

FOIA MARKER

**This is not a textual record. This is used as an
administrative marker by the William J. Clinton
Presidential Library Staff.**

Collection/Record Group: Clinton Presidential Records

Subgroup/Office of Origin: Counsel Office

Series/Staff Member: Marvin Krislov

Subseries:

OA/ID Number: 6741

FolderID:

Folder Title:

Office of National Service - FOIA [Freedom of Information Act]

Stack:

S

Row:

113

Section:

3

Shelf:

3

Position:

2

May 20, 1989

MEMORANDUM FOR ALL ONS STAFF

FROM: GREGG PETERSMEYER *Sharon for Gregg*
SUBJECT: DRAFT #1 OF LEGISLATION

At long last, attached is a copy of draft #1 of the YES legislation which was delivered yesterday evening. I invite everyone to read this thoroughly and give me your input. After initial changes, this draft legislation will be included in the "President's National Service Initiative" package which will be delivered to Jim Cicconi this Tuesday.

As you are aware, this is an extremely sensitive document and under no circumstances should this draft be duplicated or shared with anyone else - inside or outside of the White House.

Congratulations to all, our work has just begun.



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

May 19, 1989

MEMORANDUM FOR GREGG PETERSMEYER
DEPUTY ASSISTANT TO THE PRESIDENT AND
DIRECTOR, OFFICE OF NATIONAL SERVICE

FROM: Alan Charles Raul *ACR*
General Counsel

SUBJECT: YES Legislation

Attached, per your request to the OMB Director, is a draft of possible national service legislation, based on specifications provided by the Office of National Service ("ONS"). I believe that this draft provides a framework that fairly reflects those materials. An outline summarizing the specifications and the draft legislation is also attached.

Several issues are raised by the specifications which I suggest should be examined closely at this point. These issues are: the desired relationship between ONS and the Foundation; the role of ONS, as distinct from that of the Foundation (perhaps an Executive Order could be used to describe the role of ONS more specifically); the relationship between the Foundation and current government community service programs; and what, more precisely, the \$25 million would be spent on.

In addition, I would make two suggestions. First, the Foundation title appears too long and awkward. We suggest a shortened version, i.e. "National Community Service Foundation." Second, granting 1,000 youth leadership awards may possibly be too numerous. With so many awards, the value of each may be diminished and the logistics may be daunting.

Finally, I want to reiterate that there are a number of legal options for launching "YES to America," without using a bill to establish a private foundation. For example, it could be proposed that \$25 million could (relatively easily) be earmarked for a community service foundation, as part of an agency appropriation (to the Department of Education, HHS, or ACTION, for example). At the same time, a commission or advisory council (which might advise the Foundation) could be established by Executive Order, thereby giving the President greater control. Setting up an advisory council right away by

Executive Order might shift the momentum to the President's proposals, given the delays likely to be encountered in Congress.

Please let me know if you have any questions or comments. Thank you for providing us with an opportunity to work with you on this interesting and important project.

cc: The Director
Andrew H. Card, Jr.



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

May 19, 1989

MEMORANDUM FOR ANDREW H. CARD, JR.
C. GREGG PETERSMEYER

FROM: Alan Charles Raul *ACR*
General Counsel

SUBJECT: Summary of "YES to America" Specifications and
Draft Legislation

A. SPECIFICATIONS

The specifications lay out purposes and principles concerning the need to make community service a central feature of the life of all Americans. The specifications mention, in particular, a "Points of Light National Community Service Initiative," to be administered by a "Points of Light National Community Service Initiative Foundation," and a program of honors and awards for outstanding youth leaders.

1. Purposes of the "YES to America" Initiative

- o The President calls to action all Americans. Special emphasis is placed on the involvement of young people.
- o Seeks to imbue a sense of personal responsibility for the quality of life for all Americans.
- o Seeks to promote community service through existing as well as new programs "in every community."

2. Principles

- o Service to others is "the highest calling of human life."
- o The President does not endorse compulsory community service, but believes that the nation needs a "systemic change in thinking" leading to the "expectation that every young person will engage in community service."

3. Administration of the Initiative: the Foundation

- o The "YES to America" initiative is to be

administered and coordinated nationally by a foundation, chaired by the President. The Director of the Office of National Service is to be the vice chairman. The board of directors is to be composed of representatives of the public and private sectors.

- o The Foundation is to work with schools, state and local community leaders, and businesses to promote the YES to America initiative.

4. The President's National Service Youth Representatives and Forums

- o The President is to select two college-age young people from each state who would devote one year to promote the initiative in their respective regions. Living and travel expenses of the representatives are to be paid by the Foundation.
- o The President's National Service Youth Leadership Forums are to be designed to bring youth and community leaders together to "examine the issue of creating a new generation of community leaders."

5. The President's National Service Youth Leadership Awards

- o Each year, 1,000 of the most "dynamic and promising" young community service leaders are to be selected for a special award to be presented at the White House.

B. DRAFT LEGISLATION

The draft legislation serves four principal purposes: establishing the Points of Light National Community Service Initiative Foundation; establishing the President's national service youth representatives program; establishing the President's National Service Youth Leadership Forums; and establishing the President's National Service Youth Leadership Awards.

1. The Foundation

- o A non-profit corporation is to serve as a strategic planning center for the "YES to America" initiative.
- o The Foundation will not be a Federal agency; its officers and employees will not be officers or

employees of the United States.

- o A board of directors is to be appointed by the President (on a bipartisan basis), with 19 voting members. A majority are to be from the private sector.
- o The board is to include the Secretaries of Agriculture, Education, Labor, HHS, HUD, and Interior, and the Director of ACTION.
- o The President of the United States is to be the (non-voting) chairman ex officio.
- o The Director of the Office of National Service is to be the (non-voting) vice chairman ex officio and to serve as a liaison with the Federal government.
- o A President of the Foundation is to be selected from among the private sector members of the board for a three-year term.
- o Twenty-five million dollars is authorized to be appropriated to the President -- for pass-through to the Foundation -- for each of the next four years.

2. The Youth Service Representatives Program

- o Conducted and funded by the Foundation.
- o The President is to select two young people (between the ages of 17 and 24) each year from each state to take one year to devote to national service.

3. The Youth Service Forums

- o Conducted and funded by the Foundation.
- o To bring together young people and business and community leaders and educators to discuss and promote the "YES to America" initiative, at least once every two years.

4. The Youth Leadership Awards

- o Conducted and funded by the Foundation.
- o (Up to 1,000) to be awarded annually by the President of the United States to outstanding youth leaders.

A BILL

To promote community service and to improve the quality of life in America by calling all people to action, and especially the young, through the means of existing and new programs and initiatives in every community.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC.1. SHORT TITLE. This Act may be cited as the "YES to America Act of 1989."

SEC.2. TABLE OF CONTENTS. This Act is organized as follows:

SEC.1. Short Title

SEC.2. Table of Contents

SEC.3. Findings

SEC.4. Purposes

SEC.5. Definitions

SEC.6. Effective Date

TITLE I. POINTS OF LIGHT NATIONAL COMMUNITY SERVICE
INITIATIVE FOUNDATION

SEC.101. Foundation

SEC.102. Board of Directors of the Foundation

SEC.103. Officers and Employees

SEC.104. Powers, Duties, and Limitations

SEC.105. Records and Reports

SEC.106. Audits

SEC.107. Financing

TITLE II. YOUTH LEADERSHIP AND AWARDS

SEC.201. Findings and Purposes

SEC.202. The President's National Service Youth
Representatives

SEC.203. The President's National Service Youth
Leadership Forums

SEC.204. The President's National Service Youth
Leadership Awards

SEC.3. FINDINGS.

The Congress finds that --

(1) a systematic change in thinking is needed which leads to the expectation that every young person will engage in community service, and that service will become the norm in our society;

(2) the principal motives for service should be a sense of civic obligation and a desire to contribute to society;

(3) each person has gifts to give, and every community, as well as the nation at large, needs those gifts;

(4) it is critical to the Nation's future and to the character of a young person to instill at an early age the notion that service to others is a necessary part of the definition of a successful life;

(5) community service should be integrated into a person's everyday life;

(6) all institutions in society, including local schools, universities, and businesses, should begin to create incentives and offer inducements to community service;

(7) existing programs should be encouraged and new programs organized in and by local communities; and

(8) community service is intended to complement and supplement existing social programs, not serve as a substitute thereto.

SEC.4. PURPOSES.

It is the purpose of this Act to establish the [Points of Light] National Community Service [Initiative] Foundation, the President's National Service Youth Representatives program, the President's National Service Youth Leadership Forums, and the President's National Service Youth Leadership Awards.

SEC.5. DEFINITIONS.

As used in this Act --

(1) Foundation -- The "Foundation" means the Points of Light National Community Service Initiative Foundation established under this Act.

(2) YES -- "YES" or "YES to America" means the

Presidential initiative to make community service a part of life for every American.

(3) Board -- The "board" or "Foundation board" means the board of directors of the Points of Light National Community Service Initiative Foundation.

(4) Office of National Service -- The "Office of National Service" means the Office of National Service in the Executive Office of the President, or its successor.

(5) State -- The term "State" includes, in addition to any one of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau).

(6) Governor -- The term "Governor" means the chief executive officer of a State.

(7) Servlink -- The term "Servlink" or "Servlink to YES" means the community service telephone hotline to be established by the Foundation.

(8) Servnet -- The term "Servnet" means the information

sharing program among States, localities, and volunteer organizations nationwide, to be established by the Foundation.

(9) Youth Representatives -- The term "Youth Representatives" means the President's National Service Youth Representatives selected pursuant to this Act.

(10) Forums -- The term "Forums" means the President's National Service Youth Leadership Forums established under this Act.

SEC.6. EFFECTIVE DATE.

This Act shall become effective on the date of enactment.

TITLE I. POINTS OF LIGHT NATIONAL COMMUNITY SERVICE INITIATIVE FOUNDATION.

SEC.101. FOUNDATION.

(a) Establishment.

There is authorized to be established a nonprofit corporation, which shall be known as the [Points of Light] National Community Service [Initiative] Foundation. The Foundation shall not be an agency, instrumentality or establishment of the United States Government. The Foundation shall be subject to the provisions of this Act, and, to the extent consistent with this Act, to the District of Columbia Nonprofit Corporation Act.

(b) Purposes.

It shall be the purpose of the Foundation to --

(1) serve as a strategic planning center for a national service movement;

(2) initiate and lead a public dialogue on the issue of national service;

(3) serve as a central clearinghouse for national service information;

(4) identify resources of existing organizations and encourage the coordination of their activities;

(5) assist States and local communities to respond to the President's call for a national service movement;

(6) provide training and informational materials;

(7) set standards for YES initiatives and awards;
and

(8) raise funds for the purpose of encouraging new initiatives, replicating those already succeeding and meeting the general needs of the Foundation;

(c) Principal Office.

The Foundation shall maintain its principal office in the District of Columbia and shall maintain therein a designated agent to accept service of process for the Foundation. Notice to or service upon the agent shall be deemed notice to or service upon the Foundation.

(d) Exemption from taxation.

The Foundation, pursuant to section 501(c)(3) and section 501(a) of title 26, United States Code, shall be exempt from Federal taxation.

The Foundation, including its activities, assets, and income, shall be exempt from all taxation now or hereafter imposed by the United States, by any territory, dependency, or possession thereof, or by any State, county, municipality or local taxing authority, except that any real property of the Foundation shall be subject to State, territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed.

SEC.102. BOARD OF DIRECTORS OF THE FOUNDATION.

(a) Establishment; membership.

(1) The Foundation shall have a board of directors consisting of 19 voting members. Ex officio members shall not vote. Members shall be drawn from among outstanding government, private sector and voluntary organization leaders.

(A) A majority shall be appointed from outside the Federal Government, and shall not be officers or employees, including special government employees, of the United States.

(B) The board shall include as members the

Secretaries of Agriculture, Education, Labor, Health and Human Services, Housing and Urban Development, and the Interior, and the Director of ACTION, or their respective designees (who shall be entitled to consider and vote on all matters coming before the board).

(2) Members appointed from outside the Federal Government shall be appointed by the President of the United States, and no more than half may be from the same political party.

(b) Term of office for board members appointed from outside the Federal Government.

The term of office of each board member specified in section 102(a)(2) shall be three years, except that four of the first members appointed shall serve for a term of two years and four shall serve for a term of one year. Each such member of the board may continue to serve until the successor to such member has been appointed. The term of initial members shall be computed from the date of the first meeting of the Foundation. The term of each member other than initial members shall be computed from the date of termination of the preceding term. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which such

member's predecessor was appointed shall be appointed for the remainder of the term. No member shall be reappointed to more than two consecutive terms immediately following such member's initial term.

(c) Status of board members.

The members of the board shall not, by reason of such membership, be deemed officers or employees of the United States.

(d) Chairman of the Board, ex officio.

The President of the United States shall be the chairman of the board ex officio.

(e) Vice Chairman, ex officio.

The Director of the Office of National Service shall be the vice chairman of the board ex officio, and shall serve as a liaison with the Federal Government.

(f) President of the Foundation.

(1) The President of the United States shall select from among the members of the board appointed from

outside the Federal Government a President of the Foundation, who shall serve for a term of three years. Any member of the board appointed to fill a vacancy as President of the Foundation prior to the expiration of a three-year term of a prior President of the Foundation shall be appointed for the remainder of the term. No member of the board shall be reappointed to more than two terms as President of the Foundation.

(2) In the absence of the chairman of the board ex officio, the President of the Foundation shall serve as chairman pro tempore.

(g) Compensation and expenses.

The board shall serve without compensation but may be reimbursed by the Foundation for travel, subsistence, and other necessary and reasonable expenses incurred in the performance of their duties as directors of the Foundation.

(h) Bylaws, policies, and administrative provisions.

The board shall adopt such bylaws, policies, and administrative provisions as are necessary to the functioning of the Foundation and consistent with the provisions of this Act.

(i) Quorum.

The presence of a majority of the board members or their designees, as provided in section 102(a)(1)(B), shall constitute a quorum.

(j) Meetings of the board.

The board shall meet at least annually.

(k) Conflict of interest.

No member of the board may participate in any decision, action, or recommendation with respect to any matter which directly benefits such member or pertains specifically to any firm or organization with which such member is then associated or has been associated within a period of two years.

SEC.103. OFFICERS AND EMPLOYEES.

(a) Executive Director.

The Foundation may appoint an Executive Director without regard to the provisions of title 5, United States Code,

governing appointments in the competitive service. The Foundation shall set the rate of pay for the Executive Director at a rate not to exceed the maximum rate payable for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code.

(b) Employment, compensation, and benefits of other employees.

The board shall have power to select, employ, and fix compensation and benefits of such other officers, employees, attorneys, and agents as shall be necessary for the performance of its duties under this Act, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, classification, and General Schedule pay rates, except that no officer, employee, attorney, or agent of the Foundation may be paid compensation at a rate in excess of the maximum rate payable for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code.

No full-time officer or employee of the Foundation shall receive any salary or other compensation for services from any other source than the Foundation during his or her period of employment by the Foundation, except as specifically authorized by the Executive Director, except that this section

shall not preclude the use of consultants, attorneys or part-time employees who normally receive compensation from multiple sources.

(c) Appointment and removal of employees.

The Executive Director of the Foundation, subject to the policy of the board, may appoint and remove such employees of the Foundation as he or she determines necessary to carry out the purposes of the Foundation.

(d) Employee status.

Officers and employees of the Foundation shall not by reason of such employment be considered officers or employees of the United States.

(e) Exceptions.

Employees of the Foundation shall not be considered Federal employees for any purpose other than for purposes of chapter 81 of title 5, United States Code (relating to compensation for injury) and sections 2671 through 2680 of title 28, United States Code (relating to tort claims).

(f) Applicability of administrative and cost standards

of the Office of Management and Budget.

The Foundation shall be subject to administrative and cost standards issued by the Office of Management and Budget similar to standards applicable to non-profit grantees and educational institutions.

(g) Cooperation from U.S. Government Agencies.

(i) Upon the request of the Foundation, the head of any department or agency of the United States is authorized, on a reimbursable basis, to cooperate with and assist the Foundation in carrying out its responsibilities under this Act. Each head of such department or agency may detail any of the personnel of such department or agency to the Foundation for such purpose.

(ii) The Foundation may request from the head of any Federal agency or instrumentality such reasonable information as the Foundation may require for the purpose of this Act. Each such agency or instrumentality may, to the extent permitted by law, furnish such information to the Foundation, upon request made by the President of the Foundation.

SEC.104. DUTIES, POWERS, AND LIMITATIONS.

(a) Duties of the Foundation.

(1) The principal duty of the Foundation shall be to articulate and carry out the "YES to America" challenge.

(A) The "YES to America" challenge urges every individual and institution in society to devise and implement programs for improving the quality of life for all Americans, young and old alike, by encouraging young people to become involved in and awakened to the value of community service.

(B) To meet this challenge, the Foundation shall establish a framework for "YES to America" involving our Nation's young people in a united collective effort for improving the quality of life in their respective communities and, thereby, in the Nation as a whole. This framework may be established by the Foundation in a variety of ways,

including --

(i) Serving as a strategic planning organization constantly surveying the developing voluntary service area and revising and updating strategic planning for meeting the "YES to America" challenge as necessary; and

(ii) Working with Governors and local leaders to establish statewide volunteer service advisory councils for encouraging existing and new programs organized in and by local communities. Such statewide volunteer service advisory councils should seek to --

(aa) facilitate collaboration and linkages among schools, human service and youth service organizations, and businesses;

(bb) foster local community-wide planning involving existing service agencies, new agencies and organizations created in communities by communities, schools, churches, unions, adults, and

young people;

(cc) encourage the establishment of community-based volunteer councils modeled after the statewide councils; and

(dd) encourage State and local financial commitment to "YES to America" challenges and other community service projects.

(2) The Foundation shall initiate and lead a public discussion on and promote the "YES to America" challenge to volunteer service through publications, public hearings, conferences, town meetings, and other forums including --

(A) promoting the idea of incorporating community service into existing secondary and post-secondary curricula, possibly as a prerequisite for admission and/or graduation;

(B) working with corporate executives, especially human resource directors, to foster the inclusion of community service as a priority for

employment and career advancement decisions so that community service becomes part of the corporation's culture; and

(C) exploring and working to resolve barriers to community service such as insurance problems and tort liability issues.

(3) The Foundation shall promote and facilitate volunteer service and advertise successful service programs from across the nation through --

(A) using the media, entertainment community, local and national leaders, and athletes;

(B) newsletters;

(C) a program of national and local awards, commendations, and other forms of recognition;

(D) studying and evaluating current programs to learn what works and what does not to assure that the "YES to America" challenge does not duplicate services; and

(E) establishing and supervising "YES to

America" information clearinghouses including --

(i) Servlink -- a toll-free hotline functioning as an information source of last resort for people unable to identify ^{of such} service opportunities in their communities;

(ii) Servnet -- an information sharing program among States, localities, and volunteer organizations nationwide including "how to" pamphlets, newsletters, and other clearinghouse functions.

(4) The Foundation shall conduct the activities of the President's National Service Youth Representatives program, as established in section 202(a).

(5) The Foundation shall conduct the activities of the President's National Service Youth Leadership Forums, as established in section 203(a).

(6) The Foundation shall conduct activities related to the President's National Service Youth Leadership Awards, as established in section 204(a).

(7) The Foundation shall develop the "YES to

America" Summer Initiative.

(A) The "YES to America" Summer Initiative shall provide community service opportunities for youths during the summer between the 8th and 9th grades.

(B) Summer Initiative service opportunities shall be designed jointly by youth, local government officials, and business leaders to target service on one or several critical local needs.

(C) The Summer Initiative is intended to be a bridge between previous youth service activity, which will have been primarily school based, to service activities beyond the school and into the community.

(8) The Foundation shall develop the "YES to America" Mentor Initiative.

(A) Much service activity can be aided through one to one relationships between youths and adults.

(B) The Mentor Initiative can help young and old alike by bringing adults who desire or feel the

need for more community involvement into partnerships with youths or with children who need attention and guidance.

(C) Such mentor programs may include youth-senior partnerships, peer counseling, and role model development to deal with issues such as substance abuse and teen pregnancy, tutoring programs, and business/union mentor arrangements.

(b) Priority activities.

In promoting the "YES to America" initiative, the board shall seek to encourage in particular those community service activities that seek to eliminate and alleviate the problems of homelessness, illiteracy, drug abuse, teen pregnancy, and teen suicide.

(c) Volunteerism.

In promoting the "YES to America" initiative, the board shall seek to support itself through volunteerism to the maximum extent practicable.

(d) Lobbying activities prohibited.

The Foundation shall not itself undertake to influence the passage or defeat of any legislation pending before the Congress of the United States or by any state or local legislative bodies, except the personnel of the Foundation may testify or make other appropriate communication --

(1) when formally requested, or

(2) in connection with legislation or appropriations directly affecting the activities of the Foundation.

(e) Miscellaneous Prohibitions.

(1) The Foundation shall have no power to issue any shares of stock, or to declare or pay any dividends.

(2) No part of the income or assets of the Foundation shall inure to the benefit of any member of the board of directors, officer, or employee, except as provided in this Act for reasonable compensation for services or as reimbursement for expenses.

(3) The Foundation shall not contribute to or make available corporate funds, program personnel or equipment to any political party or association, or to the campaign of any candidate for public or party office.

SEC.105. RECORDS AND REPORTS.

(a) Annual Report.

(1) The Foundation shall publish an annual report. Such report shall include a description of how funds were allocated, activities undertaken and such recommendations as the Foundation deems appropriate.

(2) The annual report shall include summaries of effectiveness evaluations prepared pursuant to section 105(c).

(b) The voting directors and officers of the Foundation shall be available to testify before appropriate committees of the Congress with respect to the report of any audit made by the Comptroller General pursuant to section 106(b)(1), or any other matter which such committees may determine.

(c) The Foundation shall conduct periodic evaluations of the effectiveness of programs and activities undertaken, including an assessment of the relationship of such activities to the goals and standards for the "YES to America" initiative established by the board pursuant to this Act.

SEC.106. AUDITS.

(a) Annual audit.

(1) The records of the Foundation shall be audited annually. Such audits shall be conducted in accordance with generally accepted auditing standards by independent certified public accountants who are certified by a regulatory authority of the jurisdiction in which the audit is undertaken.

(2) The audits shall be conducted at the place or places where the accounts of the Foundation are normally kept. All books, financial records, reports, files, and other papers or property belonging to or in use by the Foundation and necessary to facilitate the audits shall be made available to the person or persons conducting the audits; and full facilities for verifying transactions shall be afforded any such person.

(3) The report of the annual audit shall be filed with the General Accounting Office and shall be made available for public inspection during business hours at the principal office of the Foundation.

(b) Audit by the General Accounting Office.

(1) In addition to the annual audit, the financial transactions of the Foundation for any fiscal year during which Federal funds are available to finance any portion of its operations may be audited by the General Accounting Office in accordance with such rules and regulations as the Comptroller General may prescribe.

SEC.107. FINANCING.

(a) Authorization of appropriations.

There are authorized to be appropriated to the President of the United States, for the purposes of carrying out the activities of the Foundation, including the President's National Service Youth Representatives program, the President's National Service Youth Leadership Forums, and the President's National Service Youth Leadership Awards, and including all administrative costs of the Foundation, \$25,000,000 for fiscal year 1990, \$25,000,000 for fiscal year 1991, \$25,000,000 for fiscal year 1992, \$25,000,000 for fiscal year 1993. Funds so appropriated shall be paid to the Foundation. Such payments shall be made in compliance with

procedures concerning the obligation and expenditure of funds required by title 31, United States Code, and other applicable laws.

(b) Gifts and donations.

The Foundation is authorized to accept on its behalf and employ or dispose of in furtherance of the purposes of this chapter, any monies, services or property, real or personal, or mixed, tangible or intangible, received by gift, devise, bequest, donation, or otherwise.

(c) Preparation of business-type budget.

The Foundation shall prepare annually a business-type budget which shall be submitted to the Office of Management and Budget, under such directives and instructions as may established as to the date of submission, the form and content, the classification of data, and the manner in which such budget program may be prepared and presented.

TITLE II. YOUTH LEADERSHIP AND AWARDS.

SEC.201. FINDINGS AND PURPOSES.

(a) The Congress finds that --

(1) the development of young leaders committed to service is critically important;

(2) "YES to America" should identify and empower a generation of community leaders who will see service as the most rewarding and exciting career opportunity; and

(3) young people have the ability to evaluate their own community needs and to devise and implement strategies to meet those needs.

(b) Purpose.

The purpose of this title is to honor and encourage young community service leaders.

SEC.202. THE PRESIDENT'S NATIONAL SERVICE YOUTH REPRESENTATIVES.

(a) Establishment.

There is established the President's National Service

Youth Representatives program.

(b) Purpose.

It is the purpose of this program to select outstanding youth leaders between the ages of 17 and 24 to take one full year to travel and promote youth service (including participating in the National Service Youth Leadership Forums established in section 203(a)), suggesting ways that other youths can become involved in community service, citing examples of successful community service programs, and assisting in developing such programs where needed; and

(c) Selection.

Each Spring, the President of the United States, with the advice of the Governors, shall select two young people from each State, who are between the ages of 17 and 24 years old, with a demonstrated record of extraordinary achievement in the field of community service.

(d) Travel and living expenses.

Youth Representatives shall be reimbursed by the Foundation for reasonable travel and living expenses associated with the business of the Foundation during their

year of service, and for other necessary expenses incurred by them in the performance of their official duties.

SEC.203. THE PRESIDENT'S NATIONAL SERVICE YOUTH LEADERSHIP FORUMS.

(a) Establishment.

There is established the President's National Service Youth Leadership Forums.

(b) Purpose.

(1) The President's National Service Youth Leadership Forums shall bring together young people (including the President's National Service Youth Representatives), educators, community and business leaders, local elected officials, community service organizations, and other interested parties to examine ways of creating a new generation of community leaders.

(2) The Forums shall provide the basis for renewing, revising, and redirecting as necessary the Foundation's strategic planing for implementing the "YES to America" challenge.

(c) Organization.

The President's National Service Youth Leadership Forums shall be conducted on two levels.

(1) There shall be a nationwide National Service Youth Leadership Forum convened at least once every two years.

(2) Regional national service forums shall be organized and led by the President's National Service Youth Representatives.

(A) Regional forums shall be convened as frequently as necessary, but no more often than once a year.

(B) Such forums shall explore such issues as --

(i) challenges to existing institutions and concerned individuals to devise ways to increase youth participation and involvement in community service leadership;

(ii) problems in community service

programs and ways to solve them;

(iii) recommended steps for improving coordination and cooperation among existing and emerging service organizations;

(iv) promoting regional examples of successful community service programs; and

(v) Bestowing awards and commendations on individuals for successful projects.

SEC.204. THE PRESIDENT'S NATIONAL SERVICE YOUTH LEADERSHIP AWARDS.

(a) Establishment.

There is established the President's National Service Youth Leadership Awards.

(b) Selection.

(1) The President shall annually recognize through the National Service Youth Leadership Awards up to 1000 outstanding youth community leaders.

(2) Award nominees shall be reviewed and selected by the Foundation from submissions received from statewide volunteer service advisory councils.

(3) Nominations shall be made after consultation with youth leaders, State and local government officials, schools and colleges, business leaders, unions, churches and synagogues, civic groups, service organizations, associations and individuals involved in the "YES to America" challenge.

(c) Presentation Ceremonies.

The presentation of the National Service Youth Leadership Awards shall be made by the President of the United States with appropriate ceremonies.

(d) Monetary Awards.

In its discretion, the Foundation may recommend that all awards granted in any one year include a reasonable monetary component.

(e) Conditions.

(1) An individual is eligible for the President's

National Service Youth Leadership Award only if such individual is not currently a President's National Service Youth Representative and such individual --

(A) is a citizen or national of the United States; or

(B) is an alien lawfully admitted to the United States for permanent residence, who --

(i) has filed an application or petition for naturalization in the manner prescribed by section 1445 of title 8, United States Code, and

(ii) is not permanently ineligible to become a citizen of the United States.

THE WHITE HOUSE

WASHINGTON

June 6, 1989

SENSITIVE

MEMORANDUM FOR FREDERICK D. MCCLURE

FROM: C. GREGG PETERSMEYER *GP*
SUBJECT: National Service Legislative Strategy

I. OBJECTIVE:

The objective of the President's national service legislation is to:

- o Take control of the national service debate.
- o Establish a foundation and secure \$25 million of federal funds to be matched in the private sector.
- o To avoid the situation of the President's being compelled politically to sign a very expensive national service bill major elements of which conflict with his view of national service.

II. ANALYSIS:

As you know, currently Labor Chairman Kennedy has taken control of the national service issue on the Hill and is pushing hard to build consensus for an omnibus national service package with a \$300 - 600 million annual price tag. The compromise is scheduled to be reported out around June 15 and, with or without the Administration's piece, it is likely that this bill could pass both houses. Given the President's commitment to national service, it is quite possible that an expensive bill not representing any aspect of the President's philosophy or proposal would be extremely hard for him to veto.

Kennedy's staff has approached our office numerous times and is eager to include the Administration's perspective in the omnibus package negotiations. They are willing to discuss the issue of keeping the price tag down and they have indicated their willingness to discuss certain substantive elements of their bill which may be undesirable to the Administration. Thus far, the Republicans have not engaged in the process. They are waiting for the White House to provide a leadership role.

Current elements of this omnibus bill appear to include:

TITLE I School-based service (Kennedy). This section is intended to be the centerpiece of the bill. It includes almost all elements of the Kennedy bill and involves grants to schools and community-based organizations which offer youth service opportunities. It will be administered through the Department of Education which will make grants to the State Education Board which in turn will be responsible for distribution of the grants.

Current approximate price tag: \$100 million
(Note: Kennedy is determined to make his component the centerpiece of any intra-party agreement. Therefore, among the competing Democrats at this time, Kennedy is unwilling to go down on the price tag of his piece until other members do. But Kennedy's staff has confidentially indicated that they might be willing ultimately to go as low as \$70 million).

TITLE II Youth Conservation Corps (Dodd/Panetta). This title is intended to expand conservation corps through discretionary grants to states and is based upon the Dodd/Panetta service bills introduced earlier this year.

Approximate price tag: \$150 million (Note: Ultimately they are expected to go down to \$100 million).

TITLE III Demonstration projects which include incentives for full and part-time service opportunities (Mikulski/Pell/Nunn). This section contemplates incentives such as student loan deferment, tuition and home downpayment vouchers for young people to take 6 months to 2 years from the normal course of their lives and engage in community service.

Approximate price tag: \$250 million (Note: Title III is the "unknown factor" in the negotiation process as far as cost and content. The Democrats supporting this position are strong-willed at present. Kennedy would like this portion of the bill to go down to \$100 million. But Kennedy believes that without additional pressure from the Administration to keep the price down, this might not be possible).

TITLE IV Expansion of VISTA two-fold over four years (2,600 - 5,200 volunteers) and increase appropriation from \$27 to \$56 million by 1993.

Price tag: \$11 million first year (Note: If Kennedy can get this increase and Title V as part of the ACTION Reauthorization, these titles will be taken out of the National Service bill).

TITLE V Increase Older Americans Volunteer Programs (administered through ACTION).

Price tag: \$20 million (Note: As mentioned under Title IV, if this increase can be accomplished through the ACTION Reauthorization, this title will be taken out of the bill).

COST BREAKDOWN OF THE OMNIBUS PACKAGE:

	<u>CURRENT STATUS</u> (millions)	<u>AGGRESSIVE ASSUMPTION</u> (millions)
TITLE I	\$100	\$ 70
TITLE II	\$150	\$100
TITLE III	\$250	\$100
TITLE IV	\$ 11	--
TITLE V	\$ 20	--
TOTAL	\$531	\$270
PRESIDENT'S BILL	\$ 25	\$ 25
TOTAL IF ADMINISTRATION PIECE ADDED	\$556	\$295

III. HOW THE PRESIDENT'S INITIATIVE DIFFERS FROM THE DEMOCRATS' ALTERNATIVES

The President should indirectly contrast his initiative with those proposed by Congress. His initiative differs from other proposals in that he calls for:

- o The involvement of literally all young people and people of all ages and all institutions;
- o A movement that is grass roots and community-based rather than devised in and imposed from Washington;
- o A movement that does not compensate people with federal dollars for what should be an obligation of citizenship;
- o A movement that weaves service into young people's normal life and career pattern, developing in them a lifelong commitment to service rather than a 1-2 year stint that one serves out like a prison term;
- o A movement which is less costly than the Democrats' alternative;
- o A movement that eschews bureaucracy.
- o A movement designed to catalyze not only youth service but ultimately service on the part of all Americans and institutions.

IV. STRATEGY:

In order to go forward with the President's initiative and secure \$25 million, establish the President's leadership and philosophy, and gain significant influence over the current process, we recommend the following legislative strategy:

1. Propose through legislation the establishment of the foundation and secure \$25 million in federal funding. (Note: We have asked Counsel's office to research the issue of whether we could establish the foundation independently of Congress, lest it be held hostage to an unacceptable Democrat-sponsored bill. Unfortunately, Counsel's preliminary view is that pursuit of such a course would likely prove unavailing.)
2. Communicate the President's approach to the Republicans and establish Republican commitment and leadership.

- o Immediately - ONS and LA brief Republicans on the Senate Labor and Human Resources Committee and the House Education and Labor Committee.
 - o June 13th - The President meets with a small group of carefully selected GOP Senators and Representatives to consult regarding developing legislation, present his initiative, and ask them to take a leadership role in taking his initiative to the people and in guiding the bill through Congress.
3. Continue to work quietly and constructively with Senator Kennedy's Committee staff based upon agreed principles.
 4. June 20th - Introduce President's bill in a nonpartisan setting. The kick-off must include the Republican leaders, highlight the philosophy behind the President's bill, and show broad and deep non-federal support for the President's perspective. The distinction between the President's bill and other bills must be very apparent.
 5. June 21st - Through Republican leaders and White House begin negotiations with Kennedy's committee. Vital components of the compromise must include:
 - o Fiscal responsibility - we must agree on how much is too much and communicate that clearly.
 - o The packaging of the bill is crucial. The central and dominating thrust of the legislation must be the President's ethos that all institutions and all people must engage in service to others, with young people leading the way.

cc: Andy Card
Roger Porter
Steve Studdert

Budget

1.	Training and Technical Assistance (educational materials, fundraising counsel, curriculum supplements).	\$ 14 million
2.	ServNet, ServLink	\$ 14 million
3.	Communications (television and radio spots, newspaper and magazine features, pamphlets, posters, etc.).	\$ 10 million
4.	Recognition of Outstanding Initiatives and Individuals, and Communication of their Achievements through Media and Awards and the President's National Youth Service Award (Commendations and Lapel Pins).	\$ 5 million
5.	Regional Leadership Forums	\$ 3 million
6.	Youth Representatives (living and traveling expenses only).	\$ 2 million
7.	Administrative Costs (e.g. staff salaries, equipment costs, building rent, stationery, printing, postage).	\$ 2 million
TOTAL		\$50 million

DECISION

_____ Approve

_____ Disapprove

_____ Approve as Amended

_____ No Action