Outline of Legislation: National and Community Service Trust Act

Corporation for National Service
OUTLINE OF LEGISLATION

NATIONAL AND COMMUNITY SERVICE TRUST ACT

The national service initiative is designed to tackle the nation's problems by mobilizing Americans of every background, and particularly young people, in service to our communities and country. The programs extends support for service from the youngest elementary students to our oldest citizens, and includes everything from part-time volunteer activities to full-time public service jobs. The centerpiece of the effort to support service is a new program to offer educational awards to Americans who make a substantial commitment to service. In addition to this program, which builds on the youth corps and demonstration programs of the National and Community Service Act of 1990, the National Service Trust Act includes:

- Extension and improvement of programs in the National and Community Service Act of 1990 that enhance elementary and secondary education through community service in schools, support after-school and summer programs for school-age youth, and fund service programs on college campuses.

- Support for the Civilian Community Corps, to provide service opportunities in areas adversely affected by defense cutbacks.

- Support for the Points of Light Foundation, to support volunteerism.

- Extension and improvement of VISTA and the Older American Volunteer Programs authorized by the Domestic Volunteer Service Act.

- Acceleration of implementation for the Stafford Loan Forgiveness program.
NATIONAL SERVICE TRUST ACT

Focus of Service

- National service must address unmet educational, environmental, human, or public safety needs.
- The Corporation and State Commissions must establish priorities among these needs that programs must address.
- National service must improve the life of the participants, through citizenship education and training.
- Participants may not displace or duplicate the functions of existing workers.

Corporation for National Service

Structure

- The national service program will be administered by a government Corporation for National Service, created by combining two existing independent federal agencies, the Commission on National and Community Service and ACTION.
- The Corporation will be responsible for administering all programs authorized under the National and Community Service Act and Domestic Volunteer Service Act, including VISTA and the Older American Volunteer Programs. The Corporation will also fund training and technical assistance, service clearinghouses and other activities.
- The Corporation will have authority to combine the functions of the two sets of programs in order to reduce bureaucracy, but will maintain the distinct operational features of the VISTA and Older American Volunteer programs.
- Current ACTION employees will transfer into the Corporation within the civil service system, but other employees will be governed by a more flexible, merit-based, competitive personnel system exempt from certain civil service requirements.
- In order to build private and non-government support, the Corporation may solicit and accept private funds.

Governance

- The Corporation will have a fifteen-member volunteer Board of Directors appointed by the President and confirmed by the Senate. It will be bipartisan, representing a broad range of viewpoints, and include persons experienced in national service and similar programs; experts in providing educational, environmental, human, or public safety service; and at least one person between the ages of 16 and 25. Board members will serve for a term of 5 years.
Eleven Cabinet secretaries will serve as non-voting ex-officio members.

The President of the United States will appoint the first Chairperson of the Board. The Board will appoint subsequent Chairpersons.

The Board will review and approve the Corporation strategic plan, grantmaking decisions, regulations and policies, and evaluation plan. It will also review and advise the Corporation President concerning overall policies of the Corporation, receive and act on reports of the Inspector General, make recommendations regarding research, ensure the effective dissemination of information, and advise the President of the United States concerning service.

The President of the United States will appoint the President of the Corporation.

The President of the Corporation will have control over personnel, prepare the strategic plan, prepare grant decisions, make grants, prepare regulations and implement them, prepare an evaluation plan, establish measurable performance goals for programs, consult with agencies, suspend payments in certain instances, prepare the annual report, and submit to Congress such reports as are required.

Oversight

An Inspector General will oversee programs to guard against fraud and abuse.

Programs must arrange for independent audits and evaluations, and may also be required to participate in national or State evaluations.

The President will establish measurable performance goals for all programs.

State Commissions

Structure

In order to receive a grant, each State must establish a commission on national service or comparable entity. The Corporation will provide funding for the State commission on a sliding matching scale, declining from 85 percent in year one to no more than 50 percent in year 4. The Corporation will provide to State Commissions not less than $125,000 in the first year, and not less than $175,000 in subsequent years. The Corporation will provide to State Commissions not more than $750,000.

With the approval of the Corporation, States may utilize alternative administrative entities, as long as they involve diverse participation in policymaking.

Commissions will have 15 to 25 members appointed by the governors on a bipartisan basis. There must be at least one individual with expertise in training youth, one individual with experience promoting volunteerism among older adults, one representative of community-based agencies, the head of the State educational agency, a representative of local
governments, a representative of local labor organizations, a representative of business, a
youth, and a representative of a national service program. Other members may include local
educators, experts in the delivery of certain services, representatives of Indian tribes, and
out-of-school youths.

- A representative of the Corporation will sit on each commission as an ex officio
  member (unless the State chooses otherwise) and act as liaison between the commission and
  the Corporation.

- State commissions will be responsible for States' strategic plans, State applications for
  funding, assistance providing health and child care, State recruiting and information systems,
  grant administration, and projects and training methods. State Commissions may not operate
  programs, though they may fund State agencies that do.

- State commissions must allocate at least 60 percent of their funds to non-State entities.

Allocation of Funds

- States submitting plans approved by the Corporation will receive one-third of funds
  according to a population-based formula and one-third on a competitive basis.

- One-third of funds will be allocated directly by the Corporation. Programs eligible
  for priority consideration include federal programs, national nonprofit organizations operating
  multiple programs or competitive grant programs, national service initiatives in more than
  one State and meeting priority needs, proposals to replicate successful programs in more than
  one State, professional corps, and innovative national service programs. In cases of programs
  of comparable quality, there is a general priority for non-profit organizations. States may
  also receive certain of these funds.

Programs

Goals

- The Corporation will establish measurable goals regarding the impact of the service
  on the community and on participants. Programs will also develop their own goals particular
  to their situation.

Eligibility

- Programs eligible for national service designation include diverse community corps,
youth corps, specialized service programs focusing on a specific community need, individual
placement programs, campus-based service programs, programs that train and place service-
learning coordinators in schools or team leaders in corps programs, intergenerational
programs, national service entrepreneurship programs, professional corps, youthbuild
programs, and Communities in Action Programs.
Programs may be run by non-profit organizations, institutions of higher education, local governments, school districts, States, or federal agencies.

Programs may not provide direct benefits to for-profit businesses, labor unions, or partisan political organizations, or use program assistance for religious activities. Programs must comply with restrictions in section 501(c)(3) of the Internal Revenue Code.

Selection

Selection criteria include quality (based on criteria developed in consultation with experts in the field), innovation, sustainability, and replicability of programs.

Past experience and management skills of program leadership, extent of building on existing programs, and recruitment from communities served and their involvement in program design, leadership and operation will also be taken into account.

Programs serving communities of greatest need will receive special priority. These include communities designated as economically disadvantaged, environmentally distressed, adversely affected by reductions in defense spending, adversely affected by Federal land management practices, or areas of high unemployment. Fifty percent of assistance should be distributed to these areas, with a priority for recruitment from such areas.

Funding

All participants will receive educational awards.

To develop programs, one-year planning grants will be available. To support national service participants, three-year renewable grants will be available for program expansion or replication.

Administrative costs will be limited to five percent of all grants other than planning grants.

Programs must pay 15 percent of the stipend and health care benefits in cash and 25 percent of other program costs receiving federal support. The 25 percent match may be in cash or in kind from any source other than programs funded under the National and Community Service or Domestic Volunteer Service Acts.

Federal funds must supplement, not supplant, State and local dollars.

Participants

Eligibility

Individuals may serve before, during, or after post-secondary education.
In general, participants may be age 17 or older. Youth corps participants may be age 16 or older.

Participants must be high school graduates or in most cases agree to achieve their GED.

Selection

Participants will be recruited and selected on a nondiscriminatory basis and without regard to political affiliation by local programs designated by States or the federal government.

National and State recruitment system will help interested individuals locate placements in local programs. Information about available positions will be widely disseminated through high schools, colleges and other placement offices. Recruitment efforts must pay special attention to the needs of disadvantaged youths. A special leadership corps may be recruited, trained, and placed to assist in the development of new national service programs.

Term of Service

To earn an educational award, a participant in a designated program may serve a term of service full-time over one-year or part-time over two years (three years in the case of students). The term of service is 1700 hours for full-time service and 900 hours for part-time service (with a correspondingly smaller award). An individual may serve up to two terms and earn up to two educational awards. The Corporation has authority to develop provisions to offer smaller awards for shorter periods of service.

Educational Awards

Educational awards of $4,725 will be provided for a term of full-time service. Educational awards may be used to repay loans for higher education or to pay for higher education or training.

Educational awards will be federally funded and deposited into a national service trust on behalf of all participants accepted into the program. Organizations and individuals may donate funds to support national service participants in the donor’s community.

Payments will be made directly to qualified post-secondary educational institutions, including two- and four-year colleges, training programs, and graduate or professional programs.

In the case of participants with outstanding loan obligations for qualified educational activities, awards will be paid directly to lenders.

Awards must be used within seven years of completion of a term of service.
Stipends

- Programs will set stipends within guidelines. Programs may provide stipends no less than the amount received by VISTA volunteers and no greater than twice that amount. Federal support will be limited to a match of 85 percent of the VISTA allowance, with programs paying any stipend costs above that amount.

- In the limited case of designated professional corps in areas of great need, such as teaching and public safety in underserved areas, participants may be paid a salary in excess of the guidelines and receive an educational award. However, no federal support will be available for a stipend, and professional corps will be selected on a case-by-case basis directly by the Corporation.

Health and Child Care

- All participants without access to health insurance will receive health coverage. Federal dollars will pay up to 85 percent of the cost of these benefits.

- Participants will receive child care assistance, if needed.
Serve-America

The proposal extends and expands the existing Serve-America program for school-age youth and Higher Education Innovative Projects for Community Service. Modifications to these programs are described below.

Service-Learning Program

Program Goals

- To build a foundation for service among the nation’s youth, inspiring them to serve and instilling in them the values and attitude to serve effectively after graduation.
- To create opportunities for all American children to serve our country.

Types of Programs

- Programs may be partnerships of local education agencies and community-based organizations.
- Local educational agencies may receive planning grants to hire service-learning coordinators.

Types of Funding

- School-based programs will be eligible for funding through State educational agencies, partly based on formula and partly through competition.
- State educational agencies must develop State plans that indicate programs to be funded and detail 3-year strategies for service-learning in their States. The Corporation must approve State plans.
- Programs may receive one-year planning grants for school-based programs. Subgranting to experienced institutions for school-based programs will also be allowed.
- All local programs will be required to provide at least 10 percent of total program costs in the first year of funding, increasing to 50 percent in the fourth. Local programs may utilize other federal education funds to meet the match requirement.

Training and Technical Assistance

- Clearinghouses will be expanded to further enable them to disseminate information and curriculum materials; train teachers, service sponsors and participants; and provide needs assessments or technical assistance.
- States will also receive additional resources to train and educate State educational personnel.
Community-based Program for School-Age Youth

- Community-based organizations working with school-age youth may receive grants from the State Commission for programs to involve such youth in community service.

- National non-profit organizations may apply to the Corporation to make subgrants or run multi-state community-service programs for this population.

Higher Education Innovative Projects

- Higher Education institutions, consortia of such institutions, or partnerships of higher education institutions and non-profit institutions may receive grants from the Corporation for student community-service programs or programs to train teachers in service-learning methods.

- Funds may supplement College Work-Study funds being used for community service placements.

Extension of the Domestic Volunteer Service Act of 1973

The proposal extends and expands VISTA and Older American Volunteer Programs authorized by the Domestic Volunteer Service Act. Following a transition period, these programs will be administered by the Corporation for national service.

VISTA

- Extends authority for the VISTA program and increases number of VISTA volunteers.

- Authorizes new VISTA Summer Associate program.

- Authorizes a University Year for VISTA program to encourage student volunteer efforts addressing the needs of low-income communities.

- Removes restrictions limiting the flexibility to manage VISTA, while reaffirming commitment to recruiting a diverse group of VISTA volunteers including young and older adults.

- Increases post-service stipends by $30 for each month of service. Such stipends are not available if VISTA volunteer accepts an educational award under the national service trust.

- Continues support for VISTA Literacy Corps.
Special Volunteer Programs

- Provides broadened authority under the Special Volunteer Programs to supporting demonstrations and innovations, provide technical assistance, and promote other entrepreneurial activities. Eliminates specific authority for student community service and drug programs, which are covered under the broadened demonstration authority and under the National and Community Service Act.

Older American Volunteer Programs

- Renames the Older American Volunteer Programs as National Senior Volunteer Corps and the Retired Senior Volunteer Program as the Retired and Senior Volunteer Program (RSVP).

- Lowers eligibility age for participation in the RSVP program to 55.

- Clarifies that Foster Grandparents may work with children with special and exceptional needs in Head Start programs, schools, and day care centers.

- Provides for a new demonstration authority to enrich and strengthen older American volunteer programs across the country.

- Eliminates restrictions that limit the flexibility to administer the program.

- Increases the stipend for low-income Foster Grandparents and Senior Companions once over the next five years to account for inflation.

Administration

- Encourages relationships between ACTION and other federal agencies where ACTION volunteers might help further the purposes of other Federal programs.

- Authorizes a Center for Research and Training on Volunteerism to strengthen volunteer programs across the country.

- Provides a technical amendment to restore the crediting of VISTA service for federal pensions.