke for any reason a  
19 delegation made under this subsection.”.

20 SUBTITLE G--AMENDMENTS TO SUBTITLE G (CORPORATION FOR NATIONAL AND  
21 COMMUNITY SERVICE)  
22

## PEER REVIEWERS

SEC. 181. Section 193A (42 U.S.C. 12651d) is amended--

(1) in subsection (b)--

(A) in paragraph (2), by striking “approved national service positions”  
each place it appears and inserting “AmeriCorps national service positions”;

(B) in paragraph (9), by striking the semi-colon and inserting “; and”; and

(C) by striking paragraph (10); and

(D) by redesignating paragraph (11) as paragraph (10);

(2) in subsection (c)--

(A) by redesignating paragraph (10) as paragraph (11); and

(B) inserting after paragraph (9) the following:

“(10) obtain the opinions of peer reviewers in evaluating applications to the  
Corporation for assistance under this title; and”;

(3) by striking subsection (f); and

(4) by redesignating subsection (g) as subsection (f).

## OFFICERS

SEC. 182. Section 194 (42 U.S.C. 12651e) is amended by striking subsection (d).

## PERSONAL SERVICES CONTRACTS

SEC. 183. Section 195 (42 U.S.C. 12651f) is amended--

(1) in subsection (c)(3), by inserting “nonvoting” before “member” both places it  
appears;

(2) by redesignating subsections (e) and (f) as subsections (f) and (g),  
 respectively; and

(3) by inserting after subsection (d) the following:

“(e) PERSONAL SERVICES CONTRACTS.--The Chief Executive Officer may enter  
 into personal service contracts to carry out the Corporation's responsibilities under the national  
 service laws.”.

#### VOLUNTARY SEPARATION INCENTIVE PAYMENTS

SEC. 184. Subtitle G is amended by inserting after section 195 the following:

#### “SEC. 195A. VOLUNTARY SEPARATION INCENTIVE PAYMENTS

“(a) DEFINITION.--The term ‘employee’ means an employee (as defined by section  
 2105 of title 5, United States Code) who--

“(1) is employed by the Corporation;

“(2) is serving under an appointment without time limitation;

“(3) has been currently employed for a continuous period of at least three years;

“(4) has completed twenty years of service cumulatively in the Federal  
 government and is 50 years of age or older; and

“(5) does not fall within any of the following categories--

“(A) a reemployed annuitant under subchapter III of chapter 83 or chapter 84  
 of title 5, United States Code, or another retirement system for employees of the agency;

“(B) an employee having a disability on the basis of which such employee is  
 or would be eligible for disability retirement under the applicable retirement system referred to in

1 subparagraph (A);

2 “(C) an employee who is in receipt of a specific notice of involuntary  
3 separation for misconduct or unacceptable performance;

4 “(D) an employee who, upon completing an additional period of service as  
5 referred to in section 3(b)(2)(B)(ii) of the Federal Workforce Restructuring Act of 1994 (5 U.S.C.  
6 5597 note), would qualify for a voluntary separation incentive payment under section 3 of such  
7 Act;

8 “(E) an employee who has previously received any voluntary separation  
9 incentive payment by the Federal Government under this section or any other authority and has  
10 not repaid such payment;

11 “(F) an employee covered by statutory reemployment rights who is on transfer  
12 to another organization; or

13 “(G) any employee who, during the twenty-four month period preceding the  
14 date of separation, has received a recruitment or relocation bonus under section 5753 of title 5,  
15 United States Code, or who, within the twelve months preceding the date of separation, received  
16 a retention allowance under section 5754 of title 5, United States Code.

17 “(b) AUTHORITY TO PROVIDE VOLUNTARY SEPARATION INCENTIVE  
18 PAYMENTS.--

19 “(1) In General--The Corporation may provide a voluntary separation incentive  
20 payment to an employee if the Chief Executive Officer determines that the payment will assist  
21 the Corporation in administering the national service laws in a more cost-effective and efficient

1 manner.

2 “(2) Amount and Treatment of Payments--A voluntary separation incentive  
3 payment--

4 “(A) shall be paid in a lump sum after the employee’s separation;

5 “(B) shall be paid from appropriations or funds available for the payment  
6 of the basic pay of the employee;

7 “(C) shall be equal to the lesser of--

8 “(i) an amount equal to the amount the employee would be entitled  
9 to receive under section 5595(c) of title 5, United States Code; or

10 “(ii) an amount determined by the Chief Executive Officer not to  
11 exceed \$25,000;

12 “(D) shall not be a basis for payment, and shall not be included in the  
13 computation, of any other type of Government benefit; and

14 “(E) shall not be taken into account in determining the amount of any  
15 severance pay to which the employee may be entitled under section 5595 of title 5, United States  
16 Code, based on any other separation.

17 “(c) ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.--

18 “(1) In General.--In addition to any other payments which it is required to make  
19 under subchapter III of chapter 83 of title 5, United States Code, the Corporation shall remit to  
20 the Office of Personnel Management for deposit in the Treasury of the United States to the credit  
21 of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final

1 basic pay of each employee of the Corporation who is covered under subchapter III of chapter 83  
2 or chapter 84 of title 5, United States Code, to whom a voluntary separation incentive has been  
3 paid under this section.

4 “(2) Definition.--For the purpose of paragraph (1), the term ‘Final basic pay’, with  
5 respect to an employee, means the total amount of basic pay which would be payable for a year  
6 of service by such employee, computed using the employee’s final rate of basic pay, and, if last  
7 serving on other than a full-time basis, with appropriate adjustment therefor.

8 “(d) EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.--An  
9 individual who has received a voluntary separation incentive payment from the Corporation  
10 under this section and accepts any employment for compensation with the Government of the  
11 United States, or who works for any agency of the United States Government through a personal  
12 services contract, within five years after the date of the separation on which the payment is based  
13 shall be required to pay to the Corporation, prior to the individual’s first day of employment, the  
14 entire amount of the incentive payment.

15 “(e) REDUCTION IN CORPORATION EMPLOYMENT LEVELS.--The total number  
16 of funded employee positions in the Corporation shall be reduced by one-half position for each  
17 vacancy created by the separation of any employee who has received, or is due to receive, a  
18 voluntary separation incentive payment under this section. For purposes of this section, positions  
19 and vacancies shall be counted on a full-time-equivalent basis.”.

20 SUBTITLE H--AMENDMENT TO TITLE III (POINTS OF LIGHT FOUNDATION)

21 POINTS OF LIGHT FOUNDATION

SEC. 301. Section 303 (42 U.S.C. 12662) is amended--

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following:

“(b) CORPORATION’S CHIEF EXECUTIVE OFFICER AS EX OFFICIO MEMBER  
OF BOARD OF DIRECTORS.--The Corporation’s Chief Executive Officer may serve as an ex  
officio, nonvoting member of the Foundation’s Board of Directors.”.

SUBTITLE I--AMENDMENTS TO TITLE V (AUTHORIZATION OF  
APPROPRIATIONS)

AUTHORIZATION OF APPROPRIATIONS

SEC. 501. Section 501 (42 U.S.C. 12681) is amended--

(1) in subsection (a)--

(A) in paragraph (1)(A), by striking “, \$45,000,000 for fiscal year 1994  
and such sums as may be necessary for each of the fiscal years 1995 through 1996” and inserting  
“\$53,000,000 for fiscal year 1998 and such sums as may be necessary for each of the fiscal years  
1999 through 2002”;

(B) in paragraph (1)(B)--

(i) in clause (i) by striking “63.75” and inserting “50”;

(ii) in clause (ii)--

(I) by striking “11.25” and inserting “10”; and

(II) by striking “and”;

(iii) by redesignating clause (iii) as clause (iv); and

1 (iv) by adding after clause (ii) the following:

2 “(iii) not more than 15 percent shall be available to provide  
3 financial assistance under subpart E of part I of such subtitle; and”;

4 (C) in paragraph (2)(A)--

5 (i) by striking “provide national service educational awards” and  
6 inserting “administer the National Service Trust and disburse national service educational awards  
7 and scholarships”; and

8 (ii) by striking “\$300,000,000 for fiscal year 1994, \$500,000,000  
9 for fiscal year 1995, and \$700,000,000 for fiscal year 1996” and inserting “\$432,500,000 for  
10 fiscal year 1998 and such sums as may be necessary for fiscal years 1999 through 2002”;

11 (D) in paragraph (3), by striking “such sums as may be necessary for each  
12 of the fiscal years 1995 through 1996” and inserting “\$26,000,000 for fiscal year 1998 and such  
13 sums as may be necessary for each of the fiscal years 1999 through 2002”; and

14 (E) in paragraph (4), by striking “(A) In General.--” and all that follows  
15 and inserting the following: “There are authorized to be appropriated for the administration of  
16 this Act \$29,000,000 for fiscal year 1998 and such sums as are necessary for each of the fiscal  
17 years 1999 through 2002”;

18 (2) in subsection (b), by striking “\$5,000,000 for each of the fiscal years 1994  
19 through 1996” and inserting “\$6,000,000 for fiscal year 1998 and such sums as are necessary for  
20 each of the fiscal years 1999 through 2002”; and

21 (3) by striking subsection (d).

TITLE II--AMENDMENTS TO THE DOMESTIC VOLUNTEER SERVICE ACT OF 1973

REFERENCES

SEC. 601. Except as otherwise specifically provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a provision, the reference shall be considered to be made to a provision of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.).

SUBTITLE A--AMENDMENTS TO TITLE I (NATIONAL VOLUNTEER ANTIPOVERTY PROGRAMS)

PURPOSE OF THE VISTA PROGRAM

SEC. 611. Section 101 (42 U.S.C. 4951) is amended--

(1) in its second sentence, by striking "afflicted with" and inserting "affected by";

and

(2) in its third sentence, by inserting after "local level," the following: "to support efforts by local agencies and organizations to achieve long-term sustainability of VISTA activities,".

AUTHORITY TO OPERATE VISTA PROGRAM

SEC. 612. Section 102 (42 U.S.C. 4952) is amended by striking "one of the Assistant Directors appointed pursuant to section 194(d)(1)(A) of the National and Community Service Act of 1990. Such Director" and inserting "the Director, who".

ASSISTANCE IN POST-SERVICE TRANSITION

SEC. 613. Section 103(d) (42 U.S.C. 4953(d)) is amended by striking "each low-income community volunteer" and all that follows and inserting "each volunteer with information and

support in making the transition to other educational and career opportunities.”.

#### COST-SHARING

SEC. 614. Section 103 (42 U.S.C. 4953) is amended by inserting after subsection (h) the following:

“(i) The Director is encouraged to enter into agreements under which public and private organizations pay for all, or a portion of, the direct cost of supporting volunteers serving under this part.”.

#### LIMITATION ON NUMBER OF TERMS OF SERVICE

SEC. 615. Section 103 (42 U.S.C. 4953) is amended by inserting after subsection (i) the following:

“(j) Except as provided in subsections (1) and (2), volunteers serving under this part may be reenrolled for periods of service in a manner to be determined by the Director.

“(1) No volunteer, other than as provided in subsection (2), may serve for more than a total of 3 years in national service positions funded under this part.

“(2) Any volunteer serving on October 1, 1997, who has served for more than 3 years as of that date, may serve up to a total of five years in national service positions funded under this part.”.

#### GRIEVANCE PROCEDURE

SEC. 616. Section 104(d) (42 U.S.C. 4954(d)) is amended by striking “The Director shall establish” and all that follows and inserting the following:

“(1) The Director shall establish a procedure, including notice and opportunity to

1 be heard, for volunteers and individuals applying to be volunteers under this part to present and  
2 obtain resolution of grievances regarding the terms and conditions of service or any adverse  
3 action taken against an individual volunteer or individual applicant.

4 “(2) A grievance shall be made not later than 90 days after the date of the alleged  
5 occurrence of the event that is the subject of the grievance.

6 “(3) Subject to the provisions of subparagraphs (A) and (B), the Chief Executive  
7 Officer shall prescribe procedures for hearings in connection with individual grievances.

8 “(A) A hearing on any grievance shall be conducted not later than 30 days  
9 after the filing of such grievance.

10 “(B) A decision on any such grievance shall be made not later than 60  
11 days after the filing of such grievance.

12 “(4) Remedies for a grievance include selection or reinstatement of the individual  
13 applicant or volunteer, as the case may be, with commensurate support service provided under  
14 section 105.

15 “(5) The Director shall promptly provide to each volunteer in service on the date  
16 of enactment of this Act, and to each such volunteer beginning service thereafter, information  
17 regarding such procedure and the terms and conditions of their service.”.

#### 18 COMPETITION REQUIREMENT FOR GRANTS AND CONTRACTS

19 SEC. 617. Section 108 (42 U.S.C. 4958) is amended by striking “(a) Of funds  
20 appropriated” and all that follows through “(b)”.

#### 21 REPEAL OF VISTA LITERACY CORPS

SEC. 618. Section 109 (42 U.S.C. 4959) is repealed.

EMPHASIS ON MERIT SELECTION OF PROJECTS

SEC. 619. Section 110 (42 U.S.C. 4960) is amended--

(1) by striking the first sentence;

(2) by inserting after "basis of merit" the following "and achievement of sustainability"; and

(3) by striking ", and shall consider the needs and requirements of projects in existence on such date as well as potential new projects".

REPEAL OF SPECIAL VOLUNTEER PROGRAMS

SEC. 620. Part C of title I is repealed.

SUBTITLE B--AMENDMENTS TO TITLE II (NATIONAL SENIOR VOLUNTEER CORPS)

CHANGE IN NAME; PURPOSE

SEC. 631. Section 200 (42 U.S.C. 5000) is amended--

(1) in the heading, by striking "National Senior Volunteer Corps" and inserting "National Senior Service Corps"; and

(2) in the matter preceding paragraph (1), by striking "the purpose of" and all that follows through "older individuals through volunteer service" and inserting the following: "the purpose of this title to provide--

"(1) opportunities for senior service to meet unmet local, State, and national needs in the areas of education, public safety, health and human needs, and the environment;

"(2) for the National Senior Service Corps, comprised of the Retired and Senior

1 Volunteer Program, the Foster Grandparent Program, and the Senior Companion Program, and  
2 demonstration and other programs, to empower older individuals to contribute to their  
3 communities through volunteer service, enhance the lives of the volunteers and those whom they  
4 serve, and provide communities with valuable services;

5 “(3) opportunities for people 55 years of age or older, through the Retired and  
6 Senior Volunteer Program, to share their experiences, abilities, and skills for the betterment of  
7 their communities and themselves;

8 “(4) opportunities for people 55 years of age or older, through the Foster  
9 Grandparents Program, to impact the lives of children in need;

10 “(5) opportunities for people 55 years of age or older, through the Senior  
11 Companion Program, to provide critical support services and companionship to adults at risk of  
12 institutionalization and who are struggling to maintain a dignified independent life; and

13 “(6) for demonstration and other programs to enable seniors to meet unmet needs  
14 in their communities.”.

#### 15 GRANTS AND CONTRACTS FOR VOLUNTEER SERVICE PROJECTS

16 SEC. 632. Section 201 (42 U.S.C. 5001) is amended--

17 (1) in subsection (a)--

18 (A) in the matter preceding paragraph (1), by striking “in their  
19 community” and inserting “to address community needs”;

20 (B) in paragraph (1), by striking “will not be reimbursed for other than”  
21 and inserting “may be reimbursed for”;

(C) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively; and

(D) by inserting after paragraph (1) the following:

“(2) volunteers making a substantial commitment of time may receive incentives, including monetary incentives, to assist in defraying the costs associated with volunteering.”;

(2) by striking subsection (c); and

(3) by redesignating subsection (d) as subsection (c).

#### AGE-RELATED ELIGIBILITY FOR ENROLLMENT

SEC. 633. Sec. 211(a) (42 U.S.C. 5011(a)) is amended in the first sentence, by striking “aged sixty or over” and inserting “55 years of age or older (with individuals 60 years of age or older given priority for enrollment)”.

#### AGREEMENT ON SERVICES

SEC. 634. Sec. 211(b) (42 U.S.C. 5011(b)) is amended--

(1) in paragraph (1)--

(A) in the matter preceding subparagraph (A), by striking “shall have the exclusive authority to determine pursuant to the provisions of paragraph (2) of this subsection--” and inserting “may determine--”;

(B) in subparagraph (A), by striking “and”;

(C) in subparagraph (B), by striking the period and inserting “; and”;

(D) by adding after subparagraph (B) the following:

“(C) whether it is in the best interests of a mentally retarded child

receiving, and of a particular foster grandparent providing, services in such a project, to continue such relationship after the child reaches the chronological age of 21, if such child was receiving such services prior to attaining the chronological age of 21.”;

(2) by striking paragraph (2);

(3) by redesignating paragraph (3) as paragraph (2);

(4) in paragraph (2) (as redesignated by this section), by striking “paragraphs (1) and (2)” and inserting “paragraph (1)”; and

(5) by adding after paragraph (2) (as redesignated by this section) the following:

“(3) If an assignment of a foster grandparent is suspended or discontinued, the replacement of that foster grandparent shall be determined through the mutual agreement of all parties involved in the provision of services to the child.”.

#### DEFINITION OF LOW-INCOME PERSONS

SEC. 635. Section 211(e) (42 U.S.C. 5011(e)(1)) is amended in paragraph (1) by striking “125 per centum” and inserting “150 percent”.

#### PARTICIPATION REGARDLESS OF INCOME

SEC. 636. Section 211(f) (42 U.S.C. 5011(f)) is amended--

(1) by striking paragraph (1) and inserting the following:

“(1) Subject to the restrictions in subparagraphs (2) through (4), individuals who are not low-income persons may serve as volunteers under this part.”;

(2) by striking paragraph (2) and inserting the following:

“(2) An individual who is not a low-income person may not become a volunteer

1 under this part if allowing such individual to become a volunteer under this part would prevent a  
2 low-income individual from becoming a volunteer under this part or would displace a low-  
3 income person from being such a volunteer.”; and

4 (3) by striking paragraph (4) and inserting the following:

5 “(4) No more than 10 percent of funds appropriated to carry out this part may be  
6 used to pay any cost, including any administrative cost, incurred in connection with volunteers  
7 under this part who are not low-income.”.

#### 8 FOSTER GRANDPARENT LEADERS

9 SEC. 637. Section 211 (42 U.S.C. 5011) is amended by adding at the end the following:

10 “(g) The Director may also support Foster Grandparent Leaders who, on the basis of past  
11 experience as volunteers, special skills, and demonstrated leadership abilities, may coordinate  
12 activities, including training, and otherwise support the service of volunteers under this part.”.

#### 13 AGE-RELATED ELIGIBILITY FOR ENROLLMENT

14 SEC. 638. Section 213(a) (42 U.S.C. 5013(a) is amended by striking “aged 60 or over”  
15 and inserting “55 years of age or older (with individuals 60 years of age or older given priority  
16 for enrollment)”.

#### 17 SENIOR COMPANION LEADERS

18 SEC. 639. Section 213(c)(2) (42 U.S.C. 5011) is amended--

19 (1) in subparagraph (A), by striking the third sentence;

20 (2) by redesignating subparagraph (B) as subparagraph (C); and

21 (3) by inserting after subparagraph (A) the following:

“(B) The Director may also support Senior Companion Leaders who, on the basis of past experience as volunteers, special skills, and demonstrated leadership abilities, may coordinate activities, including training, and otherwise support the service of volunteers under this part.”.

#### PROGRAMS OF NATIONAL SIGNIFICANCE

SEC. 640. Section 225 (42 U.S.C. 5025) is amended--

(1) in subsection (a)--

(A) in paragraph (1)--

(i) by striking “subsection (d) in each fiscal year” and inserting “parts A, B, and C after operation of paragraph (2)”; and

(ii) by striking the period and inserting “, as determined by the Director, and that propose to expand existing programs or have not previously received funds under this title.”; and

(B) by striking paragraphs (2) and (3);

(2) by striking subsections (b), (c), and (d)(1);

(3) by redesignating subsection (d)(2) as subsection (a)(2); and

(4) by redesignating subsection (e) as subsection (b).

#### SUBTITLE C--AMENDMENTS TO TITLE IV (ADMINISTRATION AND COORDINATION)

##### NOTICE AND HEARING PROCEDURES FOR SUSPENSION AND TERMINATION OF FINANCIAL ASSISTANCE

SEC. 651. Section 412 (42 U.S.C. 5054) is amended by striking subsections (a) and (b)

1 and inserting the following--

2 “The Director is authorized, in accordance with the provisions of this section, to  
3 suspend further payments or to terminate payments under any agreement providing assistance  
4 under this Act, whenever the Director determines there is a material failure to comply with the  
5 applicable terms and conditions of any such agreement. The Director shall prescribe procedures  
6 to ensure that

7 “(1) assistance under this Act shall not be suspended for failure to comply  
8 with applicable terms and conditions, except in emergency situations for no more than thirty  
9 days; and

10 “(2) assistance under this Act shall not be terminated for failure to comply  
11 with applicable terms and conditions unless the recipient has been given reasonable notice and  
12 opportunity for a full and fair hearing.”.

13 FAMILY AND MEDICAL LEAVE

14 SEC. 652. Section 415(b) (42 U.S.C. 5055(b)) is amended--

15 (1) by striking “terminated, and (5) be deemed employees” and inserting  
16 “terminated, (5) be deemed employees”; and

17 (2) by striking “pay for such purposes).” and inserting “pay for such purposes)  
18 and (6) be deemed employees of the United States for the purposes of subchapter V of chapter 63  
19 of title 5 (29 U.S.C. 6381).”.

20 SUBTITLE D--AMENDMENTS TO TITLE V (AUTHORIZATION OF APPROPRIATIONS)

21 AUTHORIZATION OF APPROPRIATIONS FOR VISTA PROGRAM

1 SEC. 671. Section 501 (42 U.S.C. 5081) is amended--

2 (1) in the heading, by striking "PROGRAMS" and inserting "PROGRAM";

3 (2) in subsection (a)--

4 (A) in paragraph (1), by striking "parts A and B of title I, excluding  
5 section 109" and all that follows and inserting "parts A and B of title I \$54,000,000 in fiscal year  
6 1998 and such sums as may be necessary for each of the fiscal years 1999 through 2002."; and

7 (B) by striking paragraphs (2) through (5);

8 (3) by striking subsections (b), (c), and (e); and

9 (4) by redesignating subsection (d) as subsection (b).

10 AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL SENIOR SERVICE  
11 CORPS  
12

13 SEC. 672. Section 502 (42 U.S.C. 5082) is amended--

14 (1) in its heading by striking "National Senior Volunteer Corps" and inserting  
15 "National Senior Service Corps";

16 (2) in subsection (a), by striking "\$45,000,000" and all that follows and inserting  
17 "\$45,043,000 for fiscal year 1998 and such sums as may be necessary for each of the fiscal years  
18 1999 through 2002.";

19 (3) in subsection (b), by striking "\$85,000,000" and all that follows and inserting  
20 "\$85,972,000 for fiscal year 1998 and such sums as may be necessary for each of the fiscal years  
21 1999 through 2002.";

22 (4) in subsection (c), by striking "\$40,000,000" and all that follows and inserting  
23 "\$35,449,000 for fiscal year 1998 and such sums as may be necessary for each of the fiscal years

1 1999 through 2002.”; and

2 (5) in subsection (d), by striking “such sums as may be necessary for each of the  
3 fiscal years 1994 through 1996” and inserting “\$10,000,000 for fiscal year 1998 and such sums  
4 as may be necessary for each of the fiscal years 1999 through 2002”.

#### 5 ADMINISTRATION AND COORDINATION

6 SEC. 673. Section 504 (42 U.S.C. 5084) is amended by striking “(a) In General” and all  
7 that follows through “prescribed in section 416” and inserting “For each of the fiscal years 1998  
8 through 2002 there are authorized to be appropriated for the administration of this Act as  
9 provided for in title IV, \$29,836,000 for fiscal year 1998 and such sums as may be necessary for  
10 each of the fiscal years 1999 through 2002.”.

#### 11 EVALUATION

12 SEC. 674. Title V is amended--

13 (1) by redesignating section 505 as section 506; and

14 (2) by inserting after section 504 the following:

#### 15 “EVALUATION

16 “SEC. 505. (a) EVALUATION.--There are authorized to be appropriated for the  
17 purpose of supporting the evaluation activities prescribed in section 416 such sums as may be  
18 necessary for each of the fiscal years 1998 through 2002.

19 “(b) AUTHORIZATION IF NO APPROPRIATIONS EARMARKED FOR  
20 EVALUATION.--For any of the fiscal years 1998 through 2002 in which amounts are not  
21 appropriated under section 505(a), the Director is authorized to expend no more than 2 ½ percent

1 of the amount appropriated under sections 501, 502, and 504 for the purposes prescribed in  
2 section 416.”.

## TITLE III--TECHNICAL AMENDMENTS

SUBTITLE A--TECHNICAL AMENDMENTS TO THE NATIONAL AND  
COMMUNITY SERVICE ACT OF 1990

## REFERENCES

SEC. 701. Except as otherwise specifically provided, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.).

## TECHNICAL AMENDMENTS TO TABLE OF CONTENTS

SEC. 702. Section 1(b) (42 U.S.C. 12591 note) is amended--

(1) by striking "Subtitle B--School-Based and Community-Based Service-Learning Programs" and inserting "Subtitle B--Learn and Serve America";

(2) by striking "Part I--Serve-America Programs" and inserting "Part I--Elementary and Secondary Education";

(3) by inserting after "Sec. 118. Service-learning clearinghouse." the following:

## "SUBPART D--INDIAN TRIBES AND U.S. TERRITORIES

"Sec. 118A. Allotment.

"SUBPART E--MULTI-STATE, DEMONSTRATION, AND  
OTHER INITIATIVES"

"Sec. 118B. Definitions.

"Sec. 118C. Grants to support multi-State, demonstration, and other initiatives.";

(4) by striking “Part II--Higher Education Innovative Programs for Community Service” and inserting “Part II--Higher Education”;

(5) by striking “approved national service positions” each place it appears and inserting “AmeriCorps national service positions”;

(6) by striking section 132 and redesignating section 133 as section 132;

(7) by inserting after “Sec. 148. Disbursement of national service educational awards.” the following: “Sec. 149. National Service Scholars Program.”;

(8) by striking “Subtitle E--Civilian Community Corps” and inserting “Subtitle E--National Civilian Community Corps”;

(9) by striking “Sec. 152. Establishment of Civilian Community Corps Demonstration Program.” and inserting “Sec. 152. Establishment of National Civilian Community Corps Program.”;

(10) by striking “Sec. 155. Civilian Community Corps.” and inserting “Sec. 155. National Civilian Community Corps.”;

(11) by striking “Sec. 174. Prohibition on use of funds.” and inserting “Sec. 174. Prohibitions on use of assistance.”; and

(12) by striking “Sec. 177. Nonduplication and nondisplacement.” and inserting “Sec. 177. Treatment of Benefits.”.

#### TECHNICAL AMENDMENTS TO SUBTITLE B

#### SEC. 703. Subtitle B is amended--

(1) in the heading for subtitle B, by striking “School-Based and Community-

1 Based Service-Learning Programs” and inserting “Learn and Serve America”;

2 (2) in the heading for part I, by striking “Serve-America Programs” and inserting  
3 “Elementary and Secondary Education”;

4 (3) in the heading for Part II , by striking “INNOVATIVE PROGRAMS FOR  
5 COMMUNITY SERVICE”;

6 (4) in section 115 (42 U.S.C. 12527)--

7 (A) in subsection (a)--

8 (i) by striking “under subsection (a), (b), (c), or (d)” and inserting  
9 “under subsection (a), (b), or (c)”; and

10 (ii) by striking “, Indian tribe or grantmaking entity”; and

11 (B) by striking subsection (b);

12 (C) by redesignating subsection (c) as subsection (b); and

13 (D) in subsection (b) (as redesignated by this section), by striking  
14 “112(b)(2)” and inserting “112(a)(2)”;

15 (5) in section 115A (42 U.S.C. 12528)--

16 (A) in subsection (a), in the matter preceding paragraph (1)--

17 (i) by striking “in the State or Indian tribe or in the school district  
18 of the local educational agency”; and

19 (ii) by striking “such State, Indian tribe, or agency” and inserting  
20 “a recipient of assistance under this subpart”; and

21 (B) in subsection (b), by striking “State, Indian tribe, or local educational

1 agency” each place it appears and inserting “recipient of assistance under this subpart”;

2 (6) in section 116B (42 U.S.C. 12531), by striking paragraph (1) and  
3 redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively;

4 (7) in section 117 (42 U.S.C. 12541), by striking paragraph (2) and redesignating  
5 paragraph (3) as paragraph (2);

6 (8) in section 117B(c) (42 U.S.C. 12543(c)), by striking “section 117C(d)” and  
7 inserting “section 117C(b)”;

8 (9) in section 117C (42 U.S.C. 12544)--

9 (A) by striking subsection (a) and (b);

10 (B) by redesignating subsections (c), (d), and (e) as subsections (a), (b),  
11 and (c), respectively;

12 (C) in subsection (a) (as redesignated by this section)--

13 (i) in the heading, by striking “or grantmaking entity”;

14 (ii) in the first sentence--

15 (I) by striking “or grantmaking entity under section  
16 117(A)(b)(1)” and inserting “under section 117(A)(c)(1)” ; and

17 (II) by striking “or entity”; and

18 (iii) in the second sentence, by striking “or entity”;

19 (D) in subsection (b) (as redesignated by this section)--

20 (i) in the matter preceding paragraph (1), by striking “or (b)”;

21 (ii) in paragraph (1)--

(I) by striking “section 177” and inserting “section 174”;

and

(II) by striking “section 176(f)” and inserting “section

176(e); and

(iii) in paragraph (3), by striking “section 117A(b)(1)” and

inserting “section 117A(c)(1)”;

(E) in subsection (c) (as redesignated by this section), by striking the

period and inserting “or is already receiving financial assistance from the Corporation.”;

(10) in section 117D (42 U.S.C. 12545)--

(A) in subsection (a), by striking “or under subsection (a) or (b) of section

117C”; and

(B) in subsection (c)--

(i) by striking “or grantmaking entity”;

(ii) by striking “section 117C(c)” and inserting “section 117C(a)”;

and

(iii) by striking “section 117A(b)(1)” and inserting “section

117A(c)(1)”;

(11) in section 117F (42 U.S.C. 12547)--

(A) in subsection (a)--

(i) in the matter preceding paragraph (1), by striking “,

grantmaking entity, or qualified organization that is the original recipient of a grant under section

1 117A” and inserting “under section 117A”; and

2 (ii) in paragraph (1), by striking “original recipient” and inserting  
3 “State Commission”; and

4 (B) in subsection (b)(2)(A), by striking “original recipient” and inserting  
5 “State Commission”.

6 TECHNICAL AMENDMENTS TO SUBTITLE C

7 SEC. 704. Subtitle C is amended--

8 (1) in section 121--

9 (A) in the heading, by striking “approved” and inserting  
10 “AMERICORPS”; and

11 (B) in subsection (a)(2)(B), by striking “approved” and inserting  
12 “AmeriCorps”;

13 (2) in section 122 (42 U.S.C. 12572)--

14 (A) in subsection (a)--

15 (i) by striking “and each Federal agency receiving assistance  
16 under section 121(b)”; and

17 (ii) in paragraph (9), by striking “between the ages of 16 and 24”  
18 and inserting “between the ages of 16 and 25”; and

19 (B) in subsection (c), by striking “subsection (b) or (d) of”;

20 (3) in section 123 (42 U.S.C. 12573)--

21 (A) in the matter preceding paragraph (1), by striking “approved” and

1 inserting “AmeriCorps”;

2 (B) in paragraph (1), by striking “subsection (a) or (b) of section 121” and  
3 inserting “section 121(a)”; and

4 (C) by inserting “National” before “Civilian Community Corps”;

5 (4) in section 129 (42 U.S.C. 12581)--

6 (A) in the heading, by striking “APPROVED” and inserting  
7 “AMERICORPS”;

8 (B) in subsection (c)(4)(C)(i) (as redesignated by section 143)--

9 (i) in subclause (I), by striking “the programs specified in section  
10 193A(d)(10)” and inserting “national service programs”; and

11 (ii) in subclause (II), by striking “approved” and inserting  
12 “AmeriCorps”;

13 (C) in subsection (d) (as redesignated by section 143), by striking  
14 “approved” and inserting “AmeriCorps”;

15 (D) in subsection (e) (as redesignated by section 143), by striking  
16 “approved” and inserting “AmeriCorps”; and

17 (E) in subsection (f) (as redesignated by section 143), by striking  
18 “approved” each place it appears and inserting “AmeriCorps”;

19 (5) in section 130 (42 U.S.C. 12582)--

20 (A) in the heading, by striking “APPROVED” and inserting  
21 “AMERICORPS”;

1 (B) in subsection (a)--

2 (i) by striking “approved” and inserting “AmeriCorps”; and

3 (ii) by striking “to be carried out using the assistance” and all that  
4 follows through “or Federal agency” and inserting “, an applicant”;

5 (C) by striking subsections (b) and (c);

6 (D) by redesignating subsections (d), (e), (f), and (g) as subsections (b),  
7 (c), (d), and (e), respectively;

8 (E) in subsection (b) (as redesignated by this section)--

9 (i) in the heading, by striking “APPROVED” and inserting  
10 “AMERICORPS”; and

11 (ii) in paragraph (2)(B), by striking “approved” and inserting  
12 “AmeriCorps”;

13 (F) in subsection (c) (as redesignated by this section)--

14 (i) in paragraph (1), by striking “approved” and inserting  
15 “AmeriCorps”; and

16 (ii) in paragraph (2), by striking “approved” and inserting  
17 “AmeriCorps”;

18 (G) in subsection (d)(2)(b) (as redesignated by this section), by striking  
19 “approved” and inserting “AmeriCorps”; and

20 (H) in subsection (e) (as redesignated by this section), striking the period  
21 and inserting “or is already receiving financial assistance from the Corporation.”;

1 (6) in section 131 (42 U.S.C. 12583)--

2 (A) in subsection (a)(2)--

3 (i) by striking "section 177" and inserting "section 174"; and

4 (ii) by striking "section 176(f)" and inserting "section 176(e)"; and

5 (B) in subsection (c)(2), by striking "section 177" and inserting "section

6 174";

7 (7) by striking section 132 (42 U.S.C. 12584);

8 (8) in section 133 (42 U.S.C. 12585)--

9 (A) in subsection (a)(2), by striking "approved national service positions"

10 and inserting "AmeriCorps national service positions";

11 (B) in subsection (b)--

12 (i) in paragraph (1), by striking "approved national service  
13 position" and inserting "AmeriCorps national service position"; and

14 (ii) in paragraph (2)(B), by striking "jobs or";

15 (C) in subsection (d)--

16 (i) in paragraph (2), by striking subparagraphs (A) and (G), and  
17 redesignating subparagraphs (B) through (F) as subparagraphs (A) through (E), respectively; and

18 (ii) by striking paragraph (4); and

19 (D) in subsection (e), by striking "approved" and inserting "AmeriCorps";

20 (9) in section 137 (42 U.S.C. 12591)--

21 (A) in subsection (a)--

(i) by striking paragraph (3); and;

(ii) by redesignating paragraphs (4), (5), and (6) as paragraphs (3), (4), and (5), respectively;

(B) in subsection (b)(2), by inserting “an out-of-school youth” before “between the ages of 16 and 25”; and

(C) in subsection (c), by striking “subsection (a)(5)” and inserting “subsection (a)(4)”;

(10) in section 138 (42 U.S.C. 12592), by striking “approved” each place it appears and inserting “AmeriCorps”;

(11) in section 139 (42 U.S.C. 12593)--

(i) by striking “approved” each place it appears and inserting “AmeriCorps”; and

(ii) in subsection (a), by striking “perform full- or part-time national service for at least one term of service” and inserting “complete a full- or part-time term of service”; and

(12) in section 141 (42 U.S.C. 12595), by striking “approved national service position” each place it appears and inserting “AmeriCorps national service position”.

#### TECHNICAL AMENDMENTS TO SUBTITLE D

SEC. 705. Subtitle D is amended in section 147 (42 U.S.C. 12603)--

(1) by striking “approved national service position” each place it appears and inserting “AmeriCorps national service position”; and

(2) in subsection (a), by striking “, for each of not more than 2 of such terms of service,”.

TECHNICAL AMENDMENTS TO SUBTITLE E

SEC. 706. Subtitle E is amended--

(1) by striking “Civilian Community Corps” each place it appears and inserting “National Civilian Community Corps”;

(2) by striking “superintendent” each place it appears and inserting “director”;

(3) by striking “camp” each place it appears and inserting “campus”;

(4) by striking “camps” each place it appears and inserting “campuses”;

(5) by striking “Demonstration Program” each place it appears and inserting “Program”;

(6) in section 153(c) (42 U.S.C. 12613(c), by striking “Backgrounds” and inserting “Backgrounds”;

(7) in section 162(a) (42 U.S.C. 12622(a)--

(A) in paragraph (1)(B)(i), by striking “section 4462 of the National Defense Authorization Act for Fiscal Year 1993” and inserting “section 1143a of title 10, United States Code”; and

(B) in paragraph (2)(A), by striking “to be recommended for appointment” and inserting “from which individuals may be selected for appointment”; and

(8) in section 166 (42 U.S.C. 12626)--

(A) by striking paragraph (9);

(B) by redesignating paragraphs (2) through (8) as paragraphs (3) through (9); and

(C) by inserting after paragraph (1) the following:

“(2) Campus director.--The term ‘campus director’, with respect to a Corps campus, means the head of the campus under section 155(d).”.

#### TECHNICAL AMENDMENTS TO SUBTITLE F

SEC. 707. Subtitle F is amended--

(1) in section 172(a)(3)(A) (42 U.S.C. 12632(a)(3)(A)) by striking “section 177” and inserting “section 174”;

(2) in section 175 (42 U.S.C. 12635)--

(A) in subsection (b), by striking “title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.),”; and

(B) in subsection (c)--

(i) in paragraph (1), by striking “In general.--Except as provided in paragraph (2), an individual” and inserting “An individual”; and

(ii) by striking paragraph (2);

(3) in section 178(a)(1) (42 U.S.C. 12638(a)(1)), by striking “B or”;

(4) in section 179 (42 U.S.C. 12639)--

(A) in subsection (a)--

(i) by redesignating paragraph (3) as paragraph (4); and

(ii) by striking paragraph (2) and inserting after paragraph (1) the

1 following:

2 “(2) the relationship between the amount of living allowance provided to  
3 participants in programs under subtitle C of this subtitle and the ability of the programs to recruit  
4 and retain participants, including economically disadvantaged participants;

5 “(3) the number of participants who do not complete their term of service for the  
6 following reasons:

7 “(A) educational opportunities;

8 “(B) career advancement; or

9 “(C) military or other public service positions.”;

10 (B) in subsection (g)--

11 (i) in paragraph (3), by striking “National Senior Volunteer  
12 Corps” and inserting “National Senior Service Corps”; and

13 (ii) in paragraph (9), by striking “to public service” and all that  
14 follows, and inserting “to engage in service that benefits the community.”; and

15 (5) in section 181, by striking “Section 414” and inserting “Section 422”.

16 TECHNICAL AMENDMENTS TO SUBTITLE G

17 SEC. 708. Subtitle G is amended in section 192A (42 U.S.C. 12651)--

18 (1) in subsection (g)--

19 (A) in paragraph (9), by striking “Corporation;” and inserting  
20 “Corporation; and”;

21 (B) in paragraph (10), by striking “; and” and inserting a period; and

(C) by striking paragraph (11); and

(2) in subsection (j), by striking “benefiting” and inserting “benefitting”.

# TECHNICAL AMENDMENTS TO SUBTITLE H

SEC. 709. Subtitle H is amended--

(1) in section 198(e) (42 U.S.C. 12653(e)), by striking “IMPROVE ABILITY TO APPLY FOR ASSISTANCE” and inserting “TRAINING AND TECHNICAL ASSISTANCE”;

and

(2) in section 198C(f)(2)(D) (42 U.S.C. 12653C(f)(2)(D))--

(A) by striking “section 177” and inserting “:section 174”; and

(B) by striking “section 176(f)” and inserting “section 176(e)”.

## SUBTITLE B--TECHNICAL AMENDMENTS TO THE DOMESTIC VOLUNTEER SERVICE ACT OF 1973

### REFERENCES

SEC. 721. Except as otherwise specifically provided, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.).

### TECHNICAL AMENDMENTS TO TABLE OF CONTENTS

SEC. 722. Section 1(b) is amended--

(1) by striking “Sec. 109. VISTA Literacy Corps.”;

(2) by striking “Part B--University Year for VISTA” and all that follows through “Sec. 125. Literacy challenge grants.”;

(3) by striking “National Senior Volunteer Corps” each place it appears and inserting “National Senior Service Corps”;

(4) by striking “Sec. 505. Availability of appropriations.” and inserting “Sec. 506. Availability of appropriations.”; and

(5) by inserting after “Sec. 504. Administration and coordination.” the following: “Sec. 505. Evaluation.”.

#### TECHNICAL AMENDMENTS TO TITLE I (NATIONAL VOLUNTEER ANTIPOVERTY PROGRAMS)

SEC. 723. Title I is amended--

(1) in section 103 (42 U.S.C. 4953)--

(A) in subsection (b)(2)(A), by striking “National and Community Service Trust Act of 1993” and inserting “National and Community Service Act of 1990”; and

(B) in subsection (c)(1)(F), by striking “National and Community Service Trust Act of 1993” and inserting “National and Community Service Act of 1990”; and

(2) in section 105(a)(1)(B) (42 U.S.C. 4955(a)(1)(B)), in the first sentence, by striking “not exceed \$95 per month in fiscal year 1994, but shall” and “ , during the service of the volunteer after October 1, 1994”.

#### TECHNICAL AMENDMENTS TO TITLE II (NATIONAL SENIOR SERVICE CORPS)

SEC. 724. Title II is amended--

(1) in section 223 (42 U.S.C. 5023) by striking “sixty years and” and inserting “55 years of age or”;

(2) in section 224 (42 U.S.C. 5024), by striking “National Senior Volunteer Corps” and inserting “National Senior Service Corps”;

(3) in section 211(a) (42 U.S.C. 5011(a)), in the fourth sentence, by striking “per centum” and inserting “percent”; and

(4) in section 211(e) (42 U.S.C. 5011(e)(1)), in paragraph (2), by striking “per centum” and inserting “percent”.

#### TECHNICAL AMENDMENTS TO TITLE IV (ADMINISTRATION AND COORDINATION)

SEC. 725. Title IV is amended--

(1) in section 416(g) (42 U.S.C. 5056(g)), in the first sentence, by striking “per centum” and inserting “percent”;

(2) in section 421 (42 U.S.C. 5060)--

(A) in paragraph (13), by striking “National Senior Volunteer Corps” and inserting “National Senior Service Corps”; and

(B) in paragraph (14), by striking “National Senior Volunteer Corps” and inserting “National Senior Service Corps”; and

(3) in section 425 (42 U.S.C. 5065), by striking “National Senior Volunteer Corps” and inserting “National Senior Service Corps”.

#### TECHNICAL AMENDMENTS TO TITLE V (AUTHORIZATION OF APPROPRIATIONS)

SEC. 726. Title V is amended in section 501 (42 U.S.C. 5081) by striking “Authorizations.--(1) Volunteers in Service to america” and inserting “Authorization for Volunteers in Service to America”.

## TITLE IV--AMENDMENTS TO OTHER LAWS

## HIGHER EDUCATION ACT OF 1965

SEC. 801. (a) FORBEARANCE IN THE COLLECTION OF FEDERAL PERKINS LOANS--

Section 464(e) of the Higher Education Act of 1965 (20 U.S.C. 1087dd(e)) is amended--

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting immediately after paragraph (1) the following:

“(2) The borrower is serving in a national service position for which the borrower receives a national service educational award under the National and Community Service Act of 1990.”.

(b) STATUTORY REFERENCE--Section 428 of the Higher Education Act of 1965 (20 U.S.C. 1078) is amended in subsection (c)(3)(A)(i)(III) by striking “National and Community Service Trust Act of 1993” and inserting “National and Community Service Act of 1990”.

## PUBLIC LANDS CORPS

SEC. 802. Section 105 of Public Law 103-82 (16 U.S.C. 1701-1706) is amended--

(1) in section 209 (16 U.S.C. 1728), by striking “section 177” and inserting “section 174”; and

(2) in section 210 (16 U.S.C. 1729)--

(A) in the heading, by striking “FUNDING” and inserting “COST-SHARING”;

(B) by striking “(a) Cost Sharing.--”;

(C) by striking subsection (b); and

(D) by redesignating paragraphs (1) and (2) as subsections (a) and (b).

URBAN YOUTH CORPS

SEC. 803. Section 106 of Public Law 103-82 (42 U.S.C. 12656) is amended--

(1) in subsection (h), by striking “section 177” and inserting “section 174”; and

(2) in subsection (i), by striking paragraph (3).

TITLE V--EFFECTIVE DATE

SEC. 901. The amendments made by this Act shall take effect on the date of enactment or October 1, 1997, whichever is later.

\* \* \* \* \*

|                                                                                                                                                                                       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p style="text-align: center;"><b>SECTION-BY-SECTION ANALYSIS</b><br/><b>NATIONAL AND COMMUNITY SERVICE IMPROVEMENTS ACT OF 1997</b><br/>(Corresponds to 6/23/97 4:46 p.m. Draft)</p> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**TITLE I - AMENDMENTS TO NATIONAL AND COMMUNITY SERVICE ACT  
OF 1990**

Sec. 101. Section 101 provides that references in title I are to the National and Community Service Act of 1990 (42 U.S.C. 12501 et. seq.) (NCSA).

**SUBTITLE A - AMENDMENTS TO SUBTITLE A (GENERAL PROVISIONS)**

Sec. 111. Section 111 adds a reference to service-learning to the Act's statement of purposes.

Sec. 112. Section 112 amends or adds definitions of terms used in the Act.

**SUBTITLE B - AMENDMENTS TO SUBTITLE B (SCHOOL-BASED AND  
COMMUNITY BASED SERVICE-LEARNING PROGRAMS)**

Sec. 121. Section 121 identifies the State educational agency as the primary vehicle to receive school-based assistance but provides that States may apply through a State Commission instead. Section 121 also authorizes assistance to be used for training and technical assistance.

Sec. 122. Section 122 streamlines applications for school-based service-learning programs by removing authority for entities other than States (and U.S. Territories and Indian Tribes, which may apply separately under section 130) to apply for school-based assistance.

Sec. 123. Section 123 provides for school-based assistance to States, after allocation for Territories and Tribes, to be made 70 percent on a formula basis and 30 percent on a competitive basis and assures each State of at least \$100,000 per year in formula school-based assistance.

Sec. 124. Section 124 requires States to select school-based subgrantees on a competitive basis.

Sec. 125. Section 125 provides that school-based grantees may use up to 25 percent of assistance to support capacity-building.

Sec. 126. Section 126 identifies the State Commission as the primary vehicle to receive community-based assistance but provides that States may apply through a State educational agency instead. Section 126 also streamlines applications for community-based service-learning programs by removing authority for entities other than States (and U.S. Territories and Indian Tribes, which may apply separately under section 130) to apply for community-based assistance.

Sec. 127. Section 127 provides that Subtitle B funds may be used to support clearinghouse activities and authorizes the Corporation to provide this assistance through entities other than public or private nonprofit organizations.

Sec. 128. Section 128 reserves three percent of school-based and community-based funds for U.S. Territories and Indian Tribes.

Sec. 129. Section 129 provides authority to support multi-State, demonstration, and other activities to grantmaking entities, institutions of higher education, subdivisions of States, and other qualified organizations to improve or expand service-learning programs.

Sec. 131. Section 131 incorporates service-learning into the purposes of higher education assistance and provides that State Commissions and State agencies for higher education may apply along with institutions of higher education.

### **SUBTITLE C - AMENDMENTS TO SUBTITLE C (NATIONAL SERVICE TRUST PROGRAM)**

Sec. 141. Section 141 prohibits operational assistance to Federal agencies. Section 141 also provides for limits on the Corporation's share of average budgeted costs per participant serving in an AmeriCorps national service position.

Sec. 142. Section 142 provides for training and technical assistance for all programs receiving assistance or an allotment of AmeriCorps positions under the national service laws.

Sec. 143. Section 142 provides that each State may receive a minimum of \$200,000 per year to support the operation of its State Commission, reduces matching fund requirements related to the costs of operating a State Commission, and removes authority to provide challenge grants.

Sec. 144. Section 143 increases over three years the percentage of Subtitle C funds allocated to States on a formula basis to 70 percent, with the remaining 30 percent

of State funds provided on a competitive basis, and assures States of a minimum formula allotment of \$500,000. Section 143 also provides that funds to increase the participation of disabled persons may be used in connection with any national service program. Section 143 also provides that training and technical assistance may be provided to any national service program. Section 143 also reserves up to \$15 million to provide limited operational assistance to programs reducing Corporation costs per participant and provides the Corporation with authority to waive requirements in connection with programs reducing Corporation costs per participant.

Sec. 145. Section 144 provides for the consideration of a grant applicant's ability to generate volunteers.

Sec 146. Section 145 provides that participants selected and trained by the Corporation to serve in leadership capacities may be considered Federal employees for purposes of the Federal Employees Compensation Act and the Federal Tort Claims Act.

Sec. 147. Section 146 clarifies the required process for a participant to receive a pro-rated educational award.

Sec. 148. Section 147 provides for adjustments to the living allowance provided to AmeriCorps participants in Subtitle C programs.

Sec. 149. Section 148 provides the Corporation with authority to waive specified matching fund requirements and restrictions on uses of funds.

#### **SUBTITLE D – AMENDMENTS TO SUBTITLE D (NATIONAL SERVICE TRUST AND PROVISION OF NATIONAL SERVICE EDUCATIONAL AWARDS)**

Sec. 151. Section 151 provides that funds in the National Service Trust may be used to support national service scholarships and to pay for the cost of administering the Trust.

Sec. 152. Section 152 provides the Corporation with authority to set a minimum age other than 17 for eligibility for the national service educational award, clarifies requirements for a participant to receive a pro-rated educational award, and provides that an individual may receive no more than the aggregate value of two educational awards.

Sec. 153. Section 153 provides that the educational award may be used to pay for attendance at educational institutions that meet the requirements of the GI Bill and to repay specified student loans. Section 153 also provides that the educational award is considered educational assistance under section 127 of the Internal Revenue Code.

Sec. 154. Section 154 authorizes funds in the National Service Trust to be used to support a national service scholarship program.

#### **SUBTITLE E - AMENDMENTS TO SUBTITLE E (NATIONAL CIVILIAN COMMUNITY CORPS)**

Sec. 161. Section 161 provides for the inclusion of disaster relief in the statement of purpose and reflects that the NCCC is no longer a demonstration program.

Sec. 162. Section 162 provides for an increase in the minimum age for Corps members from 16 to 18 years.

Sec. 163. Section 163 provides for the use of Corps members with prior supervisory experience as Team Leaders.

Sec. 164. Section 164 provides for consultation by the NCCC with State Commissions in the development of project proposals and emphasizes projects addressing the environment and disaster relief efforts.

Sec. 165. Section 165 provides that the educational award constitutes the only authorized form of post-service benefits to NCCC Corps Members.

Sec. 166. Section 166 provides for the Chief Executive Officer to appoint members of the NCCC's permanent cadre.

Sec. 167. Section 167 provides for the NCCC advisory board to include the Director of the Federal Emergency Management Agency and a representative from the nonprofit community, and to report to both the Chief Executive Officer and the NCCC Director.

#### **SUBTITLE F - AMENDMENTS TO SUBTITLE F (ADMINISTRATIVE PROVISIONS)**

Sec. 171. Section 171 provides for restrictions on the use of assistance.

Sec. 172. Section 172 provides for separate grievance procedures for individuals concerning their terms of service and for labor organizations and others concerning displacement.

Sec. 173. Section 173 provides that benefits received by national service participants will not affect an individual's eligibility for Social Security Retirement,

Survivors, and Disability Insurance; Supplemental Security Income; Medicare; and Medicaid.

Sec. 174. Section 174 provides for agreements with Governors to improve the delivery of national service programs in a State, with the Corporation given authority to waive specific requirements and to delegate to Governors specific functions.

#### **SUBTITLE G - AMENDMENTS TO SUBTITLE G (CORPORATION FOR NATIONAL AND COMMUNITY SERVICE)**

Sec. 181. Section 181 provides for the use of peer reviewers in evaluating applications for assistance under title I of the Act.

Sec. 182. Section 182 removes staffing specifications at the Assistant Director level.

Sec. 183. Section 183 authorizes the Corporation to utilize personal service contracts.

Sec. 184. Section 184 authorizes the Corporation to provide voluntary separation incentive payments to long-time employees, with a reduction in one-half position for each resulting vacancy.

#### **SUBTITLE H - AMENDMENTS TO TITLE III (POINTS OF LIGHT FOUNDATION)**

Sec. 301. Section 301 authorizes the Corporation's Chief Executive Officer to serve as a nonvoting, ex officio member of the Board of Directors of the Points of Light Foundation.

#### **SUBTITLE I - AMENDMENTS TO TITLE V (AUTHORIZATION OF APPROPRIATIONS)**

Sec. 501. Section 501 extends authorization through the year 2002 for all NCSA programs and allocates funds for various purposes.

## **TITLE II - AMENDMENTS TO THE DOMESTIC VOLUNTEER SERVICE ACT OF 1973**

Sec. 601. Section 601 provides that references in title I are to the Domestic Volunteer Service Act of 1973 (DVSA) (42 U.S.C. 4950 et seq.).

### **SUBTITLE A - AMENDMENTS TO TITLE I (NATIONAL VOLUNTEER ANTI- POVERTY PROGRAMS)**

Sec. 611. Section 611 provides for the VISTA statement of purpose to include the long-term sustainability of assisted organizations.

Sec. 612. Section 612 removes a staffing specification at the Assistant Director level.

Sec. 613. Section 613 provides for VISTA participants to receive information and support in making a post-service transition.

Sec. 614. Section 614 encourages the use of cost-sharing agreements.

Sec. 615. Section 615 limits VISTA participants to three years of service.

Sec. 616. Section 616 provides for a modified grievance procedure for participants.

Sec. 617. Section 617 increases the Corporation's authority to make grants and contracts on a competitive basis.

Sec. 618. Section 618 repeals authority for VISTA Literacy Corps.

Sec. 619. Section 619 provides for selection of projects on the basis of merit and sustainability.

Sec. 620. Section 620 repeals authority for Special Volunteer Programs.

### **SUBTITLE B - AMENDMENTS TO TITLE II (NATIONAL SENIOR VOLUNTEER CORPS)**

Sec. 631. Section 631 provides for programs supported under title II to be called "National Senior Service Corps" and adds an emphasis on community needs to the statement of purpose.

Sec. 632. Section 632 authorizes incentives to Retired and Senior Volunteer Program participants to help defray the costs of volunteering. Section 632 also eliminates review of Corporation funding decisions by State agencies on aging.

Sec. 633. Section 633 reduces the minimum age for Foster Grandparent participants from 60 to 55.

Sec. 634. Section 634 clarifies the role of Foster Grandparents in determining appropriate services for beneficiaries and provides for replacement of Foster Grandparents.

Sec. 635. Section 635 provides for an increase from 125 to 150 percent of the poverty line in determining whether individuals are considered "low-income" for purposes of the Foster Grandparent program.

Sec. 636. Section 636 provides for increased flexibility for persons who are not "low-income" to participate in the Foster Grandparent program.

Sec. 637. Section 637 provides for the participation of Foster Grandparents with leadership abilities to coordinate and otherwise support other Foster Grandparents.

Sec. 638. Section 638 reduces the minimum age for Senior Companion participants from 60 to 55.

Sec. 639. Section 639 provides for the participation of Senior Companions with leadership abilities to coordinate and otherwise support other Senior Companions.

Sec. 640. Section 640 provides additional flexibility for the Corporation to support the expansion of existing programs and the funding of new programs to address needs of national significance.

#### **SUBTITLE C - AMENDMENTS TO TITLE IV (ADMINISTRATION AND COORDINATION)**

Sec. 651. Section 651 streamlines the appeal process for organizations receiving assistance from the Corporation.

Sec. 652. Section 652 provides family and medical leave benefits for VISTA participants.

#### **SUBTITLE D - AMENDMENTS TO TITLE V (AUTHORIZATION OF APPROPRIATIONS)**

Section 661. Section 661 extends authorization of funding through the year 2002 for VISTA programs and allocates funds for various purposes.

Section 662. Section 662 extends authorization of funding through the year 2002 for the Senior Corps programs.

Section 663. Section 663 provides authorization of funding to support the Corporation's administration of the Domestic Volunteer Service Act.

Section 664. Section 664 provides authorization of funding to support the Corporation's evaluation of DVSA programs.

### **TITLE III - TECHNICAL AMENDMENTS**

Sections 701 - 726. Sections 701 through 726 provide for technical and conforming amendments to various provisions of the NCSA and DVSA.

### **TITLE IV - AMENDMENTS TO OTHER LAWS**

Section 801. Section 801 provides for participants in AmeriCorps national service positions to be eligible for mandatory forbearance in connection with Federal Perkins loans during their terms of service.

Sections 801-802. Sections 801 and 802 provide for conforming amendments to authority for the Public Lands Corps and the Urban Youth Corps.

\* \* \* \* \*

**DRAFT July 23, 1997****Comparison of Adult Education Act with the Administration's Adult Education Legislation,  
the House Adult Education Legislation and the Senate Adult Education Legislation**

| <b>Topic</b>                        | <b>Adult Education Act<br/>as amended</b>                                                | <b>Administration's Bill<br/>H.R. 1562/S. 994<br/>105th Congress</b>                                                                                                                                                                                                       | <b>House Bill<br/>H.R. 1385 as passed by the House<br/>105th Congress</b>                                                                                                                                                                                                | <b>Senate Bill</b> |
|-------------------------------------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| <b>Bill Structure</b>               | Separate bill for adult education                                                        | Separate bill for adult education                                                                                                                                                                                                                                          | Separate section for adult education, but important operational provisions retained in new JTPA replacement                                                                                                                                                              |                    |
| <b>Final Approval of State Plan</b> | Secretary has final approval of state plan                                               | Secretary has final approval of state plan                                                                                                                                                                                                                                 | Appropriate Secretary must approve state plan and make grant if plan is in technical compliance with the law                                                                                                                                                             |                    |
| <b>Performance</b>                  | Within 2 years of enactment, State was required to develop indicators of program quality | States, in consultation with others, shall identify performance goals. Performance indicators will be set by the Secretary after consultation with States, LEAs, service providers, representatives of business and industry, institutions of higher education and others. | Secretaries of Labor and Education shall, in consultation with State and local entities, define certain core indicators of performance. States establish long-term goals and performance benchmarks. Secretary and state are to agree on expected levels of performance. |                    |
| <b>Accountability</b>               | No provision for Secretary to withhold funds                                             | After one year, Secretary can withhold funds if Secretary determines that State is not making sufficient progress                                                                                                                                                          | If State fails to meet levels of performance in two consecutive years, Secretary can withhold not more than 5% of grant for the following year.                                                                                                                          |                    |

| Topic           | Adult Education Act<br>as amended                                                                                                                                               | Administration's Bill<br>H.R. 1562/S. 994<br>105th Congress                                                                                                                                                                                                                                                                                                                                                                  | House Bill<br>H.R. 1385 as passed by the House<br>105th Congress                                                                                                                                                                                                                                                                                                                                                                                                                                     | Senate Bill |
|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| State Allotment | <p>\$100,000 initial allotment to USVI, Guam, American Samoa, N. Mariana Islands, Marshall Islands, Micronesia and Palau. The latter three entities are held at this level.</p> | <p>Allotment to Puerto Rico, Guam, American Samoa, the Northern Mariana Islands, and the USVI will follow the AEA allotment of \$100,000 to each</p>                                                                                                                                                                                                                                                                         | <p>\$100,000 initial allotment to USVI, Guam, American Samoa, N. Mariana Islands, Marshall Islands, Micronesia and Palau.</p> <p>Using funds not to exceed amount appropriated under AEA for FY 97 for latter 3 territories, competitive grants shall be made to Guam, American Samoa, N. Marianas, Marshall Islands, Micronesia or Palau pursuant to recommendations by PREL. Latter 3 can only compete until the FY that begins after 30 September 2001</p>                                        |             |
|                 | <p>\$250,000 initial allotment to all other SEAs</p>                                                                                                                            | <p>\$250,000 initial allotment to each state</p>                                                                                                                                                                                                                                                                                                                                                                             | <p>\$250,000 initial allotment to all other states</p>                                                                                                                                                                                                                                                                                                                                                                                                                                               |             |
|                 | <p>Remainder allotted on the basis of number of adults who do not have a high school diploma or equivalent</p>                                                                  | <p>95% allotted on the basis of population age 16 or older and not enrolled or required to enroll in secondary school and who do not possess a HS diploma</p> <p>5% allotted on the basis of an amount that bears the same ratio to such amount as the number of LEP adults versus the number in all states</p> <p>Hold Harmless: 1998--no less than 90% of FY 1997 of AEA levels; 1999--no less than 90% of 1998 levels</p> | <p>Remainder allotted on the basis of the ratio of qualifying adults in the State (16-61 years; beyond the age of compulsory school attendance under State law; does not have a certificate of graduation from a school providing secondary education and has not achieved an equivalent level of education; and is not currently enrolled in school) to all qualifying adults</p> <p>Hold Harmless: FY 1998--no less than 90% of FY 1997 of AEA levels; FY 99--no less than 90% of FY 98 levels</p> |             |

| Topic                              | Adult Education Act<br>as amended                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Administration's Bill<br>H.R. 1562/S. 994<br>105th Congress                                                                                                                                 | House Bill<br>H.R. 1385 as passed by the House<br>105th Congress                                                                                                                                                                                                                                          | Senate Bill |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| <b>State Distribution of Funds</b> | <p>At most 5% or \$50,000, whichever is greater for State administration, planning, personnel development and interagency coordination</p> <p>At least 95% for provision of adult education instructional activities, with not less than 10% for corrections education and education for other institutionalized individuals, and not more than 20% shall be used for programs of equivalency for a certificate of graduation from a secondary school; and 15% for special demonstrations and teacher training</p> | <p>Up to 18% for State leadership activities; of this, not more than 5% or \$80,000, whichever is greater, for State administration expenses</p> <p>Remaining funds would be subgranted</p> | <p>Not more than 15% for professional development, technical assistance, technology assistance, support for SLRCs, monitoring/evaluation, and local incentives. Of this amount, not more than 5% or \$50,000, whichever is greater for State administration</p> <p>Not less than 85% for local awards</p> |             |

| Topic                      | Adult Education Act<br>as amended                                                                                                                                                                                                                                                                                                                              | Administration's Bill<br>H.R. 1562/S. 994<br>105th Congress                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | House Bill<br>H.R. 1385 as passed by the House<br>105th Congress                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Senate Bill |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| <b>Subgrant Priorities</b> | <p>Gives weight to:</p> <ul style="list-style-type: none"> <li>•effectiveness of providers;</li> <li>•commitment of the provider to serve individuals in the community who are most in need of literacy services</li> <li>•degree to which the provider will coordinate services with other literacy and social services available in the community</li> </ul> | <p>Gives preference to:</p> <ul style="list-style-type: none"> <li>•those that serve local areas with high concentrations of individuals in poverty or with low levels of literacy, English language proficiency or both;</li> <li>•consider the results, if any, of evaluations;</li> <li>•degree to which the applicant will coordinate with and utilize other literacy and social services</li> </ul> <p>Also considers program priorities:</p> <ul style="list-style-type: none"> <li>•coordinate with other available resources in the community;</li> <li>•built on a strong foundation of research and effective educational practice;</li> <li>•effectively employ advances in technology, as appropriate;</li> <li>•provide learning in real life contexts;</li> <li>•are staffed by well-trained instructors, counselors and administrators;</li> <li>•are of sufficient intensity and duration for participants to achieve substantial learning gains;</li> <li>•establish measurable goals for client outcomes;</li> <li>•offer flexible schedules and support services that are necessary to enable individuals to attend and complete programs;</li> <li>•maintain high-quality information management system that has capacity to report client outcomes and to monitor program performance against State goals and indicators</li> </ul> | <p>Considers:</p> <ul style="list-style-type: none"> <li>•effectiveness of providers;</li> <li>•commitment of provider to serve individuals in the community who are most in need of literacy services;</li> <li>•degree to which provider will coordinate services with other literacy and social services available in the community;</li> <li>•whether provider has been successful in recruiting, retaining, and improving individuals' literacy skills;</li> <li>•after year 1 of enactment, provider has been successful with retention and improvement, according to the core indicators of performance in this bill</li> <li>•degree to which program is staffed by well-trained instructors, administrators;</li> <li>•whether or not program is of sufficient intensity and duration for participants to achieve substantial learning gains;</li> <li>•degree to which provider will establish measurable goals for client outcomes;</li> <li>•degree to which provider will offer flexible schedules and necessary support services to enable participation;</li> </ul> |             |

| Topic                                 | Adult Education Act<br>as amended                                                                                                                                                                     | Administration's Bill<br>H.R. 1562/S. 994<br>105th Congress                                                                                                                                                                      | House Bill<br>H.R. 1385 as passed by the House<br>105th Congress      | Senate Bill |
|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|-------------|
| <b>Role of SEA</b>                    | SEA develops, submits and implements State plan; consults with other appropriate groups regarding the development, implementation and coordination of programs; develop indicators of program quality | SEA develops, submits and implements State plan; consults with other appropriate groups regarding the development, implementation and coordination of programs; identify performance goals                                       | Eligible agency, through a collaborative process, develops state plan |             |
| <b>National Leadership Activities</b> | If the amount appropriated to carry out the purposes of this title exceeds \$108,000,000, not more than \$3,000,000 of such amount shall be reserved to carry out national programs                   | Not more than 5% of appropriation for technical assistance and national leadership activities. Of this amount, not more than 3% of the amount appropriated for any FY after 1999 may be used for awards for national excellence. | 1.5% but not more than \$6,500,000 for national leadership activities |             |