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August 1, 1989

MEETING WITH GREGG PETERSMEYER

DATE: AUGUST 2, 1989

LOCATION: OVAL OFFICE

TIME: 12:00 NOON

FROM: GOVERNOR JOHN H. SUNUNU

I. PURPOSE

The purpose of the meeting is to brief you on how we plan to build on the momentum generated by your June 22, 1989 announcement of the Points of Light Initiative.

II. BACKGROUND

Your announcement last June formally launched community service as a central theme for your Administration. Given the favorable and prominent press coverage since then and evidence of its widespread appeal, it is clear that the concept of "points of light" as the best and perhaps only solution to our most critical social problems has captured the imagination of the American people. Now that more Americans are clear about the meaning and potential of this idea, we must translate it into action.

The aim of this meeting is to suggest ways in which your leadership can be helpful in so doing and to brief you on what we plan to ask others to do further to catalyze and institutionalize this promising new movement. Attached for your information is a draft of a strategic plan for making community service central to the life and work of every individual and institution in America.

III. PARTICIPANTS

The President, The Chief of Staff, C. Gregg Petersmeyer.

IV. PRESS PLAN

No press coverage.

V. SEQUENCE OF EVENTS

Luncheon discussion.

POINTS OF LIGHT INITIATIVE:
COMMUNITY SERVICE AS NATIONAL POLICY

"From now on in America, any definition of a successful life must include serving others."

President George Bush
June 22, 1989

CHALLENGE

Though America is at peace and more Americans are enjoying a greater degree of prosperity than ever before in our history, **we still have work to do.** Illiterates, drop-outs, drug abusers, unwed pregnant teens, delinquent or suicidal young people, AIDS victims, homeless, hungry, unemployed and lonely, millions of Americans are enduring a waking nightmare of want and isolation. Each one of them is free falling through society, as their communities, small as families and large as neighborhoods, disintegrate all around them. We must take action, not only because it is morally right, but because America's continued economic, political and military strength and global competitiveness demand it. While government's role is critical, government alone can never meet this challenge. **For what millions of Americans need most is not another government program, but a set of meaningful relationships that results in the conviction that their future is not limited by their present circumstances.**

MISSION

The nation's mission must be to solve our most critical social problems. To accomplish this mission, each individual and institution must begin to play a direct and consequential role in community problem solving. Communities must pool their resources to attack comprehensively the multiple problems of individuals in need. The President believes in the innate desire of all Americans to serve others and in Americans' matchless ability to devise creative solutions to daunting problems. To be a "point of light" is to serve others with whatever means and skills one has available. The President believes in the readiness and ability of every single individual and institution in America to be a "point of light." As we enter the new century, the growth and magnification of "points of light" across the nation must be America's mission.

STRATEGY (OVERVIEW)

I. CLAIM SOCIETY'S PROBLEMS AS YOUR OWN

To call every American and every American institution to engage in solving our most critical social problems in whatever way they can and with whatever means and skills are available to them.

II. IDENTIFY, ENLARGE AND REPLICATE WHAT IS WORKING

To identify successful and promising community service programs, inform other communities of their existence and replicate them there.

III. DISCOVER AND ENCOURAGE NEW LEADERS

To discover and encourage through public recognition and awards, individuals and institutions who are the brightest "points of light."

STRATEGY

I. CLAIM SOCIETY'S PROBLEMS AS YOUR OWN

"Our challenge, then, is to [engage] each citizen, school and business, church and synagogue, service organization and civic group. For this is what I mean when I talk of a "thousand points of light" -- that vast galaxy of people and institutions working together to solve problems in their own back yard."

President George Bush
June 22, 1989

Objective: A Nation Transformed by Service

A. That every single institution in America develop its own "point of light" community service initiative(s) and that every single member of an institution participate in at least one initiative somewhere. By "institution" we mean every corporation, firm, school, place of worship, union, club, group or association, as large as General Motors and as small as a bowling team. Larger institutions are urged to create service opportunities in each chapter, group, division, department or other sub-unit, in order to facilitate participation by everyone.

Community service initiatives should ideally be:

- o Targeted at those problems that seem most difficult and intractable;
- o Focused on systemic reform;
- o Structured as a partnership among several institutions with complementary resources so as simultaneously to respond to the multiple problems affecting an individual in need.

Examples of "points of light" initiatives or programs that may be designed to meet these criteria include:

- o Housing initiatives which encourage tenant ownership and management that are coordinated with literacy and job training programs to enhance employability.
- o A prenatal care center which reaches pregnant teens through a Big Sister mentoring program offering health care, tutoring and guidance.

B. To enlist the distinctive expertise of institutions and the unique professional skills of individuals in the fight against the nation's social problems. This initiative will seek out the "gift" that each individual and institution has and will encourage the giving of that "gift." For example:

- o Every television and radio station, newspaper, magazine, cable system and other media institution is encouraged to awaken the public to the gravity of community problems and their individual ability and that of their institutions to affect change, by relentlessly promoting community service as a national ethic, spotlighting successful service initiatives, profiling outstanding community leaders and informing the public of how to get involved in community service;
- o Every credit card issuer, bank, telephone and utility company is encouraged to include in billing and statement envelopes printed information about how and where individuals and institutions can serve others;
- o Every real estate developer is encouraged to form a consortium with other developers, architects and commercial banks to build decent, affordable housing;
- o Every restaurant, grocery and convenience store and farm is encouraged to make surplus food available to the hungry each day.

C. To create an institutional ethic throughout the nation that values community service and instills in each individual and institution the conviction that any definition of a successful life must include serving others. To accomplish this attitudinal change and institutional restructuring:

- o Every institution is asked to identify and prominently honor as heroes individual members most deserving of recognition for their work in the field of community service;
- o Every employer is asked to include community service among the factors considered in making hiring, compensation and promotion decisions;
- o Every state and local education board is urged to uphold the value of community service in primary and secondary schools;
- o Every college and university is urged not only to uphold the value of community service, but also to weigh an applicant's community service record in admissions decisions;
- o Every not-for-profit service organization is asked to build the capacity to absorb increasing numbers of volunteers in meaningful roles, to share their expertise and insights with those new to the business of community service and to work with each other in a coordinated and cooperative manner to address more effectively the multiplicity of problems affecting communities.
- o Every young American, age 5 - 25, is challenged to lead this effort and make community service part of their daily pattern of living. Through an initiative entitled "Youth Engaged in Service (YES) to America," young people are called to engage in community service and to persuade adults and institutions to contribute to youth leadership by devising community service programs and initiatives that address the particular needs of young people and by involving young people in community service programs that help others.

Like the overall "Points of Light" initiative, YES to America is not a federal government program, but a nationwide service movement led by young Americans and others who are interested in young Americans. As the President said to young America in an address on the YES initiative on June 21, 1989,

"Regardless of the life that you are living, there is something special about each and every one of you ... your gifts are all different. But you each have a gift that America needs and I'm asking you to give that gift now."

II. IDENTIFY, ENLARGE AND REPLICATE WHAT IS WORKING

"There is no problem in America that is not being solved somewhere."

President George Bush
June 22, 1989

The President will serve as Honorary Chairman of a foundation called the "Points of Light Initiative Foundation." The foundation will serve to institutionalize national service as national policy. The President believes that virtually every problem in America is being solved somewhere. However, successful initiatives are too often isolated and unknown to others. Successful initiatives must be replicated again and again across the nation by individuals and institutions until the best ideas are made known to every community. On a scale never before tried and with an approach never before attempted, tested or promising new ideas for solving community problems will go in search of potential new leaders with initiative, the will to succeed and access to resources.

A. Mobilizing Local Resources

The President will challenge each state to replicate this initiative by bringing together corporate chief executives, local management, business associations, community activists, not-for-profit groups, educational institutions, media organizations, civic associations, minority groups, religious denominations and local political leaders to develop "Points of Light" Initiatives, marshaling community resources and deploying them against community problems.

B. Turning Ideas into Action

Through the foundation, those with tested or promising new ideas will be introduced throughout the nation to powerful institutions and people possessed of leadership skills and resources who have the will and ability to turn ideas into action.

C. Peer-to-Peer Pressure

Through a foundation initiative to be called the "ServNet Project," institutions like corporations, professional firms, unions, schools, religious groups, civic groups and not-for-profit service organizations will be asked to donate the services of some of their most talented and promising people for a period of time.

These extraordinary individuals will form and lead peer-to-peer working groups, e.g., CEO's going to fellow CEO's, lawyers to fellow lawyers, teachers to fellow teachers, union members to fellow union members, Boy Scout leaders to Boy Scout leaders, bringing examples of successful initiatives within their particular area of expertise to others in the same field and providing training, technical assistance and other support to enable institutions without such initiatives to devise similar ones.

D. Linking Servers to Needs

One of the foundation's objectives is to help to improve existing methods of matching those who wish to serve with purposeful service opportunities.

Over time, through an initiative called the "ServLink Project" the foundation will stimulate the development through private sector resources of "technology links" between those who wish to serve and those who need service (e.g., telephone hotlines, interactive computers, etc.).

III. DISCOVER AND ENCOURAGE NEW LEADERS

"You can find what you are looking for in helping others. When it comes right down to it... what all of us want out of life are two things: meaning and adventure... If you walk this path with me, I can promise you a life full of meaning and adventure."

President George Bush
June 21, 1989

A. Identify Strong and Creative Leaders

Those who excel in other walks of life or those who have great but untapped potential will be drawn to service by the recognition that no other endeavor in America today brings to one's life more meaning and adventure. America's community service movement must have the strongest, most creative leadership nationally and locally.

The foundation will call upon every institution in America to identify the most promising leaders in all walks of life who are not now engaged in community service and encourage them to devote their talent and energy, at least on a part-time basis, to the challenging and rewarding field of community service.

Special attention will be given to identifying new leaders among young people and elderly citizens and developing their community service leadership potential. The energy and idealism of youth and the experience and expertise of age can combine to contribute much to the community service movement.

B. Recognition and Awards

The discovery and encouragement of new leaders is the responsibility of every institution.

Through the foundation, the President will recognize and present awards and other forms of commendation to talented community leaders and successful initiatives that are solving the nation's most critical social problems.

Every single institution in America will be encouraged to follow the President's example by regularly and prominently recognizing and honoring its own "Points of Light."

IV. CONCLUSION

America's most critical social problems were long in coming and cannot be solved overnight. But though our problems are great, our resources are far greater and far greater than we have ever been led to believe. While there is a critical role for money and programs, the poet Emerson was right when he said, "The greatest gift is a portion of thyself".

Never before have the gifts of every individual and institution in America, the galaxy of resources controlled by businesses, firms, unions, places of worship, clubs, groups and associations, been joined with those of government and the not-for-profit sector to attack our problems systemically. Brightened by millions of points of light across the nation, this initiative can become the most inclusive movement of our time, dramatically reversing negative trends on many fronts and ensuring the fulfillment of America's promise.

THE PRESIDENT'S ADVISORY COMMITTEE ON

THE POINTS OF LIGHT

INITIATIVE FOUNDATION

EXECUTIVE SUMMARY

Throughout our American history, volunteerism has served an important role in fulfilling the needs of people and organizations. In this respect, we are a unique country. In 1835, De Tocqueville wrote, "I have often admired the extreme skill with which the inhabitants of the United States succeed in proposing a common object for the exertions of a great many men and inducing them voluntarily to pursue it." This tradition continues, as today private individuals and institutions are helping to resolve and address some of our most pressing social needs.

Based on this strong tradition of community service and the important role it can play in solving society's problems, the Advisory Committee on The Points of Light Initiative Foundation embraces the President's proposal for creating a Foundation to promote community service. This Foundation should be charged with the mission of inspiring individuals and institutions to engage in community service, identifying successful volunteer efforts, rewarding and duplicating their success elsewhere, and discovering, developing and encouraging new leaders for this volunteer and community service movement. The Committee envisions that the Foundation, ultimately funded by both public and private monies, could serve as a mechanism to increase public and private resources in support of volunteerism and community service.

The Advisory Committee has developed the following recommendations, all of which reflect its intention to allow the President sufficient flexibility to pursue his plans for the Foundation.

1. The Points of Light Initiative Foundation should be structured ultimately as a government, non-profit corporation to maximize the engagement of all individuals and institutions in voluntary and community service.
2. The Foundation should initially incorporate as a non-government non-profit corporation, pending enactment of authorizing legislation, so as to begin operation as soon as possible.
3. The Board of Directors of The Points of Light Initiative Foundation should be composed of between 19-25 members including a Chairman of the Board. Once the Foundation becomes a government corporation, all Members should be appointed by the President. Members should serve three year staggered terms with a two term maximum.

4. Staff of the Foundation should be exempt from civil service requirements. The Foundation is encouraged to use loaned staff, which will serve at the pleasure of the Board.
5. Once authorization and appropriations language have been enacted and the Foundation is in receipt of federal funds, the Foundation, similar to other government corporations, should be subject to Congressional and Executive oversight procedures for these federal funds. Specifically, the Foundation should submit an annual report to the President and to Congress, authorize the Comptroller General to conduct audits, and be subject to the Office of Management and Budget's budget review process.
6. The Foundation should maintain an active relationship with the Executive Branch, with the President serving as Honorary Chairman of the Foundation and the President's designee serving as Chairman of the Board.
7. The Board should be authorized to make expenditures to accomplish the stated purposes of the Foundation.
8. The Foundation should be encouraged to seek resources from private as well as public sources.

The duty we all share as Americans to care for our neighbors and to reach out in compassion to help others, has been recognized through time by some of our greatest leaders. Lincoln once said: "I hold that while man exists, it is his duty to improve not only his own condition, but to assist in ameliorating that of mankind." One hundred years later Martin Luther King, Jr. touched on the same sentiment with his admonition, "Either we live together as brothers [and sisters], or perish together as fools." The Committee believes that The Points of Light Initiative Foundation will help to forge stronger bonds of community and caring among all Americans. The Committee applauds the President for his leadership role in this vital area and looks forward to the creation and operation of The Points of Light Initiative Foundation.

DRAFT

October 26, 1989

ESSENTIAL PRINCIPLES

THE POINTS OF LIGHT INITIATIVE FOUNDATION

Below are essential principles of the Points of Light Initiative Foundation:

- o Any agreement will not affect, in any way, the content, mission or strategy of the President's Points of Light Initiative Foundation as stated in the White House policy paper.
- o Any agreement will not affect, in any way, the structure and governance of the President's Foundation which will be determined through the work of his Advisory Committee.
- o Any agreement will not add any extraneous responsibilities by Congress (e.g. administering grants, running a stipended volunteer program) to the Foundation mission.
- o The Foundation will not give grants with Federal money.
- o The Points of Light Initiative Foundation will be an independent entity, not run by existing federal agencies.
- o The President will serve as Honorary Chairman of the Foundation.
- o The Points of Light Initiative will ask for \$25 million in federal money which will be matched privately by at least 1-1.
- o If any oversight of the Foundation by the Congress is necessary, it must be absolutely minimal.

THE PRESIDENT'S APPROACH TO COMMUNITY SERVICE

The Points of Light Initiative Foundation Act will establish a foundation to persuade all individuals, groups and organizations in America to make service central to their life and work by engaging in direct and consequential action to solve community problems. The Act will provide \$25 million annually in public funding for four years. An equal sum will be sought from the private sector each year. The President will serve as Honorary Chairman of the Foundation.

- o The President's "Points of Light" initiative is not about simply increasing the number of people who volunteer.
- o Instead, the President's goal is to solve our nation's most critical social problems like drug abuse, illiteracy and poor educational performance, homelessness, AIDS, hunger, environmental decay, family breakdown and community disintegration.
- o The President believes that solving these problems requires not just federal programs, enhanced non-profit institutions and increased numbers of volunteers, though each of those is vital.
- o What is critical is the direct and consequential engagement of every family, corporation, firm, school, place of worship, union, club, group or association in America, from ones as large as General Motors, to those as small as a neighborhood bowling club. Such engagement, by its very nature, cannot be legislated.
- o The "Points of Light" initiative is intended to catalyze the engagement of the tens of millions of individuals, groups and organizations who have never before been involved in solving social problems and who will not be compensated for their work.
- o To concentrate only on federal government programs and compensated volunteer opportunities is to fail to marshal the resources of the vast majority of individuals and institutions and deploy them against our social ills.
- o In short, the ideal community service approach should:
 - Cause every individual family, business, school, church or synagogue, club, group, association and other institution to engage in direct and consequential action to solve community social problems;

- Identify, enlarge and multiply successful and promising community service initiatives and ideas throughout the nation; and
 - Discover, develop and encourage community service leaders, both credentialed and uncredentialed.
- o A Community service movement should:
- Be broad enough to engage literally every one of the 240 million Americans and every institution;
 - Focus on private, decentralized, indigenous initiatives designed to respond to locally defined problems with locally determined resources.
 - Create a web of non-financial incentives that heighten the impulse to serve others (professional and academic credit, rewards and other forms of recognition)
 - Release energy rather than attempt to legislate or control it.

SUMMARY OF BILL -- NATIONAL SERVICE OMNIBUS LEGISLATION

This bill creates a comprehensive volunteer program in which virtually all interested Americans will be able to participate.

Goals: This bill calls on every American, regardless of age or income, to engage in full or part time service to the nation, renewing the ethic of civic responsibility and restoring the habits of the heart that built our nation. We hope to generate one billion hours of community service over five years by offering incentives to those not now volunteering, building on existing programs.

- Title I, aimed at:
elementary and secondary schools and students;
- Title II, to create:
a full-time conservation/youth corps;
- Title III, to recruit:
full-time and part-time community volunteers to serve
in a five-year demonstration program, with analysis and
evaluation throughout the program;
- Title V, to restore funding of VISTA and the Older Americans Volunteer
Programs to earlier peak levels (\$30 million).

TITLE I-- SCHOOL-BASED PROGRAMS

Purpose:

To create or expand service opportunities for students and out-of-school youth. Also to help community members, especially the elderly, volunteer in schools.

Federal Administration/Budget:

\$100 million per year. Three-year competitive grants awarded to state and local governments, which will partially match grants based on statutory formula.

Part A:

Administered through Department of Education. Gives grants to states for school-based (K-12) programs. States, higher educational institutions, non-profits, and consortia to receive funds for training, technical aid, development of curricula, etc.

Eligible participants:

Students, kindergarten through 12.

TITLE III-- COMMUNITY SERVICE DEMONSTRATION PROGRAM

Purpose:

To create a five-year demonstration program which will use full and part time volunteers in community-based projects, providing vouchers good for first-time homebuying or educational expenses and, for full-timers, health insurance and a small stipend. Part-timers agree to spend 3-6 years in program, full-timers, 1-2 years. Volunteers will receive at least three weeks of training.

Federal Administration/Budget:

\$100 million first year, with five full-time and five part-time sites, growing during five-year demonstration. States awarded competitive grants. Administrative and other expenses over \$12.5 million per year paid by states.

Eligible participants:

Anyone 17 or older.

Work to be done:

Self-help, conservation, human service, education, public safety.

Stipend/Voucher:

Part-timers: \$3,000/yr voucher, minimum 3 yr commitment. Full-timers: \$8500/yr voucher, plus health insurance (\$1100/yr) and stipend (not less than 100% of poverty or more than 100% of minimum wage, or \$6200-\$7000).

TITLE IV--GENERAL LANGUAGE

- Administration: Creates corporation to oversee program (except for Titles I, V), select states, distribute funds.
- States to establish Advisory Boards for community input, also to collect data needed to assess and evaluate programs, including effects on military and other volunteer organizations.
- Training: Federal corporation will create training corps to visit states, offering community service/ideals training; skills training to be designed and paid for by the states.
- Contains anti-displacement language, including streamlined grievance procedure, developed after consultation with labor groups (but no sign-offs by unions).

A BILL

To establish a Foundation that will encourage individuals, groups and organizations to make community service central to their life and work.

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

SECTION 1. SHORT TITLE.

This Act may be cited as "The Points of Light Initiative Foundation Act."

SECTION 2. FINDINGS.

The Congress finds that --

- (1) community service is a valuable and integral part of the American tradition; and
- (2) while government must continue to play a central role in combating social ills, it is increasingly clear that problems like drug abuse, illiteracy, poor educational

performance, homelessness, AIDS, hunger and environmental decay can ultimately be solved only by the active engagement of millions of individuals, groups and organizations who have never been involved before in these problems and who are not compensated for their efforts.

SECTION 3. PURPOSE.

It is the purpose of The Points of Light Initiative Foundation --

- (1) to call every American and every American group and organization to engage in helping to solve our most critical social problems;
- (2) to identify successful and promising community service projects and initiatives, bring news of their existence to other communities and multiply them throughout the nation; and
- (3) to discover, encourage and develop individuals who are "points of light," and to convince all Americans that a life that includes serving others is a meaningful, adventurous and successful life.

SECTION 4. ESTABLISHMENT.

There is established a non-profit corporation known as "The Points of Light Initiative Foundation" (hereinafter referred to as the "Foundation"). The Foundation shall be subject to the provisions of this Act, and, to the extent consistent with this section, to the District of Columbia Non-profit Corporation Act [D.C. Code Sec. 501 et seq.].

SECTION 5. HONORARY CHAIRMAN.

The President shall serve as Honorary Chairman of the Foundation.

SECTION 6. BOARD OF DIRECTORS.

(a) COMPOSITION; NUMBER, APPOINTMENT, TERM.--

(1) The management of the Foundation shall be vested in a Board of Directors (hereinafter referred to as the "Board") composed of no fewer than 19 and not more than 25 members.

(2) The members of the Board of Directors shall be appointed by the President. The President shall select the members so as to ensure bipartisan representation, including women and minorities, from individuals, groups and organizations

associated with community service. In selecting such members, the President shall consider individuals who: (A) have made significant contributions to existing community service programs; (B) are capable of bringing significant resources, expertise and experience to the Foundation; and/or; (C) have a significant interest in promoting community service. The President shall designate one member of the Board to serve as Chairman of the Board. Notwithstanding any other provision of law, the President may appoint officers of the United States to serve on the Board of Directors of the Foundation.

(3) Except as otherwise provided in this paragraph, each member shall serve a three-year term. Members may serve no more than two terms. The terms shall be staggered among the members by two-year intervals, to provided for continuity in the management of the Foundation.

(b) REIMBURSEMENT OF EXPENSES.--Members of the Board shall serve without compensation, but shall be reimbursed for actual and necessary expenses, and for transportation expenses while engaged in their duties on behalf of the Foundation.

(c) BOARD AUTHORITY; RULES AND REGULATIONS: QUORUM.--

- (1) The Board shall direct the exercise of all the powers of the Foundation.
 - (2) The Board may prescribe, amend, and repeal bylaws, rules, and regulations governing the manner in which the business of the Foundation may be conducted and in which the powers granted to the Foundation by law may be exercised.
 - (3) A majority of members of the Board shall be required for a quorum.
- (d) AUTHORITY OF BOARD TO APPOINT COMMITTEES.--In furtherance and not in limitation of the powers conferred upon it, the Board may appoint an Executive Committee or any other such committees or establish such affiliated groups for the effectuation of the work of the Foundation as the Board deems to be in the best interests of the Foundation.

SECTION 7. EMPLOYEES

- (a) GENERAL AUTHORITY.--The Foundation shall have a staff appointed by the Board. The Board shall appoint a President or Executive Director of the Foundation who shall be responsible for the day-to-day operations of the Foundation. The staff of the Foundation shall serve at the pleasure of

the Board. The staff of the Foundation shall be exempt from civil service regulations and requirements.

- (b) USE OF LOANED PERSONNEL AND SERVICES.--The Board is authorized to use loaned personnel and services from other government entities and private corporations and agencies. Any such loaned personnel shall serve at the pleasure of the Board and without compensation by the Foundation.

SECTION 8. POWERS AND FUNCTIONS.

The Foundation, as a corporation--

- (1) shall have perpetual succession, unless sooner dissolved by an Act of Congress;
- (2) may adopt, alter, and use a corporate seal;
- (3) may make and perform contracts and other agreements with any individuals, corporations, or other body of persons and with any government agency;
- (4) may, as necessary for the transaction of business and not in conflict with any other provision of this Act, employ and fix the compensation of a staff for the Foundation;

- (5) may acquire by purchase, devise, bequest or gift, or otherwise lease hold and improve, such real and personal property as it deems to be necessary to its purposes;
- (6) shall reimburse the expenses of the members of the Board of Directors;
- (7) may accept money, funds, property, and services of every kind by gift, devise, bequest, grant, or otherwise;
- (8) may establish and operate such programs, adopt such policies, and pursue such activities as may be deemed proper by the Board to further the stated purposes of the Foundation under this Act; and
- (9) shall have such other powers as may be necessary and incident to carrying out its powers and duties under this Act.

SECTION 9. ESTABLISHMENT OF PRINCIPAL AND BRANCH OFFICES.

The Foundation shall establish a principal office in the District of Columbia and is authorized to establish branch offices or other offices in any place within the United States or

elsewhere where the Foundation may carry on any of its operations or otherwise engage in necessary activities.

SECTION 10. NON-PROFIT NATURE OF THE FOUNDATION.

The Foundation shall be a non-profit corporation and shall have no capital stock. No part of its revenue, earnings, or other income or property shall inure to the benefit of its directors, officers, and employees, and such revenue, earnings or other income or property shall be used solely for carrying out the purposes of this Act. No director, officer or employee of the Foundation shall in any manner, directly or indirectly, participate in the deliberation or the determination of any question affecting his or her personal interests or the interests of any corporation, partnership, entity or organization in which he or she is directly or indirectly interested. The Foundation may not contribute to or otherwise support any political party or candidate for elective public office.

SECTION 11. EXEMPTION FROM TAX.

The Foundation, including its income, shall be exempt from taxation now and hereafter imposed by the United States or any territory or possession thereof, or by any State, county, municipality, or local taxing authority thereof.

SECTION 12. OVERSIGHT.

Upon enactment of authorizing legislation and an appropriation of Federal funds, the Foundation shall --

- (1) submit an annual report to the Congress and to the President regarding its activities and expenditure of funds;
- (2) authorize audits of its activities by the Comptroller General; and
- (3) participate in the Office of Management and Budget budget review process.

These oversight provisions apply only to any public appropriations received by the Foundation.

SECTION 13. AUTHORIZATION OF APPROPRIATION; BUDGET.

- (a) AUTHORIZATION.--There is authorized to be appropriated to the Foundation the sum of \$25 million for each of the fiscal years 1991, 1992, 1993, and 1994 to carry out the provisions of this Act and the purposes of the Foundation.

(b) ANNUAL BUDGET;PRIVATE RESOURCES.--The Foundation shall establish an annual budget for use in allocating amounts available to the Foundation. The Foundation is encouraged, though not required, in each fiscal year to supplement the appropriation for that fiscal year with private resources.

THE POINTS OF LIGHT INITIATIVE FOUNDATION

The objective of The Points of Light movement is simple: a nation transformed by service. While there is a critical role for government programs and volunteer organizations, drug abuse, illiteracy and poor educational performance, homelessness, AIDS, hunger and environmental decay will never be solved without the direct and consequential engagement of tens of millions of individuals and millions of businesses, groups and organizations who have never before been involved in these problems and who will never be compensated one nickel for their work. The Foundation will help to activate Americans' innate desire to serve others and release their pent-up energy for social problem solving.

The Foundation will concentrate on seven critical mission areas:

MISSION AREA ONE: BUSINESS/GROUP/ORGANIZATION INITIATIVES

To engage all businesses, groups and organizations in helping to solve our most critical social problems.

MISSION AREA TWO: SERVNET/SERVLINK/VOLUNTEER CENTERS

To identify, enlarge and multiply successful community service initiatives and to discover, encourage and develop community service leaders.

MISSION AREA THREE: POINTS OF LIGHT ACTION GROUPS

To engage individuals from all walks of life and diverse groups and organizations who may never have worked together before in collaborating with one another to solve community problems.

MISSION AREA FOUR: YOUTH ENGAGED IN SERVICE TO AMERICA (YES)

To engage every young person, aged 5 to 25, in community service.

MISSION AREA FIVE: ONE-TO-ONE RELATIONSHIPS

To form one-to-one mentoring relationships with people in need.

MISSION AREA SIX: MEDIA LEADERSHIP/SUPPORT

To devote the distinctive capabilities of the news and entertainment media to persuading all Americans to engage in community problem solving.

MISSION AREA SEVEN: FINANCE/RESOURCE ACQUISITION

To obtain the necessary resources from the private and public sectors to support the activities of the Foundation.

WHAT STRUCTURE THE PRESIDENT WANTS FOR POINTS OF LIGHT

We agree with the recommendations of the Presidential Advisory Committee chaired by Governor Kean. But we are concerned that if we submit the bill as drafted by the Committee, the legislative process will change the bill to one we find unacceptable.

Specifically, the President wants a structure that attracts the most talented and influential men and women of all ages in the country to work with the Foundation.

Some of these individuals would serve on Foundation boards and other leadership roles, others would participate as "loaned staff" and others as paid staff members.

The restrictions of a government corporation create prohibitions if not stark disincentives for such individuals to have these types of relationships with the Foundation.

- Ethics regulations including conflict of interest and disclosure rules would prohibit the most talented people from wanting to work with the Foundation.
- The civil service regulations would tie the Foundation's hands in recruiting as staffers some of the most talented people in the country.
- The Hatch Act would limit the Foundation's ability to attract politically active individuals from all parties anywhere in the country.
- Congressional appointment power and/or advice and consent would politicize the Foundation.

Once the Foundation is in receipt of Federal funds, it should be subject to Congressional and Executive oversight procedures for the Federal funds. Specifically, the Foundation should submit an annual report to the President and to Congress, authorize the Comptroller General to conduct audits, and be subject to the Office of Management and Budget's budget review process.

OFFICE OF MANAGEMENT AND BUDGET
Labor-Welfare-Personnel BranchTelecopier Transmittal SheetFROM: Jeffrey WeinbergDATE: 2/6/90 TIME: 1145PMPages sent (including transmittal sheet): 3

Comments: Per our conversation, here's the draft floor position on S1430. Please call me by 3:30 PM today if you have any changes.

TO: Gretchen Pagel
Office of National Service
X6266

January 19, 1990

(Senate)

S. 1430 - National and Community Service Act of 1989

(Kennedy (D) MA and 10 others)

The President has advocated community service throughout the country. Through his "Points of Light Initiative," he has challenged all individuals and institutions in America to make service central to their life and work.

The Administration opposes S. 1430 as reported by the Senate Labor and Human Resources Committee, because it is fundamentally incompatible with the President's concept of voluntary service.

S. 1430 would:

- attempt to direct community service efforts from the Federal level rather than from the community;
- authorize unwarranted new Federal programs costing hundreds of millions of dollars each year for the next five years;
- emphasize short-term volunteer participation and financial rewards (particularly Federal incentives), concepts inconsistent with the notion of a sustained commitment to

volunteerism;

-- promote governments as providers of service opportunities, establishing new intermediaries between volunteers and service providers; and

-- require cumbersome and unnecessary bureaucratic infrastructure and regulations.

In addition, the Justice Department advises that the restrictions in Title IV of the bill on the President's power to appoint the Board of Directors of the Corporation for National Service violate the Appointments Clause of the Constitution.

* * * * *

Jeff - I have not seen the absolute most recent version of the bill - but I heard that this has been revised.

-- create a disincentive for those currently not paid for community service

THE PRESIDENT'S APPROACH TO COMMUNITY SERVICE

The Points of Light Initiative Foundation Act will establish a foundation to persuade all individuals, groups and organizations in America to make service central to their life and work by engaging in direct and consequential action to solve community problems. The Act will establish the Foundation as a government corporation with \$25 million annually in public funding for four years. The President will serve as Honorary Chairman of the Foundation.

- o The President's "Points of Light" initiative is not about simply increasing the number of people who volunteer.
- o Instead, the President's goal is to solve our nation's most critical social problems like drug abuse, illiteracy and poor educational performance, homelessness, AIDS, hunger, environmental decay, family breakdown and community disintegration.
- o The President believes that solving these problems requires not just federal programs, enhanced non-profit institutions and increased numbers of volunteers, though each of those is vital.
- o What is critical is the direct and consequential engagement of every family, corporation, firm, school, place of worship, union, club, group or association in America, from ones as large as General Motors, to those as small as a neighborhood bowling club. Such engagement, by its very nature, cannot be legislated.
- o The "Points of Light" initiative is intended to catalyze the engagement of the tens of millions of individuals, groups and organizations who have never before been involved in solving social problems.
- o To concentrate on federal government programs and only federally compensated volunteer opportunities is to fail to marshal the resources of the vast majority of individuals and institutions and deploy them against our social ills.
- o In short, the ideal community service approach should:
 - Be broad enough to engage literally every one of the 240 million Americans and every institution;
 - Release energy rather than attempt to legislate or control it;

- Focus on private, decentralized, indigenous initiatives designed to respond to locally defined problems with locally determined resources; and
- Create a web of non-financial incentives that heighten the impulse to serve others (professional and academic credit, rewards and other forms of recognition).

10/25/89

DRAFT

October 26, 1989

ESSENTIAL PRINCIPLES

THE POINTS OF LIGHT INITIATIVE FOUNDATION

Below are essential principles of the Points of Light Initiative Foundation: *work for ...*

- o Any agreement will not affect, in any way, the content, mission or strategy of the President's Points of Light Initiative Foundation as stated in the White House policy paper.
- o Any agreement will not affect, in any way, the structure and governance of the President's Foundation which will be determined through the work of his Advisory Committee.
- o Any agreement will not add any extraneous responsibilities by Congress (e.g. administering grants, running a stipended volunteer program) to the Foundation mission.
- o The Foundation will not give grants with Federal money.
- o The Points of Light Initiative Foundation will be an independent entity, not run by existing federal agencies.
- o The President will serve as Honorary Chairman of the Foundation.
- o The Points of Light Initiative will ask for \$25 million in federal money which will be matched privately by at least 1-1.
- o If any oversight of the Foundation by the Congress is necessary, it must be absolutely minimal.



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

February 6, 1990
(Senate)

STATEMENT OF ADMINISTRATION POLICY

(THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES.)

S. 1430 - National and Community Service Act of 1989
(Kennedy (D) MA and 10 others)

The President has advocated community service throughout the country. Through his "Points of Light Initiative," he has challenged all individuals and institutions in America to make service central to their life and work.

The Administration opposes S. 1430 as reported by the Senate Labor and Human Resources Committee, because it is fundamentally incompatible with the President's concept of voluntary service. If S. 1430 were presented to the President, his senior advisers would recommend that the bill be vetoed.

S. 1430 would:

- attempt to direct community service efforts from the Federal level rather than from the community;
- authorize unwarranted new Federal programs costing hundreds of millions of dollars each year for the next five years;
- emphasize short-term volunteer participation and financial rewards (particularly Federal incentives), concepts that are clearly inconsistent with the notion of a sustained commitment to volunteerism;
- promote governments as providers of service opportunities, establishing new intermediaries between volunteers and local service providers;
- create a disincentive for those who are currently not paid for community service; and
- require cumbersome and unnecessary bureaucratic infrastructure and regulations.

In addition, the Justice Department advises that the restrictions in Title IV of the bill on the President's power to appoint the Board of Directors of the Corporation for National Service violate the Appointments Clause of the Constitution.

* * * * *



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

DRAFT

September 7, 1990
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

(THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES.)

H.R. 4330 - National Service Act of 1990 (Hawkins (D) CA and 26 others)

The President strongly supports the concept of community service. He has challenged all individuals and institutions to make service central to their lives and work.

The Administration, however, strongly opposes H.R. 4330 because it is incompatible with the President's concept of voluntary service. If H.R. 4330 were presented to the President in its current form, his senior advisers would recommend a veto.

H.R. 4330 would:

- Provide unnecessary financial incentives for service. It includes unjustified deferment and cancellation of certain student loan payments for full-time professional staff in drug counseling, prevention and treatment programs and full-time volunteers. These costly provisions extend the concept of "volunteer" far beyond reasonable bounds.
- Attempt to direct community service efforts from the Federal level rather than from the community.
- Emphasize short-term volunteer participation and financial rewards, concepts inconsistent with the notion of a sustained commitment to volunteerism. This could create a disincentive for those who are currently not paid for community service.
- Authorize \$212 million for FY 1991 for unwarranted new Federal programs and expansion of existing programs (excluding the costs of the loan deferment and cancellation provisions and the costs of administering the new programs).
- Establish an American Conservation Corps that would substantially recreate outdated programs previously offered through the Youth Conservation Corps and Youth Adult Conservation Corps. Such programs are costly and based on the discredited approach to youth employment that relies on temporary public sector employment rather than preparing youth for long-term, private sector employment.

* * * * *

(Not to be Distributed Outside Executive Office of the President)

This draft position was developed by LRD (Jeffrey Weinberg) in consultation with LVE (Barry White, Larry Matlack, and Terri Williams) and the White House Office of Policy Development (Marianne McGettigan). The Departments of Education (per Randy Hanson, Office of the Legislative Counsel), Justice (per Mark Pestal, Legislative Affairs) and the Interior (per Don Harris, Office of the Legislative Counsel) and ACTION (per Stephanie Van dervander, Office of the Director) concur.

H.R. 4330 was reported by the House Education and Labor Committee on September 5, 1990 (H. Rept. 101-677, Part I). The bill was jointly referred to the Committees on Banking, Foreign Affairs, and Interior. Those Committees did not consider H.R. 4330.

Administration Position to Date

On June 26, 1990, Secretary Cavazos and the Director of ACTION sent a joint letter to the House Education and Labor Committee strongly opposing H.R. 4330. The letter did not include a veto threat.

A February 6, 1990, SAP on the Senate volunteer service bill, S. 1430, contained a senior advisers veto threat. Prior to Senate passage, S. 1430 was amended to reduce its authorization level from \$300 million for FY 1991 to \$50 million for FY 1990 and \$75 million for FY 1991.

H.R. 4330 includes provisions similar to those in H.R. 717 establishing an American Conservation Corps (ACC). When H.R. 717 was pending before the House Interior Committee, the Departments of Interior and Agriculture sent letters to the Committee strongly opposing the ACC.

Description of Major Provisions of H.R. 4330

Title I would:

- Authorize the Department of Education (ED) to make formula grants to States through their State educational agencies for statewide, school-based, service-learning programs. (\$35 million would be authorized for FY 1991.)
- Authorize ED to make planning grants for model programs for educational institutions and community-based organizations to administer service-learning programs for school dropouts and out-of-school youth. (\$10 million would be authorized for FY 1991.)

- Amend the Higher Education Act to authorize \$15 million to give priority to providing tutoring services to illiterate parents of disadvantaged elementary school students.
- Authorize ED to make grants to colleges and universities for students to provide community services. (\$10 million would be authorized for FY 1991.)
- Increase by \$19 million the FY 1991 authorization for the work study student aid program under the Higher Education Act.
- Provide for deferment and cancellation of certain student loans for certain volunteer service or employment in drug counseling and prevention.
- Authorize the President to make annual Presidential Awards for School-Based Service to individuals in each State in six specified categories.
- Authorize the President to create an interagency task force chaired by the President or Vice President to create and monitor measures for coordinating this Act and designing a Federal service strategy.
- Authorize ACTION to make grants for "Youthbuild" projects for construction and rehabilitation of housing and other facilities by youth ages 16 to 24. The youths must be economically disadvantaged and have dropped out of high school. (\$10 million would be authorized for FY 1991.)

Title II would:

- Establish an American Conservation Corps to be administered by the Departments of Agriculture and the Interior. The Departments would make grants to States for a variety of conservation and rehabilitation projects and would directly carry out such projects on Federal lands. (\$38 million would be authorized for FY 1991.)
- Establish a Youth Service Corps in ACTION for project grants to help meet human, social, or environmental needs, including service in State or local government agencies and medical facilities. (\$28 million would be authorized for FY 1991.)
- Require generally that enrollees in the two Corps be 16 to 25 years old, with a special effort made to enroll economically disadvantaged individuals.

- Provide subsistence allowances and other benefits, including education and training, to each enrollee. The subsistence allowance and benefits would equal between 100 percent and 160 percent of the amount the individual would have earned if paid at the minimum wage during the period of service.
- Require in-service and post-service training and educational services to be provided to enrollees in the two Corps. (\$13 million would be authorized in FY 1991.)

LEGISLATIVE REFERENCE DIVISION DRAFT
9/7/90

S1430 - THE NATIONAL AND COMMUNITY SERVICE ACT OF 1989

SUGGESTED TALKING POINTS

General Points

- o Price tag in the range of hundreds of millions of dollars is fiscally irresponsible in these relatively tight budgetary times.
- o Causing young people to engage in community service does not require the creation of a new government bureaucracy.
- o S1430 is a patchwork of disparate bills stitched together to capture rising public sentiment for community service.
- o This bill attempts to direct community service efforts from the Federal level rather than from the community.

Title I: Provides grants awarded competitively by the Department of Education to states for K-12 school-based volunteer programs involving students, the business community and the elderly. States, higher educational institutions, non-profits, and consortia receive funds for training, technical aid, curriculum development, etc.

- o Local initiatives must be community led, directed and evaluated.

A federal department in Washington should not decide what constitutes a meritorious school-based community service initiative. Such initiatives are most likely to be effective if they are community-led, directed and evaluated. The provision of federal aid necessarily entails some degree of federal governmental control. To the extent that funding is needed for such initiatives, such funding may be provided by community-based private institutions, the very businesses that are being asked to volunteer.

- o The title's price tag is excessive in these tight budgetary times.

Title II: Awards competitive grants to states. Distributed by a new federal corporation, creates a full-time youth service corps aimed primarily at disadvantaged youth and high school dropouts. A stipend, health insurance and an education voucher are provided to program participants.

- o A new federal program to pay the disadvantaged to "volunteer" is exclusive and a disincentive for those currently not paid for community service.
- o By focusing exclusively on the disadvantaged and drop-outs, this title will stigmatize community service, suggesting that it is only for the poor and "underachievers."
- o This government program provides opportunities for a very small number of young people, when, in fact, all young people should be involved in some form of community service.
- o The title's price tag is excessive in these tight budgetary times.

Title III: Creates a five-year demonstration program for full and part-time volunteers, age 17 and older, providing vouchers for first-time home-buying or educational expenses and, for full-timers, health insurance and a stipend. Part-timers spend 3-6 years in program; full-timers, 1-2 years. Federal corporation provides money to states through competitive grants.

- o This program creates an unnecessary new federal bureaucracy separating volunteers from community needs.
- o Causing young people to engage in community service does not require the creation of an expensive new government program.
- o Not only is the notion of "compensated volunteers" oxymoronic, a new federal program to pay people to "volunteer" suggests that it is the promise of financial reward rather than psychic reward and moral obligation which should induce people to engage in community service.
- o By paying some volunteers, others who otherwise might wish to do so might be dissuaded and others who have done so in the past might discontinue serving.
- o This new government program provides opportunities for a very small number of young people, when, in fact, all young people should be involved in some form of community service.
- o The title's price tag is excessive, especially considering the number of young people who can participate.

2/22

Draft

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A BILL

To promote and facilitate the engagement of American individuals, institutions, and organizations in direct and consequential action to solve community problems.

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

SECTION 101. SHORT TITLE

This Act may be cited as "The Points of Light Initiative Foundation Act."

SECTION 102. FINDINGS

The Congress finds that --

- (1) community service is a valuable and integral part of the American tradition; and
- (2) while government must continue to play an important role in combatting social ills, it is increasingly clear that such problems as drug abuse, illiteracy, poor educational performance, homelessness, hunger, environmental decay, and family and community breakdowns, cannot be adequately addressed without the active engagement of countless individuals and private organizations that have not previously participated in community service and that are not paid for their efforts.

SECTION 103. PURPOSE

It is the purpose of this Act to provide assistance to a private, nonprofit organization dedicated to --

- (1) calling upon every American individual and organization to become engaged in helping to solve the Nation's most critical social problems;

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- (2) identifying successful and promising community service projects and initiatives, spreading knowledge about such projects and initiatives to other communities, and helping to facilitate new projects and initiatives throughout the Nation; and
- (3) discovering, encouraging, and developing community service leaders, and convincing all Americans that a meaningful, adventurous, and successful life should include service to others.

SECTION 104. AUTHORITY

(a) The President is authorized to designate a private, nonprofit organization (hereafter referred to as the Foundation) to receive funds pursuant to section 106, upon his determination that such organization has been established to carry out the undertakings described in section 103. Any such designation by the President shall be revocable.

(b) Nothing in this Act shall be construed either (i) to cause the Foundation to be deemed an agency, establishment, or instrumentality of the United States Government, or (ii) to cause the directors, officers or employees of the Foundation to be deemed officers or employees of the United States.

SECTION 105. AUTHORIZATION OF APPROPRIATIONS

To carry out the purpose specified in section 103, there are authorized to be appropriated to the President --

\$100,000,000, of which not more than \$25,000,000 may be appropriated in any fiscal year.

Such amounts are authorized to be made available until expended.

SECTION 106. GRANTS TO THE FOUNDATION

(a) Funds made available pursuant to sections 104 and 105 shall be granted to the Foundation by a department or agency in the executive branch of the United States Government designated by the President --

- (1) to assist the Foundation in carrying out the undertakings described in section 103; and

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(2) for administrative expenses of the Foundation.

(b) Notwithstanding any other provision of law, the Foundation may hold funds granted to it pursuant to this Act in interest-bearing accounts, prior to the disbursement of such funds for purposes specified in subsection (a) of this section, and may retain for such purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress.

SECTION 107. ELIGIBILITY OF THE FOUNDATION FOR GRANTS

(a) Grants may be made to the Foundation pursuant to this Act only if the Foundation agrees to comply with the requirements specified in this Act. If the Foundation fails to comply with the requirements specified in this Act, additional funds shall not be released until the Foundation brings itself into compliance with these requirements.

(b) The Foundation may use funds provided by this Act only for activities and programs consistent with the purposes set forth in sections 103 and 106.

(c) The Foundation shall not issue any shares of stock or declare or pay any dividends.

(d) No part of the funds available to the Foundation shall inure to the benefit of any board member, officer, or employee of the Foundation, except as salary or reasonable compensation for services or expenses.

(e) No director, officer, or employee of the Foundation shall participate, directly or indirectly, in the consideration or determination of any question before the Foundation that affects his or her financial interests or the financial interests of any corporation, partnership, entity, or organization in which he or she has a direct or indirect financial interest.

(f) The Foundation shall not engage in lobbying or propaganda for the purpose of influencing legislation, and shall not participate or intervene in any political campaign on behalf of any candidate for public office.

(g) During the second fiscal year in which funds are granted to the Foundation pursuant to this Act, the Foundation shall raise from private sector donations an amount equal to at least one-fourth of any funds granted to the Foundation pursuant to this Act in that fiscal year. Funds shall be released to the

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Foundation during this fiscal year only to the extent that this matching requirement has been met.

(h) During the third fiscal year in which funds are granted to the Foundation pursuant to this Act, the Foundation shall raise from private sector donations an amount equal to at least one-half of any funds granted to the Foundation pursuant to this Act in that fiscal year. Funds shall be released to the Foundation during this fiscal year only to the extent that this matching requirement has been met.

(i) During the fourth and any subsequent fiscal year in which funds are granted to the Foundation pursuant to this Act, the Foundation shall raise from private sector donations an amount at least equal to the amount of any funds granted to the Foundation pursuant to this Act in that fiscal year. Funds shall be released to the Foundation during any such fiscal year only to the extent that this matching requirement has been met in that fiscal year.

(j) The accounts of the Foundation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The report of each such independent audit shall be included in the annual report required by subsection (n) of this section.

(k) So long as the Foundation is receiving grants pursuant to this Act, the accounts of the Foundation may be audited at any time by any agency designated by the President. The Foundation shall keep such records as will facilitate effective audits.

(l) So long as it is receiving grants pursuant to this Act, the Foundation shall be subject to appropriate oversight procedures of the Congress.

(m) The Foundation shall ensure --

- (1) that any recipient of financial assistance provided by the Foundation from funds granted pursuant to this Act keeps separate accounts with respect to such assistance and such records as may be reasonably necessary to disclose fully (i) the amount and the disposition by such recipient of the assistance received from the Foundation, (ii) the total cost of the project or undertaking in connection with which such assistance is given or used, (iii) the amount and nature of that portion

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of the cost of the project or undertaking supplied by other sources, and (iv) such other records as will facilitate effective audits; and

- (2) that the Foundation, or any of its duly authorized representatives (including any agency designated by the President pursuant to subsection (k) of this section), shall have access, for the purpose of audit and examination, to any books, documents, papers, and records of the recipient that are pertinent to assistance provided from funds granted pursuant to this Act.

(n) The Foundation shall submit to the President and to the Congress an annual report, which shall include a comprehensive and detailed description of the Foundation's operations, activities, financial condition, and accomplishments for the preceding fiscal year. This report shall be submitted not later than three months after the conclusion of any fiscal year in which the Foundation receives grants pursuant to this Act.

Summary on Possible Compromise
S. 1430, the National and Community Service Act

- o The bill would be funded at \$50 million for Fiscal Year 1990; \$75 million for Fiscal Year 1991; and the program could continue for an additional year without an authority. Authorized funds could be carried over from one fiscal year to the other. *AT a later date - Will not go over \$75 mil/yr.*
- o There would be three titles to the bill: Title I: National and Community Service State Grant Act; Title II: Higher Education provisions; and Title III: the Points of Light Initiative Foundation.
- o Title I: The States may apply to fund one or more of the following programs:
 - A. School- and community-based programs. State education programs would develop student community volunteer efforts or programs for citizens to volunteer in the schools. There would be no stipends or benefits authorized.
 - B. Youth Service Corps (Conservation Corps). This would be full-time or summer youth conservation corps programs for youth aged 16-27. Stipends: up to 100% of poverty line subsistence. Post-service benefits: up to \$100 per week or up to \$5,000 per year whichever is less.
 - C. National Service Full- and Part-time Program. State offers full- or part-time civilian national service program for Americans aged 17 and up, including senior citizens. Participants perform service in the areas of education, human services, environment, or public safety. Benefits: part-time participants get a voucher for up to \$2,000 per year for education benefits or toward a purchase of a home; full-time participants get a voucher for up to \$5,000 per year for education benefits or toward a purchase of a home. Stipends: up to 100% of poverty line subsistence. Senior volunteers benefits and stipends would be determined by the administering agency.
 - D. Innovative Program Option: State may design a full- or part-time service program to respond to local educational, human service, environmental, or public safety needs in an innovative manner.

II. Higher Education Provisions

Expands an existing demonstration program administered by the Fund for the Improvement of Postsecondary Education. Provides increased incentive for higher education institutions to use work-study funds for community service-learning programs. Allows partial loan cancellation or deferral in Perkins and Stafford student loan programs for persons performing full-time community service.

III. Points of Light Initiative Foundation

Adopts verbatim the President's Advisory Committee on The Points of Light Initiative Foundation legislative recommendations for the establishment of a quasi-public corporation.

areas. It can support an inestimable number of innovative volunteer projects in every part of our country. It can encourage volunteers themselves by offering stipends and vouchers for certain kinds of national service. This approach—recruiting greater numbers of volunteers and giving those volunteers a sense of accomplishment and self-esteem—may appeal to some States.

I am very confident about this bill and the goodness of this bill.

Mr. President, the authorization level of this measure is modest. On the surface, \$50 million in the first year and \$75 million in the second seems like a great deal of money—and it is. But, let us look at this authorization level in context.

Let me ask my colleagues: If a worthy organization in your State came to you and said they had volunteers who could teach 100 illiterate adults how to read if only they had a few thousand dollars for books and materials, would not you want to give it to them if you could? If your son or daughter's class at school came to you and said they would like to help the homeless by collecting food and clothing, would not you want to help out? When the local hospital wants to operate a mobile health care van in your State's rural areas, even if that van is staffed with volunteers, it takes money to keep it on the road.

The funds provided in this bill, Mr. President, can fertilize some of these worthy and necessary projects. We know without a doubt that volunteers contribute an incalculable level of service to their fellow Americans. We know that the Government could never offset these services if they were to disappear. We know that our budget will never permit expansion of government services to anything even close to that which would compare to the needs now being addressed by volunteer organizations.

I am very confident, Mr. President, that the funds we are authorizing for this legislation will have a multiplier effect within every State and community. We may be authorizing \$50 million and \$75 million, but we are going to get back millions more as citizens address their own needs.

I will conclude, Mr. President, by once again commending the Senator from Massachusetts and the Senator from Maryland for their good faith negotiations on this bill. They have incorporated ideas from this side of the aisle and from the White House. They have made every effort to ensure that the spirit of voluntarism and community goodwill does not become political gimmickery. I appreciate that.

President Bush has called on all Americans to reawaken our Nation's spirit of voluntarism. He has offered his pulpit to acknowledge and to thank those who devote themselves to volunteer service. The compromise today allows each one of our State leaders to accept President Bush's

challenge to invigorate our State and local communities to the call of national service.

We cannot pass this legislation and expect that every American will automatically be inspired to be a volunteer. Rather, we need help from Americans and government to end suffering and provide relief.

This legislation, Mr. President, will not by itself make America a better place to live. The Points of Light Foundation will not by itself beam light around the country. But, Mr. President, we can, by enacting this bill, take a position in support of volunteers. And, that, Mr. President, we ought to do. A vote for passage of this bill sends a supportive message to American volunteers—you matter, you are important, and you make a difference in the lives of all Americans.

It is time now to enact this legislation. It is a good bill. It will not solve every problem faced by our constituents, but it will help. We in the Congress should not fail to help our citizens help themselves and their neighbors where there is clearly the will and dedication to do so.

Mr. President, I want to thank all those Members and their staffs who worked on this issue. In particular, I would like to thank my colleague, Senator KENNEDY and his staff, Terry Hartle, Shirley Sagawa, and Nick Littlefield. In addition, I would like to thank Thurgood Marshall, Jr., and Jeff Blattner. I also appreciate the hard work of Senator MIKULSKI and her staff, Glen Roberts and Leslie Miles. The work of Senators DODD, DURENBERGER, NUNN, and BUMPERS, and their staffs, is also appreciated.

And, I would like to thank Nancy Taylor and Carrie Hillyard of my staff for their fine work and long hours. I personally appreciate them both very much.

Mr. President, we are prepared to vote. I think it is time to vote. I hope our colleagues will support this bill.

Remember, it has the President's program in it exactly as he has asked it to be formed, exactly with the words that they have asked us to put in, and, basically, it is a tremendous program. I hope we will give the impetus to that through the passage of this bill.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as modified, as amended.

The committee amendment in the nature of a substitute, as modified, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this

question the yeas and nays were ordered, and the clerk will call the roll. The bill clerk called the roll.

Mr. CRANSTON. The Senator from Hawaii [Mr. MATSUNAGA] is necessarily absent.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG] and the Senator from Oregon [Mr. PACKWOOD] are necessarily absent.

The PRESIDING OFFICER (Mr. LIEBERMAN). Are there any other Senators in the Chamber who desire to vote?

The result was announced, yeas 78, nays 19, as follows:

(Rollcall Vote No. 27 Leg.)

YEAS—78

Adams	Domenici	Lott
Baucus	Durenberger	Lugar
Bentsen	Exon	McConnell
Biden	Ford	Metzenbaum
Bingaman	Power	Mikulski
Bond	Glenn	Mitchell
Boren	Gore	Moynihan
Bradley	Gorton	Nunn
Breaux	Graham	Pell
Bryan	Grassley	Pressler
Bumpers	Harkin	Pryor
Burdick	Hatch	Reid
Byrd	Heflin	Riegle
Chafee	Helms	Robb
Coats	Hollings	Rockefeller
Cochran	Inouye	Sanford
Cohen	Jeffords	Sarbanes
Conrad	Johnston	Sasser
Cranston	Kasten	Shelby
D'Amato	Kennedy	Simon
Danforth	Kerry	Simpson
Daschle	Kohl	Specter
DeConcini	Laurenberg	Stevens
Dixon	Leahy	Warner
Dodd	Levin	Wilson
Dole	Lieberman	Wirth

NAYS—19

Boschwitz	Kassebaum	Roth
Burns	Kerrey	Rudman
Garn	Mack	Symms
Gramm	McCain	Thurmond
Hatfield	McClure	Wallop
Helms	Murkowski	
Humphrey	Nickles	

NOT VOTING—3

Armstrong	Matsunaga	Packwood
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So, the bill (S. 1430), as amended, was passed, as follows:

S. 1430

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "National and Community Service Act of 1990".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title and table of contents.
Sec. 2 Findings.
Sec. 3. Purposes.

TITLE I—NATIONAL AND COMMUNITY SERVICE STATE GRANT PROGRAM

Subtitle A—General Provisions

Sec. 101. Definitions.
Sec. 102. Authority to make State grants.

Subtitle B—School and Community Based Service

Sec. 110. Short title.
Sec. 111. General authority.
Sec. 112. Locality application.
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- Sec. 115. Limitations on use.
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Sec. 121. General authority.
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Sec. 123. State application.
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Sec. 125. Related programs.
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Sec. 128. Amount of award.
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Sec. 131. Post-service benefits.
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 SUBTITLE D—NATIONAL AND COMMUNITY SERVICE
Sec. 140. Short title.
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Sec. 143. Types of national service.
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 Subtitle E—Innovative Service Programs
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 Subtitle G—Commission on National and Community Service
Sec. 190. Commission on National and Community Service.
 TITLE II—MODIFICATIONS OF EXISTING EDUCATION PROGRAMS
Sec. 201. References.
 Subtitle A—Higher Education
Sec. 210. Innovative projects for community service.
 Subtitle B—State Student Incentive Grant and Work Study Programs
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Sec. 230. Information for students.
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Sec. 233. Data on deferments and cancellations.
 Subtitle D—Direct Loans to Students in Institutions of Higher Education
Sec. 240. Loan cancellation authorized.

- Sec. 241. Effective date.
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Sec. 250. Loan forgiveness.
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SEC. 2 FINDINGS.
Congress finds that—
 (1) service to the community and the Nation is a responsibility of all citizens of the United States, regardless of the economic level or age of such citizens;
 (2) citizens of the United States who become engaged in service at a young age will better understand the responsibilities of citizenship and continue to serve the community into adulthood;
 (3) serving others builds self-esteem and teaches teamwork, decision making, and problem-solving;
 (4) the 70,000,000 youth of the United States who are between the ages of 5 and 25 offer a powerful and largely untapped resource for community service;
 (5) conservation corps and human service corps provide important benefits to participants and to the community;
 (6) the Volunteers in Service to America Program (hereinafter in this Act referred to as "VISTA"), as established by title I of the Domestic Volunteer Act of 1973 (42 U.S.C. 4951 et seq.), is one of the most cost effective means of fighting poverty in the United States;
 (7) the cost of higher education, loan indebtedness, and the high price of housing deter many young adults from volunteering for service programs that involve a substantial time commitment;
 (8) older Americans, through the Older American Volunteer Programs (as established by title II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5001 et seq.)), provide 500,000,000 hours of service each year and are a vital force in addressing national problems;
 (9) the VISTA and Older American Volunteer Programs have recently been expanded

- and are an important part of the national and community service effort of the United States;
 (10) many Americans cannot participate in a full-time service program, but should have the option of part-time service; and
 (11) a range of full-time and part-time national and community service opportunities should be made available to all citizens, particularly youth and older Americans.
SEC. 3 PURPOSES.
It is the purpose of this Act to—
 (1) renew the ethic of civic responsibility in the United States;
 (2) ask citizens of the United States, regardless of age or income, to engage in full-time or part-time service to the Nation;
 (3) begin to call young people to serve in national service programs;
 (4) enable young Americans to make a sustained commitment to national service by removing barriers to such service that have been created by high education costs, loan indebtedness, and the cost of housing;
 (5) build on the existing organizational framework of Federal, State, and local programs and agencies to expand full-time and part-time service opportunities for all citizens, particularly youth and older Americans;
 (6) involve participants in activities that would not otherwise be performed by employed workers; and
 (7) generate 100,000,000 additional service hours each year to help meet human, educational, environmental, and public safety needs, particularly those needs relating to poverty.
 TITLE I—NATIONAL AND COMMUNITY SERVICE STATE GRANT PROGRAM
 Subtitle A—General Provisions
SEC. 101. DEFINITIONS.
As used in this title:
 (1) **ADULT VOLUNTEER.**—The term "adult volunteer" means—
 (A) an individual who is beyond the age of compulsory schooling, including an older American, an individual with a disability, and a parent;
 (B) an employee of a private business;
 (C) an employee of a public or nonprofit agency; or
 (D) any other individual working without financial remuneration in an education-institution to assist students or out of school youth.
 (2) **COMMISSION.**—The term "Commission" means the Commission on National and Community Service established under section 190.
 (3) **COMMUNITY-BASED AGENCY.**—The term "community-based agency" means a private nonprofit organization that is representative of a community or a significant segment of a community and that is engaged in meeting human, educational, or environmental community needs, including, but not limited to, churches and other religious entities.
 (4) **CREW SUPERVISOR.**—The term "crew supervisor" means the adult staff individual who is responsible for supervising a crew of participants, including the crew leader.
 (5) **EDUCATION INSTITUTION.**—The term "education institution" means a local educational agency, elementary or secondary school, including, but not limited to, private sectarian and nonsectarian schools, library or a community-based agency that provides educational services.
 (6) **ELEMENTARY SCHOOL.**—The term "elementary school" has the same meaning given such term in section 1471(8) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(8)).

(7) **INDIAN LANDS.**—The term "Indian lands" means any real property owned by an Indian tribe, any real property held in trust by the United States for Indian tribes, and any real property held by Indian tribes that is subject to restrictions on alienation imposed by the United States.

(8) **INDIAN TRIBE.**—The term "Indian tribe" means an Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(9) **INSTITUTION OF HIGHER EDUCATION.**—The term "institution of higher education" has the same meaning given such term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

(10) **LOCAL EDUCATIONAL AGENCY.**—The term "local educational agency" has the same meaning given such term in section 1471(12) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(12)).

(11) **LOCAL GOVERNMENT AGENCY.**—The term "local government agency" means a public agency that is engaged in meeting human, social, educational, or environmental needs.

(12) **OUT-OF-SCHOOL YOUTH.**—The term "out-of-school youth" means an individual who—

- (A) has not attained the age of 27;
- (B) has not completed college or the equivalent thereof; and
- (C) is not enrolled in an elementary or secondary school or institution of higher education.

(13) **PARTICIPANT.**—The term "participant" means an individual enrolled in a program that receives assistance under this title.

(14) **PARTNERSHIP PROGRAM.**—The term "partnership program" means a program through which adult volunteers, public or private agencies, including, but not limited to, churches and other religious entities, institutions of higher education, community organizations, or businesses assist an education institution.

(15) **PLACEMENT.**—The term "placement" means the matching of a participant with a specific project.

(16) **PROGRAM.**—The term "program" means an activity carried out with assistance provided under this title.

(17) **PROGRAM AGENCY.**—The term "program agency" means—

- (A) a Federal or State agency designated to manage a youth service corps program;
- (B) the governing body of an Indian tribe that administers a youth service corps programs; or
- (C) a local applicant administering a youth service corps program.

(18) **PROJECT.**—The term "project" means an activity that results in a specific identifiable service or product that otherwise would not be done with existing funds, and that does not duplicate the routine services or functions of the employer to whom participants are assigned.

(19) **PUBLIC LANDS.**—The term "public lands" means any lands or waters (or interest therein) owned or administered by the United States or by an agency or instrumentality of a State or local government.

(20) **SECONDARY SCHOOL.**—The term "secondary school" has the same meaning given such term in section 1471(21) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(21)).

(21) **SERVICE OPPORTUNITY.**—The term "service opportunity" means a program or project that enables students or out-of-school youth to perform meaningful and

constructive service in agencies, institutions, and situations where the application of human talent and dedication may help to meet human, educational, linguistic, and environmental community needs, especially those relating to poverty.

(22) **SPECIAL SENIOR SERVICE MEMBER.**—The term "special senior service member" means an individual who is age 60 or over and willing to work full-time or part-time in conjunction with a full-time national service program.

(23) **SPONSORING ORGANIZATION.**—The term "sponsoring organization" means an organization, eligible to receive assistance under this title, that has been selected to provide a placement for a participant.

(24) **STATE.**—The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, or Palau.

(25) **STATE EDUCATIONAL AGENCY.**—The term "State educational agency" has the same meaning given such term in section 1471(23) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(23)).

(26) **STUDENT.**—The term "student" means an individual who is enrolled in an elementary or secondary school or institution of higher education on a full- or part-time basis.

(27) **SUMMER PROGRAM.**—The term "summer program" means a youth service corps program authorized under this title that is limited to the months of June, July, and August.

(28) **YOUTH SERVICE CORPS PROGRAM.**—The term "youth service corps program" means a program, such as a conservation corps or human services corps program, that offers full-time, productive work (to be financed through stipends) with visible community benefits in a natural resource or human service setting and that gives participants a mix of work experience, basic and life skills, education, training, and support services.

(29) **YOUTH COMMUNITY SERVICE PROGRAM.**—The term "youth community service program" means a program in which students or out-of-school youths are offered service opportunities in the community or an educational institution.

SEC. 102. AUTHORITY TO MAKE STATE GRANTS.

The Commission may, in accordance with the provisions of this title, make grants to States, or to local applicants, to enable such States or applicants to carry out national or community service programs under subtitles B, C, D or E.

Subtitle B—School and Community Based Service

SEC. 110. SHORT TITLE.

This subtitle may be cited as the "Service America, the Service to America Act of 1990".

SEC. 111. GENERAL AUTHORITY.

The Commission may make grants under section 102 to States or local applicants for the creation or expansion of service opportunities for students and out-of-school youth and to increase the number of community members, particularly senior citizens, who are volunteering in schools.

SEC. 112. LOCALITY APPLICATION.

If a State does not apply for assistance under this subtitle or if a State does not have an application approved under section 113, the Commission may make grants directly to local applicants. The Commission shall apply the criteria described in section 114 in evaluating such local applications.

SEC. 113. STATE APPLICATION.

To be eligible to receive a grant under this subtitle a State, acting through the State educational agency, shall prepare and submit, to the Commission, an application at such time, in such manner, and containing such information as the Commission shall reasonably require, including a description of the manner in which—

(1) local applications will be ranked by the State according to the criteria described in section 114, and in a manner that ensures the equitable treatment of local applications submitted by both educational and non-educational institutions;

(2) service programs within the State will be coordinated;

(3) cooperative efforts among education institutions, local government agencies, community-based agencies, businesses, and State agencies to provide service opportunities, including those that involve the participation of urban, suburban, and rural youth working together, will be encouraged;

(4) economically and educationally disadvantaged youths, including individuals with disabilities, youth with limited basic skills or learning disabilities, and youth who are in foster care, are assured of service opportunities;

(5) service programs that receive assistance under this subtitle will be evaluated;

(6) programs that receive assistance under this subtitle will serve urban and rural areas and any tribal areas that exist within such State;

(7) technical assistance and training will be provided to service programs within the State;

(8) non-Federal and other types of Federal assistance will be used to expand service opportunities for students and out-of-school youth; and

(9) information and outreach services will be disseminated and utilized to ensure the involvement of a broad range of organizations, particularly community-based organizations.

SEC. 114. LOCAL APPLICATIONS.

(a) APPLICATION REQUIRED.—

(1) PARTNERSHIP.—

(A) **IN GENERAL.**—Any education institution, local government agency, community-based agency, or consortia thereof that desires to receive a grant—

(i) from a State that has received assistance under this subtitle; or

(ii) in the case of a State that does not apply for assistance under this subtitle or have an application approved under section 113, directly from the Commission;

shall form a partnership consisting of one or more education institutions and one or more local government or community-based agencies.

(B) **EXCEPTION.**—The provisions of subparagraph (A) shall not apply if the applicant is—

(i) an education institution that intends to provide service opportunities solely within such education institution; or

(ii) an education institution that has formed a partnership with one or more private businesses to conduct a partnership program.

(2) **CONTENT OF APPLICATION.**—To be eligible to receive a grant under this subtitle, a partnership under paragraph (1) shall prepare and submit, to the State educational agency (or the Commission if paragraph (1)(A)(ii) applies), an application at such time, in such manner, and containing such information as the State educational agency (or the Commission) shall reasonably require. Each such application shall—

(A) contain a written agreement, between the institution with which participants are

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affiliated and one or more representatives of the community or education institution where service opportunities will be provided, stating that the program was jointly developed by the parties and that the program will be jointly executed by the parties;

(B) establish and specify the membership and role of an advisory committee that shall consist of representatives of community agencies, service recipients, youth serving agencies, youth, parents, teachers, administrators, school board members, labor, and business, one-half of which shall be selected by the community partner and one-half of which shall be selected by the education institution;

(C) describe the goals of the program which shall include goals that are quantifiable, measurable, and demonstrate any benefits that flow from the program to the participants and the community;

(D) describe the service opportunities to be provided under the program;

(E) describe the manner in which the participants in the program will be recruited, including any special efforts that will be utilized to recruit out-of-school youth with the assistance of community-based agencies;

(F) describe the manner in which participants in the program were or will be involved in the design and operation of the program;

(G) state the name, if available, qualifications, and responsibilities of the coordinator of the program assisted under this subtitle;

(H) describe the preservice and inservice training to be provided to supervisors and participants in the program;

(I) describe the manner in which exemplary service will be recognized;

(J) describe any potential resources that will permit continuation of the program, if needed, after the assistance received under this subtitle has ended;

(K) disclose whether the program plans include addressing basic skill needs and reducing illiteracy;

(L) disclose whether the program plans include preventing and treating school-age drug and alcohol abuse and dependency; and

(M) contain assurances that, prior to the placement of a participant, the program will consult with any local labor organization representing employees in the area who are engaged in the same or similar work as that proposed to be carried out by such program.

(3) **YOUTH COMMUNITY SERVICE PROGRAM.**—If an applicant under this section intends to operate a youth community service program, such applicant, in addition to providing the information described in paragraph (2), shall include in the application required under such paragraph—

(A) a description of an age-appropriate learning component for participants in the program that shall include a chance for participants to reflect on service experiences and expected learning outcomes;

(B) a description of whether or not the participants will receive academic credit for participation in the program;

(C) a description of the target levels of students and out-of-school youth who will participate in the program and the target levels for the hours of service that such participants will provide individually and as a group;

(D) a description of the proportion of expected participants in the program who are educationally or economically disadvantaged, including participants with disabilities;

(E) a description of the ages or grade levels of expected participants in the program;

(F) other relevant demographic information concerning such expected participants; and

(G) assurances that participants in the program will be provided with information concerning VISTA, the Peace Corps (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)), chapter 30 of title 38, United States Code, chapter 106 of title 10, United States Code, full-time Youth Service Corps and National Service programs receiving assistance under this title, and other service options and their benefits (such as student loan deferment and forgiveness) as appropriate.

(4) **PARTNERSHIP PROGRAM.**—If an applicant under this section intends to operate a partnership program, in addition to the information required to be included in the application under paragraph (2), such applicant shall describe the students who are to be assisted through such program, including the ages and grade levels of such students.

(b) **APPROVAL.**—

(1) **YOUTH COMMUNITY SERVICE PROGRAMS.**—The State educational agency, or the Commission if subsection (a)(1)(A)(ii) applies, shall approve applications submitted by entities under this section that intend to operate youth community service programs, only if such applications meet the applicable requirements of subsection (a) and describe programs that provide—

(A) an age-appropriate learning component to enable participants to reflect on service experiences;

(B) preservice and inservice training for both supervisors and participants involving representatives of the community where service opportunities will be provided; and

(C) evidence that participants in the program will make a sustained commitment to the service project.

(2) **ADULT VOLUNTEER AND PARTNERSHIP PROGRAMS.**—The State educational agency, or the Commission if subsection (a)(1)(A)(ii) applies, shall approve applications submitted by entities under this section that intend to operate adult volunteer and partnership programs, only if such applications meet the applicable requirements of subsection (a) and describe programs that provide—

(A) preservice and inservice training for both supervisors and adult volunteers in the program; and

(B) opportunities for adult volunteers in the program to work with at-risk children or their teachers.

(c) **PRIORITY.**—

(1) **IN GENERAL.**—In providing assistance under this subtitle, the State educational agency, or the Commission if subsection (a)(1)(A)(ii) applies, shall give priority to applications that contain a description—

(A) of programs that involve participants in the design and operation of the program;

(B) of programs that are in the greatest need of assistance, such as programs targeting low-income areas;

(C) of programs that involve individuals of different ages, races, sexes, ethnic groups, disabilities, and economic backgrounds serving together; and

(D) in the case of applicants that are educational institutions, of programs that are integrated into the academic program.

(2) **ADULT VOLUNTEER AND PARTNERSHIP PROGRAM.**—In the case of an adult volunteer and partnership program, the State educational agency, or the Commission if subsection (a)(1)(A)(ii) applies, shall give priority to applications that contain a description of programs—

(A) that involve older Americans or parents as adult volunteers;

(B) that involve a partnership between an educational institution and a private business in the community;

(C) that include a focus on drug and alcohol abuse prevention, school drop-out prevention, or nutrition; or

(D) that will improve basic skills and reduce illiteracy.

SEC. 115. LIMITATIONS ON USE.

(a) **REQUIREMENT FOR LOCAL APPLICANTS.**—Assistance provided under this subtitle shall not be used by a local applicant to pay in excess of—

(1) 80 percent of the costs of programs that receive assistance under this subtitle for the first year in which the applicant receives assistance under this subtitle; and

(2) 70 percent of the costs of programs that receive assistance under this subtitle for the second year in which the applicant receives assistance under this subtitle.

(b) **PAYMENT BY LOCAL APPLICANT.**—

(1) **NON-FEDERAL SOURCES.**—That portion of the costs of programs that receive assistance under this subtitle that are to be paid by a local applicant from sources other than Federal funds may be paid in cash or in kind (fairly evaluated).

(2) **PRIVATE PROFITMAKING ORGANIZATIONS.**—If that portion of the costs of programs that receive assistance under this subtitle to be paid by a local applicant from sources other than Federal funds are paid by private profitmaking organizations, subsection (a) shall be applied by substituting—
(A) "85 percent" for "80 percent"; and
(B) "75 percent" for "70 percent".

SEC. 116. USE OF FUNDS.

(a) **STATES.**—

(1) **ADMINISTRATION.**—A State shall use not to exceed 20 percent of the amounts provided under this subtitle in each fiscal year for costs associated with administration, including training, technical assistance, curriculum development, and coordination activities.

(2) **ADULT VOLUNTEER AND PARTNERSHIP PROGRAMS.**—A State shall use not to exceed 10 percent of the amounts provided under this subtitle in each fiscal year to carry out adult volunteer and partnership programs.

(b) **LOCAL APPLICANTS.**—Local applicants may use assistance provided under this subtitle for supervision of participants, program administration, training, reasonable transportation costs, insurance, and other reasonable expenses.

(c) **STIPENDS.**—Assistance provided under this subtitle shall not be used to pay any stipend, allowance, or other financial support to any participant except to reimburse such participant for costs associated with transportation, meals, and other reasonable out-of-pocket expenses incident to participation in a program assisted under this subtitle.

SEC. 117. TREATMENT OF INDIAN TRIBES.

An Indian tribe shall be treated the same as a State for purposes of making grants under this subtitle.

Subtitle C—American Conservation and Youth Corps

SEC. 120. SHORT TITLE.

This subtitle may be cited as the "American Conservation and Youth Service Corps Act of 1990".

SEC. 121. GENERAL AUTHORITY.

The Commission may make grants under section 102 to States or local applicants, to the Secretary of Agriculture, to the Secretary of the Interior, or to the Director of ACTION for the creation or expansion of full-time or summer youth service corps programs.

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SEC. 122. ALLOCATION OF FUNDS.

(a) **COMPETITIVE GRANT.**—The Commission shall award grants under this subtitle on a competitive basis to States or Indian tribes that have submitted applications under section 123.

(b) **DIRECT GRANTS.**—

(1) **IN GENERAL.**—In the case of a State that does not apply for a grant under this subtitle or have an application approved under section 123, the Commission may award grants directly to public or private nonprofit agencies within such State.

(2) **EVALUATION.**—The Commission shall apply the criteria described in section 123 in determining whether to award a grant to such local applicants.

(3) **INDIAN TRIBES.**—An Indian tribe shall be treated the same as a State for purposes of making grants under this subtitle.

(c) **LIMITATION.**—

(1) **CAPITAL EQUIPMENT.**—Not to exceed 10 percent of the amount of assistance made available to a program agency under this subtitle shall be used for the purchase of major capital equipment.

(2) **ADMINISTRATIVE EXPENSES.**—Not to exceed 15 percent of the amount of assistance made available to a program agency under this subtitle shall be used for administrative expenses.

SEC. 123. STATE APPLICATION.

(a) **SUBMISSION.**—To be eligible to receive a grant under this subtitle, a State or Indian tribe (or a local applicant if section 122(b) applies) shall prepare and submit, to the Commission, an application at such time, in such manner, and containing such information as the Commission may reasonably require, including the information required under subsection (b).

(b) **GENERAL CONTENT.**—An application submitted under subsection (a) shall describe—

(1) any youth service corps program proposed to be conducted directly by such applicant with assistance provided under this subtitle; and

(2) any grant program proposed to be conducted by such State with assistance provided under this subtitle for the benefit of entities within such State.

(c) **SPECIFIC CONTENT.**—To receive a grant under this subtitle to directly conduct a youth service corps program, each applicant shall include in the application submitted under subsection (a)—

(1) a comprehensive description of the objectives and performance goals for the program to be conducted, a plan for managing and funding the program, and a description of the types of projects to be carried out, including a description of the types and duration of training and work experience to be provided by such program;

(2) a plan for the certification of the training skills acquired by participants and the awarding of academic credit to participants for competencies developed through training programs or work experience obtained under this subtitle;

(3) an age appropriate learning component for participants that includes procedures that permit participants to reflect on service experiences;

(4) an estimate of the number of participants and crew leaders necessary for the proposed program, the length of time that the services of such participants and crew leaders will be required, the support services that will be required for such participants and crew leaders, and a plan for recruiting such participants, including educationally and economically disadvantaged youth, youth with limited basic skills or learning disabilities, youth with disabilities, and youth who are in foster care;

(5) a list of requirements to be imposed on the sponsoring organizations of participants in the program, including a requirement that a sponsoring organization that invests in a program that receives assistance under this subtitle, by making a cash contribution or by providing free training to participants, shall be given preference over a sponsoring organization that does not make such an investment;

(6) a description of the manner of appointment and training of sufficient supervisory staff (including participants who have displayed exceptional leadership qualities), who shall provide for other central elements of a youth corps, such as crew structure and a youth development component;

(7) a description of a plan to ensure the on-site presence of knowledgeable and competent supervisory personnel at program facilities;

(8) a description of the facilities, quarters and board (in the case of residential facilities), limited and emergency medical care, transportation from administrative facilities to work sites, accommodations for individuals with disabilities, and other appropriate services, supplies, and equipment that will be provided by such applicant;

(9) a description of the basic standards of work requirements, health, nutrition, sanitation, and safety, and the manner that such standards shall be enforced;

(10) a description of the plan to assign participants to facilities as near to the homes of such participants as is reasonable and practicable;

(11) an assurance that, prior to the placement of a participant under this subtitle, the program agency will consult with any local labor organization representing employees in the area who are engaged in the same or similar work as that proposed to be carried out by such program; and

(12) such other information as the Commission shall require.

(d) **GRANT PROGRAM.**—To be eligible to receive a grant under this subtitle, a State shall establish and implement a program to make grants to applicants within the State pursuant to subsection (b)(2) and, in the application submitted under subsection (a), such State shall describe the manner in which—

(1) local applicants will be evaluated;

(2) service programs within the State will be coordinated;

(3) economically and educationally disadvantaged youth, including youth with disabilities, youth with limited basic skills or learning disabilities, and youth in foster care, will be recruited;

(4) programs that receive assistance under this subtitle will be evaluated;

(5) the State will encourage cooperation among programs that receive assistance under this subtitle and the appropriate State job training coordinating council established under the Job Training and Partnership Act (29 U.S.C. 1501 et seq.);

(6) such State will certify the training skills acquired by each participant and the credit provided to each participant for competencies developed through training programs or work experience obtained under programs that receive assistance under this subtitle; and

(7) prior to the placement of a participant under this subtitle, the State will ensure that program agencies consult with each local labor organization representing employees in the area who are engaged in the same or similar work as the work that is proposed to be carried out by such program.

SEC. 124. FOCUS OF PROGRAMS.

(a) **IN GENERAL.**—Programs that receive assistance under this subtitle may carry out activities that—

(1) in the case of conservation corps programs, focus on—

(A) conservation, rehabilitation, and the improvement of wildlife habitat, rangelands, parks, and recreational areas;

(B) urban revitalization, historical and cultural site preservation, rural revitalization, and reforestation of both urban and rural areas;

(C) fish culture, wildlife habitat maintenance and improvement, and other fishery assistance;

(D) road and trail maintenance and improvement;

(E) erosion, flood, drought, and storm damage assistance and controls;

(F) stream, lake, waterfront harbor, and port improvement;

(G) wetlands protection and pollution control;

(H) insect, disease, rodent, and fire prevention and control;

(I) the improvement of abandoned railroad beds and rights-of-way;

(J) energy conservation projects, renewable resource enhancement, and recovery of biomass;

(K) reclamation and improvement of strip-mined land;

(L) forestry, nursery, and cultural operations; and

(M) making public facilities accessible to individuals with disabilities.

(2) in the case of human services corps programs, include participant service in—

(A) State, local, and regional governmental agencies;

(B) nursing homes, hospices, senior centers, hospitals, local libraries, parks, recreational facilities, day care centers, programs serving individuals with disabilities, and schools;

(C) law enforcement agencies, and penal and probation systems;

(D) private nonprofit organizations that primarily focus on social service;

(E) activities that focus on the rehabilitation or improvement of public facilities, neighborhood improvements, literacy training that benefits educationally disadvantaged individuals, weatherization of and basic repairs to low-income housing, energy conservation (including solar energy techniques), removal of architectural barriers to access by individual with disabilities to public facilities, activities that focus on drug and alcohol abuse education, prevention and treatment, and conservation, maintenance, or restoration of natural resources on publicly held lands; and

(F) any other nonpartisan civic activities and services that the Commission determines to be of a substantial social benefit in meeting unmet human, educational, or environmental needs (particularly needs related to poverty) or in the community where volunteer service is to be performed; or

(3) encompass the focuses and services described in both paragraphs (1) and (2).

(b) **INELIGIBLE SERVICE CATEGORIES.**—To be eligible to receive assistance under this subtitle, the activities conducted through programs referred to in subsection (a) shall not be conducted by any—

(1) business organized for profit;

(2) labor union;

(3) partisan political organization;

(4) organization engaged in religious activities, unless such activities do not involve the use of funds provided under this title by program participants and program staff to give religious instruction, conduct worship

services, or engage in any form of proselytization; or

(5) domestic or personal service company or organization.

(c) **LIMITATION ON SERVICE.**—No participant shall perform services in any project for more than a 1-year period.

SEC. 125. RELATED PROGRAMS.

An activity administered under the authority of the Secretary of Health and Human Services, that is operated for the same purpose as a program eligible to be carried out under this subtitle, is encouraged to use services available under this subtitle.

SEC. 126. PUBLIC LANDS OR INDIAN LANDS.

(a) **LIMITATION.**—To be eligible to receive assistance through a grant provided under this subtitle, a program shall carry out activities on public lands or Indian lands, or result in a public benefit.

(b) **REVIEW OF APPLICATIONS.**—In reviewing applications submitted under section 123 that propose programs or projects to be carried out on public lands or Indian lands, the Commission shall consult with the Secretary of the Interior.

(c) **CONSISTENCY.**—A program carried out with assistance provided under this subtitle for conservation, rehabilitation, or improvement of any public lands or Indian lands shall be consistent with—

(1) the provisions of law and policies relating to the management and administration of such lands, and all other applicable provisions of law; and

(2) all management, operational, and other plans and documents that govern the administration of such lands.

(d) **RESERVATION.**—The Commission shall reserve not to exceed 5 percent of the amounts appropriated in each fiscal year under section 401(a)(2) to make grants under this subtitle for Federal disaster relief programs.

SEC. 127. TRAINING AND EDUCATION SERVICES.

(a) **ASSESSMENT OF SKILLS.**—Each program agency shall assess the educational level of participants at the time of their entrance into the program, using any available records or simplified assessment means or methodology and shall, where appropriate, refer such participants for testing for specific learning disabilities.

(b) **ENHANCEMENT OF SKILLS.**—Each program agency shall, through the programs and activities administered under this subtitle, enhance the educational skills of participants.

(c) **PROVISION OF PRE-SERVICE AND IN-SERVICE TRAINING AND EDUCATION.**—

(1) **REQUIREMENT.**—Each program agency shall use not less than 10 percent of the assistance made available to such agency under this subtitle in each fiscal year to provide pre-service and in-service training and educational materials and services for participants in such a program. Program participants shall be provided with information concerning the benefits to the community that result from the activities undertaken by such participants.

(2) **AGREEMENTS FOR ACADEMIC STUDY.**—A program agency may enter into arrangements with academic institutions or education providers, including—

- (A) local education agencies;
- (B) community colleges;
- (C) 4-year colleges;
- (D) area vocational-technical schools; and
- (E) community based organizations;

to evaluate the basic skills of participants and to make academic study available to participants to enable such participants to upgrade literacy skills, to obtain high school diplomas or the equivalent of such diplo-

mas, to obtain college degrees, or to enhance employable skills.

(3) **COUNSELING.**—Career and educational guidance and counseling shall be provided to a participant during a period of in-service training as described in this subsection.

(4) **PRIORITY FOR PARTICIPANTS WITHOUT HIGH SCHOOL DIPLOMAS.**—A program agency shall give priority to participants who have not obtained a high school diploma or the equivalent of such diploma, in providing services under this subsection.

(d) **POST-SERVICE EDUCATION AND TRAINING ASSISTANCE.**—

(1) **USE OF FUNDS.**—A program that receives assistance under this subtitle shall use not less than 10 percent of such assistance to comply with the requirements of section 131 for post-service education and training assistance.

(2) **ACTIVITIES.**—The activities conducted under this section may include activities available to an eligible participant under in-service education and training assistance programs, career and vocational counseling, assistance in entering a program under the Job Training Partnership Act (29 U.S.C. 1501 et seq.), and assistance for other activities considered appropriate for such participant by the appropriate program agency and the Commission.

(e) **STANDARDS AND PROCEDURES.**—

(1) **CONSISTENCY WITH STATE AND LOCAL REQUIREMENTS.**—Appropriate State and local officials shall certify that standards and procedures with respect to the awarding of academic credit and the certification of educational attainment in programs conducted under subsection (c) are consistent with the requirements of applicable State and local law and regulations.

(2) **ACADEMIC STANDARDS.**—The standards and procedures described in paragraph (1) shall provide that an individual serving in a program that receives assistance under this subtitle—

(A) who is not a high school graduate, participate in an educational curriculum so that such individual can earn a high school diploma or the equivalent of such diploma; and

(B) may arrange to receive academic credit in recognition of the education and skills obtained from service satisfactorily completed.

SEC. 128. AMOUNT OF AWARD.

In determining the amount of a grant to be awarded to an applicant under this subtitle, the Commission shall consider—

(1) the number of the unemployed youth population of the area to be served; and

(2) the type of project or service proposed to be carried out with the amounts appropriated under section 401(a)(2).

SEC. 129. PREFERENCE FOR CERTAIN PROJECTS.

In the consideration of applications submitted under section 123, the Commission shall give preference to programs that—

(1) will provide long-term benefits to the public;

(2) will instill a work ethic and a sense of public service in the participants;

(3) will be labor intensive, and involve youth operating in crews;

(4) can be planned and initiated promptly; and

(5) will enhance skills development and educational level and opportunities for the participants.

SEC. 130. AGE AND CITIZENSHIP CRITERIA FOR ENROLLMENT.

Enrollment in programs that receive assistance under this subtitle shall be limited to individuals who, at the time of enrollment, are—

(1) not less than 16 years nor more than 25 years of age, except that summer pro-

grams may include individuals not less than 15 years nor more than 21 years of age at the time of the enrollment of such individuals; and

(2) citizens or nationals of the United States (including those citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau) or lawful permanent resident aliens of the United States.

SEC. 131. POST-SERVICE BENEFITS.

The program agency shall provide post-service education and training benefits (such as scholarships and grants) for each participant in an amount that is not in excess of \$100 per week, or in excess of \$5,000 per year, whichever is less.

SEC. 132. LIVING ALLOWANCE.

(a) **FULL-TIME SERVICE.**—

(1) **IN GENERAL.**—From assistance provided under this subtitle, each participant in a full-time youth service corps program that receives assistance under this subtitle shall receive a living allowance of not more than an amount equal to 100 percent of the poverty line for a family of two (as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))).

(2) **NON-FEDERAL SOURCES.**—Notwithstanding paragraph (1), a program agency may provide participants with additional amounts that are made available from non-Federal sources.

(b) **REDUCTION IN EXISTING PROGRAM BENEFITS.**—Nothing in this section shall be construed to require a program in existence on the date of enactment of this Act to decrease any stipends, salaries, or living allowances provided to participants under such program.

(c) **HEALTH INSURANCE.**—In addition to the living allowance provided under subsection (a), program agencies are encouraged to provide health insurance to each participant in a full-time youth service corps program who does not otherwise have access to health insurance.

(d) **FACILITIES, SERVICES, AND SUPPLIES.**—

(1) **IN GENERAL.**—The program agency may deduct, from amounts provided under subsections (a) and (c) to a participant, a reasonable portion of the costs of the rates for any room and board that is provided for such participant at a residential facility.

(2) **EVALUATION.**—The program agency shall establish the amount of the deductions and rates under paragraph (1) after evaluating the costs of providing such room and board to the participant.

(3) **DUTIES OF PROGRAM AGENCY.**—A program agency may provide facilities, quarters, and board and shall provide limited and emergency medical care, transportation from administrative facilities to work sites, accommodations for individuals with disabilities, and other appropriate services, supplies, and equipment to each participant.

(e) **GUIDANCE AND PLACEMENT.**—

(1) **IN GENERAL.**—Each program agency shall provide such job and educational guidance and placement information and assistance for each participant as may be necessary, including referrals of such participants to organizations where such participants may receive basic skills training or be tested and receive services for specific learning disabilities.

(2) **COORDINATION WITH OTHER ENTITIES.**—Assistance under paragraph (1) shall be provided in coordination with appropriate State, local, and private agencies and organizations.

SEC. 133. JOINT PROGRAMS.

(a) **DEVELOPMENT.**—The Commission may develop, in cooperation with the heads of other Federal agencies, regulations designed

to permit, where appropriate, joint programs in which activities supported with assistance made available under this subtitle are coordinated with activities supported with assistance made available under programs administered by the heads of such agencies (including the Job Training Partnership Act (29 U.S.C. 1501 et seq.)).

(b) **STANDARDS.**—Regulations promulgated under subsection (a) shall establish standards for the approval of joint programs that meet both the purposes of this title and the purposes of such statutes under which assistance is made available to support such projects.

SEC. 134. FEDERAL AND STATE EMPLOYEE STATUS.

(a) **IN GENERAL.**—Participants and crew leaders shall be responsible to, or be the responsibility of, the program agency administering the program on which such participants, crew leaders, and volunteers work.

(b) **NON-FEDERAL EMPLOYEES.**—

(1) **IN GENERAL.**—Except as otherwise provided in this subsection, a participant or crew leader in a program that receives assistance under this subtitle shall not be considered a Federal employee and shall not be subject to the provisions of law relating to Federal employment.

(2) **WORK-RELATED INJURY.**—For purposes of subchapter I of chapter 81 of title 5, United States Code, relating to the compensation of Federal employees for work injuries, a participant or crew leader serving in a program that receives assistance under this subtitle shall be considered an employee of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, United States Code, and the provision of that subchapter shall apply, except—

(A) the term "performance of duty", as used in such subchapter, shall not include an act of a participant or crew leader while absent from the assigned post of duty of such participant or crew leader, except while participating in an activity authorized by or under the direction and supervision of a program agency (including an activity while on pass or during travel to or from such post of duty); and

(B) compensation for disability shall not begin to accrue until the day following the date that the employment of the injured participant or crew leader is terminated.

(3) **TORT CLAIMS PROCEDURE.**—For purposes of chapter 171 of title 28, United States Code, relating to tort claims procedure, a participant or crew leaders assigned to a youth service corps program for which a grant has been made to the Secretary of Agriculture, Secretary of Interior, or the Director of ACTION, shall be considered an employee of the United States within the meaning of the term "employee of the government" as defined in section 2671 of such title.

(4) **ALLOWANCE FOR QUARTERS.**—For purposes of section 5911 of title 5, United States Code, relating to allowances for quarters, a participant or crew leader shall be considered an employee of the United States within the meaning of the term "employee" as defined in paragraph (3) of subsection (a) of such section.

Subtitle D—National and Community Service

SEC. 140. SHORT TITLE.

This subtitle may be cited as the "National and Community Service Act".

SEC. 141. GENERAL AUTHORITY.

The Commission may make grants under section 102 to States for the creation of full- and part-time national and community service programs.

SEC. 142. GRANTS.

(a) **TERM OF GRANT.**—The term of a grant awarded under section 141 shall not extend beyond September 30, 1991.

(b) **CRITERIA FOR RECEIVING APPLICATIONS.**—In determining whether to award a grant to a State under section 141, the Commission shall consider—

(1) the ability of the proposed program of such State to serve as an effective model for a large-scale national service program;

(2) the quality of the application of such State, including the plan of such State for training, recruitment, placement, and data collection;

(3) the extent that the proposed program builds on existing programs; and

(4) the expediency with which the State proposes to make the program operational.

(c) **DIVERSITY.**—The Commission shall ensure that programs receiving assistance under this subtitle are geographically diverse and include programs in both urban and rural States.

(d) **ALTERNATIVE VOUCHER OPTION LIMITED.**—The Commission shall ensure that not to exceed 25 percent of States receiving a grant under section 141 are authorized to exercise the alternative voucher authorized under section 146(e)(3).

(e) **COMPOSITION OF PROGRAMS.**—The Commission shall ensure that not less than 25 percent of the programs that receive assistance under this subtitle include full-time, part-time and special senior service participants.

(f) **STATE APPLICATION FOR GRANT.**—To receive a grant under section 141, a State shall prepare and submit, to the Commission, an application at such time, in such manner, and containing such information as the Commission may reasonably require, including—

(1) a description of the State administrative plan for the implementation of a program with assistance provided under this subtitle, including such functions, if any, that will be carried out by public and private nonprofit organizations pursuant to a grant or contract;

(2) a description of the manner in which an ethnically and economically diverse group of participants, including economically and educationally disadvantaged individuals, college-bound youth, individuals with disabilities, youth in foster care, and employed individuals, shall be recruited and selected for participation in a program receiving assistance under this subtitle;

(3) a description of the procedures for training supervisors and participants and for supervising and organizing participants in such program;

(4) a description of the procedures to ensure that the program provides participants with an opportunity to reflect on their service experience;

(5) a description of the geographical areas within such State in which the program would be operated to provide the optimum match between the need for services and the anticipated supply of participants;

(6) a description of the plan for placing such participants in teams or making individual placements in such program;

(7) assurances that, prior to such placement, the State will consult with any local labor organization representing employees in the area who are engaged in the same or similar work as that proposed to be carried out by such program;

(8) assurances that, prior to such placement, such State will consult with employees at the proposed project site who are engaged in the same or similar work as that proposed to be carried out by such program;

(9) a description of the anticipated number of full- and part-time participants

and special senior service members in such program;

(10) a plan for the recruitment and selection of sponsoring organizations that will receive participants under programs that receive assistance under this subtitle;

(11) a description of the procedures for matching such participants with such sponsoring organizations;

(12) a description of the procedures to be used to assure that sponsoring organizations that are not matched with participants shall be provided with information concerning the VISTA program and the programs established under title II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5001 et seq.);

(13) the State budget for the program;

(14) a description of whether the State desires to exercise the voucher alternative option authorized under section 146(e)(3);

(15) a plan for evaluating the program and assurances that such State will fully cooperate with any evaluation undertaken by the Commission pursuant to section 178; and

(16) any other information as the Commission may reasonably require.

(g) **NUMBER OF STATES.**—

(1) **IN GENERAL.**—The Commission shall ensure that not more than five States are authorized to operate full-time programs and not more than five States are authorized to operate part-time programs in fiscal year 1991 under this subtitle.

(2) **SINGLE PROGRAM.**—For purposes of this paragraph (1), a State operating a single national service program with both full- and part-time options shall be counted as a State operating a full-time program and a State operating a part-time program.

(3) **COOPERATIVE ARRANGEMENT.**—For purposes of this paragraph (1), a State operating a national service program involving a cooperative arrangement with a multi-State organization or with sites in more than one State shall be counted as a single State.

(h) **INDIAN TRIBES.**—An Indian tribe shall be treated the same as a State for purposes of making grants under this subtitle.

SEC. 143. TYPES OF NATIONAL SERVICE.

(a) **IN GENERAL.**—A participant in a program that receives assistance under this subtitle shall perform national service to meet unmet educational, human, environmental, and public safety needs, especially those needs relating to poverty.

(b) **TYPES OF NATIONAL SERVICE.**—National service performed under subsection (a) may include—

(1) educational service, such as service in literacy programs, the Head Start program (as established under the Head Start Act (42 U.S.C. 9831)) and other early childhood education programs, tutorial assistance, and service in schools, libraries, and adult education centers;

(2) human service, such as—

(A) service in hospitals, hospices, clinics, community health centers, public health organizations, facilities serving individuals with acquired immune deficiency syndrome, homes for elderly individuals, programs serving individuals with disabilities, and child-care programs;

(B) service in programs to assist elderly, disabled, poor, and homeless individuals, including programs to build, restore, and maintain housing for poor or homeless individuals and self-help programs;

(C) service in programs engaged in the education, prevention, and treatment of drug and alcohol abuse, including care programs for cocaine-addicted babies; and

(D) service in programs to assist elderly, disabled, poor, and homeless individuals obtain meaningful employment;

(3) environmental service, such as service in programs to conserve, recycle, maintain, and restore natural resources in urban and rural environments, to provide recreational opportunities, and to encourage community betterment or beautification;

(4) public safety service, including placement with police and fire departments, courts, the border patrol, and prisons; and

(5) in the case of special senior service members, service to assist a State in administering a program, including mentoring, supervision, and other functions.

SEC. 144. TERMS OF SERVICE.

(a) LENGTH OF SERVICE.—

(1) **PART-TIME.**—An individual performing part-time national service under this subtitle shall agree to perform community service for not less than 2 years.

(2) **FULL-TIME.**—An individual performing full-time national service under this subtitle shall agree to perform community service for not less than 1 year nor more than 2 years, at the discretion of such individual.

(3) **SPECIAL SENIOR SERVICE.**—A special senior service participant performing national service under this subtitle shall serve for a period of time as determined by the Commission.

(b) **PARTIAL COMPLETION OF SERVICE.**—If the State releases a participant from completing a term of service in a program receiving assistance under this subtitle for compelling personal circumstances as demonstrated by such participant, the Commission may provide such participant with that portion of the financial assistance described in section 146 that corresponds to the quantity of the service obligation completed by such individual.

(c) TERMS OF SERVICE.—

(1) **PART-TIME.**—A participant performing part-time national service under this subtitle shall serve for—

(A) 2 weekends each month and 2 weeks during the year; or

(B) an average of 9 hours per week each year of service.

(2) **FULL-TIME.**—A participant performing full-time national service under this subtitle shall serve for not less than 40 hours per week each year of service.

(3) **SPECIAL SENIOR SERVICE.**—A special senior service participant performing national service under this subtitle shall serve either part- or full-time as permitted by the Commission.

SEC. 145. ELIGIBILITY.

(a) PART-TIME.—

(1) **REQUIREMENTS.**—An individual may serve in a part-time national service program under this subtitle if such individual—

(A) is 17 years of age or older; and

(B) is a citizen of the United States or lawfully admitted for permanent residence.

(2) **PRIORITY.**—In selecting applicants for a part-time program, States shall give priority to applicants who are currently employed.

(b) **FULL-TIME.**—An individual may serve in a full-time national service program under this subtitle if such individual—

(1) is 17 years of age or older;

(2) has received a high school diploma or the equivalent of such diploma, or agrees to achieve a high school diploma or the equivalent of such diploma while participating in the program; and

(3) is a citizen of the United States or lawfully admitted for permanent residence.

(c) **SPECIAL SENIOR SERVICE.**—An individual may serve as a special senior service member under this subtitle if such individual—

(1) is 60 years of age or older; and

(2) meets the eligibility criteria for special senior service membership established by the Commission.

SEC. 146. VOUCHERS.

(a) PART-TIME.—

(1) **IN GENERAL.**—Subject to subsection (d), the Commission shall annually provide to each part-time participant a non-transferrable voucher that is equal in value to \$2,000 for each year of service that such participant provides to the program.

(2) **WAIVER.**—A State may apply for a waiver to reduce the amount of a voucher provided under paragraph (1) to an amount that is equal in value to not less than the average annual tuition and required fees at 4-year public institutions of higher education within such State.

(3) **CONSTRUCTION.**—Nothing in this subsection shall be construed to prevent a State from using funds made available from non-Federal sources to increase the amount of a voucher provided under paragraph (1) to an amount in excess of that described in such paragraph.

(b) FULL-TIME.—

(1) **IN GENERAL.**—Subject to subsection (d), the Commission shall annually provide to each full-time participant a non-transferrable voucher that is equal in value to \$5,000 for each year of service that such participant provides to the program.

(2) **WAIVER.**—A State may apply for a waiver to reduce the amount of a voucher provided under paragraph (1) to an amount that is equal in value to not less than the average annual tuition, required fees, and room and board costs at 4-year public institutions of higher education within such State.

(3) **CONSTRUCTION.**—Nothing in this subsection shall be construed to prevent a State from using funds made available from non-Federal sources to increase the amount of a voucher provided under paragraph (1) to an amount in excess of that described in such paragraph.

(c) **SPECIAL SENIOR SERVICE PARTICIPANT.**—A special senior service participant shall be ineligible to receive a voucher under this section.

(d) **INDEXING.**—The Commission shall increase the value of vouchers provided under this section in each fiscal year based on the increase in the costs associated with attending a 4-year institution of higher education during that fiscal year. The Commission shall determine such increases in costs based on information made available by the Bureau of Labor Statistics and the National Center for Education Statistics.

(e) USE OF VOUCHER.—

(1) **PART-TIME.**—A voucher provided under subsection (a) shall only be used for—

(A) payment of a student loan from Federal or non-Federal sources;

(B) downpayment or closing costs associated with purchasing a first home;

(C) downpayment, closing costs, or other costs associated with purchasing a small business concern; or

(D) tuition at an institution of higher education on a full-time basis, or to pay the expenses incurred in the full-time participation in an apprenticeship program approved by the appropriate State agency.

(2) **FULL-TIME.**—A voucher provided under subsection (b) shall only be used for—

(A) payment of a student loan from Federal or non-Federal sources;

(B) downpayment or closing costs associated with purchasing a first home;

(C) downpayment, closing costs, or other costs associated with purchasing a small business concern; or

(D) tuition, room and board, books and fees, and other costs associated with attendance (pursuant to section 472 of the Higher Education Act of 1965 (20 U.S.C. 10871)) at an institution of higher education on a full-time basis, or to pay the expenses incurred

in the full-time participation in an apprenticeship program approved by the appropriate State agency.

(3) **ALTERNATIVE VOUCHER OPTION.**—A State administering a full-time national service program under this subtitle may apply to the Commission for authorization to offer an alternative voucher option limiting the use of vouchers for education, housing, or costs associated with the purchase of a small business concern, including downpayment or closing costs.

(4) **DEFINITION.**—As used in this subsection, the term "small business concern" shall have the same meaning given such term in section 3(a)(1) of the Small Business Act (15 U.S.C. 632(a)(1)).

SEC. 147. LIVING ALLOWANCE.

(a) FULL-TIME SERVICE.—

(1) **IN GENERAL.**—From assistance provided under this subtitle, each participant in a full-time national service program receiving assistance under this subtitle shall receive a living allowance of not more than an amount equal to 100 percent of the poverty line for a family of two (as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))).

(2) **NON-FEDERAL SOURCES.**—Notwithstanding paragraph (1), a program agency may provide participants with additional amounts that are made available from non-Federal sources.

(b) **REDUCTION IN EXISTING PROGRAM BENEFITS.**—Nothing in this section shall be construed to require a program in existence on the date of enactment of this Act to decrease any stipends, salaries, or living allowances provided to participants under such program.

(c) **HEALTH INSURANCE.**—In addition to the living allowance provided under subsection (a), grantees are encouraged to provide health insurance to each participant in a full-time national service program who does not otherwise have access to health insurance.

(d) SPECIAL SENIOR SERVICE PARTICIPANT.—

(1) **FULL-TIME.**—Each full-time special senior service participant shall receive a living allowance equal to the living allowance provided to full-time participants under subsection (a), and such other assistance as the Commission considers necessary and appropriate for a special senior service participant to carry out the service obligation of such participant.

(2) **PART-TIME.**—Each part-time special senior service participant shall receive a living allowance equal to a share of such allowance offered to a full-time special senior service participant under paragraph (1), that has been prorated according to the number of hours such part-time participant serves in the program, and such other assistance that the Commission considers necessary and appropriate for a special senior service participant to carry out the service obligation of such participant.

SEC. 148. TRAINING.

(a) PROGRAM TRAINING.—

(1) **IN GENERAL.**—Each participant shall receive 3 weeks of training provided by the Commission in cooperation with the State.

(2) **CONTENTS OF TRAINING SESSION.**—Each training session described in paragraph (1) shall—

(A) orient each participant in the nature, philosophy, and purpose of the program;

(B) build an ethic community service; and

(C) train each participant to effectively perform the assigned program task of such participant by providing—

(i) general training in citizenship and civic and community service; and

(ii) if feasible, specialized training for the type of national service that each participant will perform.

(b) **ADDITIONAL TRAINING.**—Each State may provide additional training for participants as such State determines necessary.

(c) **AGENCY OR ORGANIZATION TRAINING.**—Each participant shall receive training from the sponsoring organization in skills relevant to the work to be conducted.

(d) **ACCOMMODATIONS FOR INDIVIDUALS WITH DISABILITIES.**—In accordance with the nondiscrimination provisions of section 174, each training program shall provide reasonable accommodations for individuals with disabilities.

SEC. 149. PUBLIC-PRIVATE PARTNERSHIP.

The Commission shall consider and develop opportunities for cooperation between public and private entities in the funding and implementation of a program receiving assistance under this subtitle, including cost-sharing arrangements with sponsoring organizations.

SEC. 150. IN-SERVICE EDUCATION BENEFITS.

Each State that receives assistance under this subtitle shall provide to each participant enrolled in a full-time program in-service educational services and materials to enable such participant to obtain a high school diploma or the equivalent of such diploma.

Subtitle E—Innovative Service Programs

SEC. 160. GENERAL AUTHORITY.

The Commission may make grants under section 102 to States for the creation of innovative national and community service programs.

SEC. 161. GRANTS.

(a) **CRITERIA FOR RECEIVING APPLICATIONS.**—In determining whether to award a grant to a State under section 160, the Commission shall consider—

(1) the ability of the proposed program of such State to serve as an effective model for other States;

(2) the quality of the application of such State, including the plan of such State for training, recruitment, placement, and data collection;

(3) the extent that the proposed program builds on existing programs; and

(4) the degree to which the program responds to State and community human, educational, environmental and public safety needs in an innovative manner.

(c) **STATE APPLICATION FOR GRANT.**—To receive a grant under this subtitle, a State shall prepare and submit, to the Commission, an application at such time, in such manner, and containing such information as the Commission may reasonably require, including—

(1) a description of the proposed program to be established with assistance provided under the grant;

(2) a description of the human, educational, environmental or public safety service that participants will perform and the State or community need that will be addressed under such proposed program;

(3) a description of the target population of participants and how they will be recruited;

(4) a description of the procedure for training supervisors and participants and for supervising and organizing participants in such proposed program;

(5) a description of the procedures to ensure that the proposed program provides participants with an opportunity to reflect on their service experiences;

(6) a description of any stipend or benefit that participants will receive, if any;

(7) an estimate of the anticipated number of participants and the anticipated number

of hours of service such participants will perform;

(8) a description of the State budget for the program;

(9) assurances that, prior to the placement of a participant in a project, the State will consult with any local labor organization representing employees in the area who are engaged in the same or similar work as that proposed to be carried out by such project; and

(10) assurances that, prior to the placement of a participant in a project, the State will consult with employees at the proposed project site who are engaged in the same or similar work as that proposed to be carried out by such project.

(d) **INDIAN TRIBES.**—An Indian tribe shall be treated the same as a State for purposes of making grants under this subtitle.

Subtitle F—Administrative Provisions

SEC. 170. LIMITATION ON NUMBER OF GRANTS.

(a) **IN GENERAL.**—The Commission shall not award more than one grant during each fiscal year to each State under section 102.

(b) **NUMBER OF APPLICATIONS.**—In submitting applications for a grant under section 102, a State shall consolidate all of the applications of such State for the conduct of programs under subtitles B through E, into a single application that meets the requirements of such subtitles.

(c) **MULTIPLE USE.**—A grant awarded under section 102 to a State may be used by the State in accordance with the applications consolidated, submitted, and approved under subtitles (B) through (E).

SEC. 171. REPORTS.

(a) **STATE REPORTS.**—

(1) **IN GENERAL.**—Each State receiving assistance under this title shall prepare and submit, to the Commission, an annual report concerning the status of the national and community service programs that receive assistance under such title in such State.

(2) **LOCAL GRANTEEES.**—Each State may require local grantees that receive assistance under this title to supply such information to the State as is necessary to enable the State to complete the report required under paragraph (1), including a comparison of actual accomplishments with the goals established for the program, the number of participants in the program, the number of service hours generated, and the existence of any problems, delays or adverse conditions that have affected or will affect the attainment of program goals.

(3) **REPORT DEMONSTRATING COMPLIANCE.**—

(A) **IN GENERAL.**—Each State receiving assistance under this title shall include information in the report required under paragraph (1) that demonstrates the compliance of the State with the provisions of section 176 and 113(9).

(B) **LOCAL GRANTEEES.**—Each State may require local grantees to supply such information to the State as is necessary to enable the State to comply with the requirement of paragraph (1).

(4) **AVAILABILITY OF REPORT.**—Reports submitted under paragraph (1) shall be made available to the public on request.

(b) **REPORT TO CONGRESS.**—

(1) **IN GENERAL.**—Not later than 120 days after the end of each fiscal year, the Commission shall prepare and submit, to the appropriate authorizing and appropriation Committees of Congress, a report concerning the programs that receive assistance under this title.

(2) **CONTENT.**—Reports submitted under paragraph (1) shall contain a summary of the information contained in the State reports submitted under subsection (a), and shall reflect the findings and actions taken

as a result of any evaluation conducted by the Commission.

SEC. 172. SUPPLEMENTATION.

(a) **IN GENERAL.**—Assistance provided under this title shall be used to supplement the level of State and local public funds expended for services of the type assisted under this title in the previous fiscal year.

(b) **AGGREGATE EXPENDITURE.**—Subsection (a) shall be satisfied, with respect to a particular program, if the aggregate expenditure for such program for the fiscal year in which services are to be provided will not be less than the aggregate expenditure for such program in the previous fiscal year, excluding the amount of Federal assistance provided and any other amounts used to pay the remainder of the costs of programs assisted under this title.

SEC. 173. PROHIBITION ON USE OF FUNDS.

(a) **IN GENERAL.**—Assistance provided under this title shall not be used by program participants and program staff to—

(1) provide religious instruction, conduct worship services, or engage in any form of proselytization, but nothing in this Act shall be construed to prevent any church or other religious entity from—

(A) displaying religious symbols or decorations;

(B) allowing persons to pray voluntarily, whether silently or vocally;

(C) allowing persons to sing religious hymns; or

(D) affirming or promoting any moral tenet that may be based on religious precepts;

So long as no funds provided under this Act are used by program participants and program staff for such activities and so long as these activities are conducted in a manner consistent with the Constitution.

(2) assist, promote, or deter union organizing; and

(3) finance, directly or indirectly, any activity designed to influence the outcome of an election to Federal office or the outcome of an election to a State or local public office.

(b) **CONTRACTS OR COLLECTIVE BARGAINING AGREEMENTS.**—A program that receives assist under this title shall not impair existing contracts for services or collective bargaining agreements.

SEC. 174. NONDISCRIMINATION.

(a) **IN GENERAL.**—Any assistance provided under this title shall constitute Federal financial assistance for purposes of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), and the regulations issued under such Acts.

(b) **NONDISCRIMINATION.**—Any individual with responsibility for the administration of a program that receives assistance under this title shall not discriminate in the selection of participants to such program on the basis of race, religion, color, national origin, sex, age, disability, or political affiliation, except that nothing in this Act shall prohibit a church or other religious entity from requiring that participants adhere to the religious tenets and teachings of such organization and further, such organization may require that participants adhere to rules forbidding the use of drugs or alcohol.

(c) **QUALIFIED APPLICANTS.**—If two or more prospective participants are qualified for any position with a church or other religious entity that is funded under part A of title I or titles II or III, nothing in this Act shall prohibit such organization from accepting a prospective participant for such

position who is already participating on a regular basis in other activities of the church or other religious entity.

(d) **RULES AND REGULATIONS.**—The Commission shall promulgate 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.

(e) **RIGHT OF ACTION.**—

(1) **SENSE OF THE SENATE.**—It is the sense of the Senate—

(A) to deplore the practice of boycotting businesses on the basis of the race, religion, national origin, gender, age, or disability of the owner, operator, employees, or patrons of such entities;

(B) that the programs assisted under this Act should not be used to fund such boycotts;

and that the rights of all persons to engage in free speech protected by the Constitution should be protected.

(2) **LIMITATION.**—None of the amounts appropriated under this Act shall be used to engage in a boycott of any entity on the basis of the race, religion, national origin, gender, age, or disability, of the owner, operator, employees or patrons of such entity.

(3) **ATTORNEY GENERAL.**—Notwithstanding any other provision of law, the Attorney General may file an action under this subsection, in the appropriate district court of the United States, against any organization or entity to recover the amount of assistance provided to such organization or entity under this Act that is used in violation of this subsection.

SEC. 173. NOTICE, HEARING, AND GRIEVANCE PROCEDURES.

(a) **IN GENERAL.**—

(1) **SUSPENSION OF PAYMENTS.**—The Commission may in accordance with the provisions of this title, suspend or terminate payments under a contract or grant providing assistance under this title whenever the Commission determines there is a material failure to comply with this title or the applicable terms and conditions of any such grant or contract issued pursuant to this title.

(2) **PROCEDURES TO ENSURE ASSISTANCE.**—The Commission shall prescribe procedures to ensure that—

(A) assistance provided under this title shall not be suspended for failure to comply with the applicable terms and conditions of this title except, in emergency situations, a suspension may be granted for 30 days; and

(B) assistance provided under this title shall not be terminated for failure to comply with applicable terms and conditions of this title unless the recipient of such assistance has been afforded reasonable notice and opportunity for a full and fair hearing.

(b) **HEARINGS.**—Hearings or other meetings that may be necessary to fulfill the requirements of this section shall be held at locations convenient to the recipient of assistance under this title.

(c) **TRANSCRIPT OR RECORDING.**—A transcript or recording shall be made of a hearing conducted under this section and shall be available for inspection by any individual.

(d) **STATE LEGISLATION.**—Nothing in this title shall be construed to preclude the enactment of State legislation providing for the implementation, consistent with this title, of the programs administered under this title.

(e) **GRIEVANCE PROCEDURE.**—

(1) **IN GENERAL.**—State and local applicants that receive assistance under this title shall

establish and maintain a procedure to adjudicate grievances from participants, labor organizations, and other interested individuals concerning programs that receive assistance under this title, including grievances regarding proposed placements of such participants in such projects.

(2) **DEADLINE FOR GRIEVANCES.**—Except for a grievance that alleges fraud or criminal activity, a grievance shall be made not later than 1 year after the date of the alleged occurrence.

(3) **DEADLINE FOR HEARING AND DECISION.**—

(A) **HEARING.**—A hearing on any grievance conducted under this subsection shall be conducted not later than 30 days of filing such grievance.

(B) **DECISION.**—A decision on any grievance shall be made not later than 60 days after the filing of such grievance.

(4) **ARBITRATION.**—

(A) **IN GENERAL.**—On the occurrence of an adverse grievance decision, or 60 days after the filing of such grievance if no decision has been reached, the party filing the grievance shall be permitted to submit such grievance to binding arbitration before a qualified arbitrator who is jointly selected and independent of the interested parties.

(B) **DEADLINE FOR PROCEEDING.**—An arbitration proceeding shall be held not later than 45 days after the request for such arbitration.

(C) **DEADLINE FOR DECISION.**—A decision concerning such grievance shall be made not later than 30 days after the date of such arbitration proceeding.

(D) **COST.**—The cost of such arbitration proceeding shall be divided evenly between the parties to the arbitration.

(5) **PROPOSED PLACEMENT.**—If a grievance is filed regarding a proposed placement of a participant in a program that receives assistance under this title, such placement shall not be made unless it is consistent with the resolution of the grievance pursuant to this subsection.

(6) **REMEDIES.**—Remedies for a grievance filed under this subsection include—

(A) suspension of payments for assistance under this title;

(B) termination of such payments; and

(C) prohibition of such placement described in paragraph (5).

SEC. 176. NONDUPLICATION AND NONDISPLACEMENT.

(a) **NONDUPLICATION.**—

(1) **IN GENERAL.**—Assistance provided under this title shall be used only for a program that does not duplicate, and is in addition to, an activity otherwise available in the locality of such program.

(2) **PRIVATE NONPROFIT ENTITY.**—Assistance made available under this title shall not be provided to a private nonprofit entity to conduct activities that are the same or substantially equivalent to activities provided by a State or local government agency that such entity resides in, unless the requirements of subsection (b) are met.

(b) **NONDISPLACEMENT.**—

(1) **IN GENERAL.**—An employer shall not displace an employee or position, including partial displacement such as reduction in hours, wages, or employment benefits, as a result of the use by such employer of a participant in a program receiving assistance under this title.

(2) **SERVICE OPPORTUNITIES.**—A service opportunity shall not be created under this title that will infringe in any manner on the promotional opportunity of an employed individual.

(3) **LIMITATION ON SERVICES.**—

(A) **DUPLICATION OF SERVICES.**—A participant in a program receiving assistance under this title shall not perform any services or duties or engage in activities that

would otherwise be performed by an employee as part of the assigned duties of such employee.

(B) **SUPPLANTATION OF HIRING.**—A participant in any program receiving assistance under this title shall not perform any services or duties or engage in activities that will supplant the hiring of employed workers.

(C) **DUTIES FORMERLY PERFORMED BY ANOTHER EMPLOYEE.**—A participant in any program receiving assistance under this title shall not perform services or duties that have been performed by or were assigned to any—

(i) presently employed worker;

(ii) employee who recently resigned or was discharged;

(iii) employee who is subject to a reduction in force;

(iv) employee who is on leave (terminal, temporary, vacation, emergency, or sick); or

(v) employee who is on strike or who is being locked out.

SEC. 177. STATE ADVISORY BOARD.

(a) **FORMATION OF BOARD.**—Each State that applies for assistance under this title is encouraged to establish a State Advisory Board for National and Community Service.

(b) **MEMBERS.**—

(1) **IN GENERAL.**—The chief executive officer of a State referred to in subsection (a) shall appoint members to such Advisory Board from among—

(A) representatives of State agencies administering community service, youth service, education, social service, and job training programs; and

(B) representatives of labor, business, agencies working with youth, community-based organizations such as community action agencies, students, teachers, Older American Volunteer Programs as established under title II of the Domestic Volunteer Act of 1973 (42 U.S.C. 5001 et seq.), full-time youth service corps programs, school-based community service programs, higher education institutions, local educational agencies, volunteer public safety organizations, educational partnership programs, and other organizations working with volunteers.

(2) **BALANCE OF MEMBERSHIP.**—To the extent practicable, the chief executive officer of a State referred to in subsection (a) shall ensure that the membership of the Advisory Board is balanced according to race, ethnicity, and gender.

(c) **DUTIES OF BOARD.**—A State Advisory Board for National and Community Service established under subsection (a) shall assist the State agency administering a program receiving assistance under this title in—

(1) coordinating programs that receive assistance under this title and related programs within the State;

(2) disseminating information concerning service programs that receive assistance under this title;

(3) recruiting participants for programs that receive assistance under this title; and

(4) developing programs, training methods, curriculum materials, and other materials and activities related to programs that receive assistance under this title.

SEC. 178. EVALUATION.

(a) **IN GENERAL.**—The Commission shall provide, through grants or contracts, for the continuing evaluation of programs that receive assistance under this title, including evaluations that measure the impact of such programs, to determine—

(1) the effectiveness of such programs in achieving stated goals and the costs associated with such;

(2) for purposes of the reports required by subsection (h), the impact of such programs,

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in each State in which a program is conducted, on the ability of—

(A) the VISTA and older American volunteer programs (established under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 4950 et seq.));

(B) each regular component of the armed forces (as defined in section 101(4) of title 10, United States Code);

(C) each of the reserve components of the armed forces (as described in section 216(a) of title 5, United States Code); and

(D) the Peace Corps (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.));

to recruit individuals residing in such State to serve in such program; and

(3) the structure and mechanisms for delivery of services for such programs.

(b) **COMPARISONS.**—The Commission shall provide for inclusion in the evaluations required under subsection (a), where appropriate, comparisons of participants in such programs with individuals who have not participated in such programs.

(c) **CONDUCTING EVALUATIONS.**—Evaluations of programs under subsection (a) shall be conducted by individuals who are not directly involved in the administration of such program.

(d) **PROGRAM OBJECTIVES.**—The Commission shall ensure that programs that receive assistance under subtitle D are evaluated to determine their effectiveness in—

(1) recruiting and enrolling diverse participants in such programs, consistent with the requirements of section 145, based on economic background, race, ethnicity, age, marital status, education levels, and disability;

(2) promoting the educational achievement of each participant in such programs, based on earning a high school diploma or the equivalent of such diploma and the future enrollment and completion of increasingly higher levels of education;

(3) encouraging each participant to engage in public and community service after completion of the program based on career choices and service in other service programs such as the Volunteers in Service to America Program and older American volunteer programs established under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.), the Peace Corps (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)), the military, and part-time volunteer service;

(4) promoting of positive attitudes among each participant regarding the role of such participant in solving community problems based on the view of such participant regarding the personal capacity of such participant to improve the lives of others, the responsibilities of such participant as a citizen and community member, and other factors;

(5) enabling each participant to finance a lesser portion of the higher education of such participant through student loans;

(6) providing services and projects that benefit the community;

(7) supplying additional volunteer assistance to community agencies without overloading such agencies with more volunteers than can effectively be utilized;

(8) providing services and activities that could not otherwise be performed by employed workers and that will not supplant the hiring of, or result in the displacement of, employed workers or impair the existing contracts of such workers; and

(9) attracting a greater number of citizens to public service, including service in the active and reserve components of the Armed Forces, the National Guard, the Peace Corps (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)), and the VISTA and older American volunteer programs es-

tablished under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.).

(e) **COMPARISON OF PROGRAM MODELS.**—The Commission shall evaluate and compare the effectiveness of different program models in meeting the program objectives described in subsection (d) including full- and part-time programs, programs involving different types of national service, programs using different recruitment methods, programs offering alternative voucher options, and programs utilizing individual placements and teams.

(f) **OBTAINING INFORMATION.**—

(1) **IN GENERAL.**—In conducting the evaluations required under subsection (d), the Commission may require each program participant and State or local applicant to provide such information as may be necessary to carry out the requirements of this section.

(2) **CONFIDENTIALITY.**—The Commission shall keep information acquired under this section confidential.

(g) **DEADLINE.**—The Commission shall complete the evaluations required under subsection (d) not later than 2 years after the date of enactment of this Act.

(h) **REPORTS.**—

(1) **INITIAL REPORT.**—Not later than 24 months after the date on which the first program is initiated under this title, the Commission shall prepare and submit, to the appropriate Committees of Congress, a report containing the results of the evaluations conducted under subsection (a)(2) with respect to the first 18 months after such initiation date.

SEC. 179. ENGAGEMENT OF PARTICIPANTS.

A State shall not engage a participant to serve in any program that receives assistance under this title unless and until amounts have been appropriated under section 401 for the provision of vouchers and for the payment of other necessary expenses and costs associated with such participant.

SEC. 180. NATIONAL SERVICE DEMONSTRATION PROGRAM AMENDMENTS.

(a) **TREATMENT OF EDUCATION AND HOUSING VOUCHER.**—For purposes of determining eligibility for programs under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) (hereafter in this section referred to as the "Act"), vouchers received under this Act shall be considered as estimated financial assistance as defined in section 428(a)(2)(C)(i) of title IV of the Act (20 U.S.C. 1078(a)(2)(C)(i)), except that in no case shall such a voucher be considered as—

(1) annual adjusted family income as defined in section 411F(1) of subpart 1 of part A of title IV of such Act (20 U.S.C. 1070a-6); or

(2) total income as defined in section 480(a) of part F of title IV of such Act (20 U.S.C. 1087vv(a)).

(b) **TREATMENT OF STIPEND FOR LIVING EXPENSES.**—In no case shall stipends received under this Act be considered in the determination of expected family contribution or independent student status under—

(1) subpart 1 of part A of title IV of such Act (20 U.S.C. 1070a et seq.); or

(2) part F of title IV of such Act (20 U.S.C. 1087kk et seq.).

(c) **CONTINGENT EXTENSION.**—Section 414 of the General Education Provisions Act (20 U.S.C. 1226a) shall apply to this Act.

SEC. 181. PARTNERSHIPS WITH SCHOOLS.

(a) **DEFINITIONS.**—As used in this section:

(1) **PARTNERSHIP PROGRAM.**—The term "partnership program" means a cooperative effort between an agency or department of the Federal government and an educational institution to enhance the education of students.

(2) **SCHOOL VOLUNTEER.**—The term "school volunteer" means an individual, beyond the age of compulsory schooling, working without financial remuneration under the direction of professional staff within a school or school district.

(b) **DESIGN OF PROGRAMS.**—The head of each Federal agency and department shall design an implement a comprehensive strategy to involve employees of such agencies and departments in partnership programs with elementary schools and secondary schools. Such strategy shall include—

(1) a review of existing programs to identify and expand the opportunities for such employees to be school volunteers;

(2) the designation of a senior official in each such agency and department who will be responsible for establishing school volunteer and partnership programs in each such agency and department and for developing school volunteer and partnership programs; and

(3) the encouragement of employees of such agencies and departments to participate in school volunteer and partnership programs.

(c) **REPORT.**—Not later than 180 days after the date of enactment of this Act, and on a regular basis thereafter, the head of each Federal agency and department shall prepare and submit, to the appropriate Committees of Congress, a report concerning the implementation of this section.

SEC. 182. SERVICE AS TUTORS.

Notwithstanding any other provision of this Act, a service opportunity through which a part-time participant serves as a classroom tutor under the supervision of a certified professional shall be considered an acceptable placement if the requirements of section 176(b)(1) and (2) and section 173 are met.

SEC. 183. CONFORMING AMENDMENTS.

The Higher Education Act of 1965 is amended—

(1) in section 411F(9) (20 U.S.C. 1070a-6(9)), by adding at the end thereof the following new subparagraph:

"(F) Annual adjusted family income does not include any stipend received by a participant in a program established under the National and Community Service Act of 1990.";

(2) in section 411F(12)(B)(vi) (20 U.S.C. 1070a-6(12)(B)(vi)), by striking "(including all sources of resources other than parents)" and inserting "(including all sources of resources other than parents and stipends received as a result of participation in a program established under the National and Community Service Act of 1990).";

(3) in section 480(f) (20 U.S.C. 1087vv(f)), by—

(A) striking "and" at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting a semicolon and "and"; and

(C) adding at the end thereof the following new paragraph:

"(3) any stipend received by a participant in a program established under the National and Community Service Act of 1990.";

(4) in section 480(d)(2)(F) (20 U.S.C. 1087vv(d)(2)(F)), by inserting after "other than parents" "and stipends received as a result of participation in a program established under the National and Community Service Act of 1990".

Subtitle G—Commission on National and Community Service

SEC. 190. COMMISSION ON NATIONAL AND COMMUNITY SERVICE.

(a) **ESTABLISHMENT.**—There is established a Commission on National and Community

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Service that shall administer the programs established under this title.

(b) BOARD OF DIRECTORS.—

(1) COMPOSITION.—The Commission shall be administered by a Board of Directors (hereinafter referred to in this section as the "Board") that shall be composed of 21 members, to be appointed by the President with the advice and consent of the Senate, who shall be individuals who have extensive experience in volunteer and service opportunity programs and who represent a broad range of viewpoints. The membership of the Board shall be balanced according to the race, ethnicity and gender of its members.

(2) POLITICAL PARTIES.—Not more than 11 members of the Board shall belong to the same political party.

(3) TERMS.—Each member of the Board shall serve for a term of 2 years, except that, subject to the provisions of paragraph (4), eleven of the initial members of the Board shall serve for a term of 1 year.

(4) VACANCIES.—

(A) IN GENERAL.—As vacancies occur on the Board, new members shall be appointed by the President with the advice and consent of the Senate and serve for the remainder of the term for which the predecessor of such member was appointed.

(5) CHAIRPERSON.—The Board shall elect a chairperson and vice-chairperson from among its membership.

(6) MEETINGS.—The Board shall meet not less than three times each year. The Board shall hold additional meetings if seven members of the Board request such meetings in writing. A majority of the Board shall constitute a quorum.

(7) EXPENSES.—While away from their homes or regular places of business on the business of the Board, members of such Board may be allowed travel expenses, including per diem in lieu of subsistence, as is authorized under section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(c) DUTIES.—The Board shall—

(1) advise the President and the Congress concerning developments in national and community service that merit the attention of the President and the Congress;

(2) design and administer the programs or initiatives established under this title;

(3) shall consult with appropriate Federal agencies in administering programs that receive assistance under title I;

(4) may delegate authority to administer the programs established under this title to any other agency or entity of the Federal government, on the agreement of such agency or entity, as the Board determines appropriate;

(5) shall provide, directly or through contract with public or private nonprofit organizations with extensive experience in service programs, training and technical assistance to States, school and community-based service programs, full-time youth service corps, and national service demonstration programs;

(6) shall arrange for the evaluation of programs established under this title, in accordance with section 178;

(7) coordinate with the Secretary of Defense in evaluating the effect of the national service demonstration program on the recruitment efforts of the active and reserve components of the Armed Forces; and

(8) carry out any other activities determined appropriate by the Secretary.

(d) EXECUTIVE DIRECTOR OF THE BOARD.—

(1) IN GENERAL.—The Board shall appoint an individual to serve as Executive Director of the Board (hereinafter referred to in this section as the "Director").

(2) DUTIES.—The Director shall advise the Board concerning developments in volun-

teer or national service that the Director determines merits the attention of the Board, identify promising service initiatives, and coordinate the work of the Board with the work of other Federal agencies involved in service activities and in the design of a competitive grant to provide assistance as authorized under this title.

(e) TECHNICAL EMPLOYEES.—The Director may, at the discretion of the Board, appoint not more than 10 technical employees to administer the Committee. Such employees shall be appointed for terms that shall not exceed 2 years, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(f) CLEARINGHOUSES.—

(1) IN GENERAL.—The Board shall provide assistance to not less than three national or regional service clearinghouses.

(2) PUBLIC AND PRIVATE NONPROFIT AGENCIES.—Public and private nonprofit agencies that have extensive experience in community service, adult volunteer and partnership programs, youth service, and other volunteer programs shall be eligible to receive funds under paragraph (1).

(3) FUNCTION OF CLEARINGHOUSES.—National and regional clearinghouses that receive assistance under paragraph (1) shall—

(A) assist State and local community service programs with needs assessments and planning;

(B) conduct research and evaluations concerning community service;

(C) provide leadership development and training to State and local community service program administrators, supervisors, and participants;

(D) administer award and recognition programs for outstanding community service programs and participants; and

(E) facilitate communication amongst community service programs and participants.

(4) GRANTS.—

(A) IN GENERAL.—The Board may make grants to national model service programs.

(B) ELIGIBILITY.—States, education institutions, local government agencies, community-based agencies, nonprofit organizations, or consortia composed thereof shall be eligible to receive grants under subparagraph (A).

(C) DISSEMINATION OF INFORMATION.—The Board shall widely disseminate information concerning national model service programs that receive assistance under subparagraph (A).

(5) INNOVATIVE CURRICULUM MATERIALS.—The Board may make grants for the development of innovative curriculum materials for use in youth community service and adult volunteer partnership programs.

(g) PRESIDENTIAL AWARDS FOR SERVICES.—

(1) PRESIDENTIAL AWARDS.—

(A) IN GENERAL.—The President, acting through the Commission, is authorized to make Presidential Awards for service to individuals demonstrating outstanding community service and to outstanding service programs.

(B) NUMBER OF AWARDS.—The President is authorized to make one individual and one program award in each Congressional district, and one Statewide program award in each State.

(C) CONSULTATION.—The President shall consult with the Governor of each State, and with the Board, in the selection of individuals and programs for Presidential Awards.

(D) PARTICIPANTS IN PROGRAMS.—An individual receiving an award under this subsec-

tion need not be a participant in a program assisted under this title.

(2) INFORMATION.—The President shall ensure that information concerning individuals and programs receiving awards under this subsection is widely disseminated.

(h) DETAIL OF EMPLOYEES.—Any Federal government employee may be detailed to the Commission without payment of reimbursement to the detailing agency. Such detail of a Federal employee shall not result in the interruption or loss of civil service status or privilege of such employee.

(i) LIMITATION.—In each fiscal year the Commission shall limit the value of any benefits conferred under this Act, to an amount that is not in excess of the appropriations for such fiscal year to carry out this Act, and if the fulfillment of the requirements of this Act requires amounts in excess of the limitation described in this subsection, such benefits shall be reduced to the extent necessary to comply with the requirements of this subsection.

TITLE II—MODIFICATIONS OF EXISTING EDUCATION PROGRAMS

SEC. 201. REFERENCES.

Whenever in this title 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 Higher Education Act of 1965.

Subtitle A—Higher Education

SEC. 210. INNOVATIVE PROJECTS FOR COMMUNITY SERVICE.

(a) PURPOSE.—Section 1061 of the Act (20 U.S.C. 1135e) is amended by striking out "projects in exchange" and all that follows through the end thereof, and inserting in lieu thereof "activities before, during, or after the completion of such student's higher education."

(b) USE OF GRANTS.—Section 1062 of the Act (20 U.S.C. 1135e-1) is amended to read as follows:

"SEC. 1062. INNOVATIVE PROJECTS FOR COMMUNITY SERVICE.

"(a) GENERAL AUTHORITY.—The Secretary is authorized, in accordance with the provisions of this part, to make grants to, and enter into contracts with, institutions of higher education (including combinations of such institutions), and other public agencies and nonprofit organizations working in partnership with institutions of higher education, for purposes including—

"(1) encouraging students to participate in community service activities that will engender a sense of social responsibility and commitment to the community;

"(2) encouraging students to assist in the teaching of individuals with limited basic skills or an inability to read and write;

"(3) creating opportunities for students to engage in community service activities in exchange for financial assistance that reduces the debt acquired by students in the course of completing postsecondary education;

"(4) encouraging student-initiated and student designated community service projects; and

"(5) encouraging the integration of community service into academic curricula.

"(b) ADMINISTRATIVE PROVISIONS.—

"(1) APPLICATION.—No grant may be made, and no contract may be entered into, under this section unless an application is made to the Director of the Fund for Improvement of Postsecondary Education (hereinafter referred to as the 'Director') at such time, in such manner, and contained or accompanied by such information as the Director may reasonably require. Such applications shall include plans that describe the manner in

which appropriate training is to be provided to participants and supervisors.

"(2) **ADVISE.**—Consistent with the provisions of section 1003(c), the National Board of the Fund for the Improvement of Post-secondary Education shall advise the Director on programs, priorities, and the selection of projects developed under the authority of this section.

"(3) **TECHNICAL EMPLOYEES.**—

"(A) **IN GENERAL.**—The Secretary may appoint, for terms of not to exceed 2 years, without regard to the provisions of title 5, United States Code governing appointments in the competitive service, technical employees to administer this part who may be paid without regard to the provisions of chapter 51, and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

"(B) **LIMITATION.**—The Secretary may appoint not more than 1 technical employee for each \$2,000,000 appropriated under section 1063.

"(4) **APPLICATION OF OTHER SECTION.**—The provisions of section 1004(b) shall apply to grants made under this section.

"(5) **CONSTRUCTION.**—Nothing in this part shall be construed as requiring an institution of higher education to offer academic credit as a requirement of receiving assistance under this part."

Subtitle B—State Student Incentive Grant and Work Study Programs

SEC. 220. ADDITIONAL RESERVATION FOR CAMPUS-BASED COMMUNITY WORK LEARNING STUDY JOBS.

Section 415B(a) of such Act (20 U.S.C. 1070c-1(a)) is amended by inserting the following new paragraph at the end thereof:

"(3)(A) If the amount appropriated to carry out this subpart exceeds \$75,000,000, the Secretary shall, notwithstanding the provisions of section 415(C)(b)(3)(A), allot 50 percent of such excess to the States for the purpose described in section 415(C)(b)(3)(B).

"(B) The Secretary shall make the allotment required under subparagraph (A) based on the number of students participating in campus-based community work learning study jobs assisted under this subpart in each State as compared to the total number of students participating in such jobs in all States.

SEC. 221. WORK STUDY PROGRAMS.

(a) **WORK STUDY PROGRAMS.**—Section 443(b)(5) of such Act (42 U.S.C. 2753(b)(5)) is amended by striking "and 70 percent for academic year 1990-1991" and inserting "70 percent for academic years 1990-1991, and 1991-1992, and 60 percent for academic year 1992-1993".

(b) **COMMUNITY SERVICE LEARNING PROGRAMS.**—Section 443(b)(5)(B) of such Act is amended by striking "90" and inserting "100".

SEC. 222. PUBLIC HEALTH AMENDMENT.

Section 361(a) of the Public Health Service Act (42 U.S.C. 264(a)) is amended by striking out "The" and inserting in lieu thereof "Notwithstanding any other provision of Federal law, the".

Subtitle C—Publication

SEC. 230. INFORMATION FOR STUDENTS.

(a) **INSTITUTIONAL AND FINANCIAL.**—Section 485(a)(1) of such Act (20 U.S.C. 1092(a)(1)) is amended—

(1) by striking out "and" at the end of subparagraph (J);

(2) by striking out the period at the end of subparagraph (K) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof the following new subparagraph:

"(L) the terms and conditions under which students receiving guaranteed student loans under part B of this title or direct student loans under part E of this title, or both, may—

"(i) obtain deferral of the repayment of the principal and interest for service under the Peace Corps Act (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)) or under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.), or for comparable full-time service as a volunteer for a tax-exempt organization of demonstrated effectiveness, and

"(ii) obtain partial cancellation of the student loan for service under the Peace Corps Act (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)) or under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.)."

(b) **PARTICIPATION AGREEMENTS.**—Section 487(a)(7) of such Act (20 U.S.C. 1094(a)(7)) is amended by inserting before the period a comma and the following: "particularly the requirements of subsection (a)(1)(L) of such section".

SEC. 231. EXIT COUNSELING FOR BORROWERS.

Section 485(b) of such Act (20 U.S.C. 1092(b)) is amended—

(1) by striking "and" at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting in lieu thereof a semicolon and "and"; and

(3) by inserting after paragraph (2) the following new paragraph:

"(3) the terms and conditions under which the student may obtain partial cancellation or defer repayment of the principal and interest for service under the Peace Corps Act (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)) or under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.) or for comparable full-time service as a volunteer for a tax-exempt organization of demonstrated effectiveness."

SEC. 232. DEPARTMENT INFORMATION ON DEFERMENTS AND CANCELLATIONS.

Section 485(d) of such Act (20 U.S.C. 1092(d)) is amended by inserting before the last sentence the following new sentence: "The Secretary shall provide information concerning the specific terms and conditions under which students may obtain partial cancellation or defer repayment of loans for service under the Peace Corps Act (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)) and the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.) or for comparable full-time service as a volunteer with a tax-exempt organization of demonstrated effectiveness, shall indicate (in terms of the Federal minimum wage) the maximum level of compensation and allowances that a student borrower may receive from a tax-exempt organization to qualify for a deferment, and shall explicitly state that students may qualify for such partial cancellations or deferments when they serve as a paid employee of a tax-exempt organization."

SEC. 233. DATA ON DEFERMENTS AND CANCELLATIONS.

Section 485B(a) of such Act (20 U.S.C. 1092b(a)) is amended—

(1) by striking "and" at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding the following new paragraph after paragraph (4):

"(5) the exact amount of loans partially canceled or in deferment for service under the Peace Corps Act (22 U.S.C. 2501 et seq.), for service under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et

seq.), and for comparable full-time service as a volunteer for a tax-exempt organization of demonstrated effectiveness."

Subtitle D—Direct Loans to Students in Institutions of Higher Education

SEC. 240. LOAN CANCELLATION AUTHORIZED.

(a) **CANCELLATION FOR CERTAIN SERVICE.**—Section 465(a)(2) of such Act (20 U.S.C. 1087ee(a)(2)) is amended—

(1) by striking out "or" at the end of subparagraph (D);

(2) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof a semicolon and the word "or"; and

(3) by adding at the end thereof the following new subparagraph:

"(F) as a full-time volunteer in service comparable to service referred to in subparagraph (E) for an organization of demonstrated effectiveness which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code 1986."

(b) **CANCELLATION PERCENTAGE.**—Section 465(a)(3)(A) of such Act (20 U.S.C. 1087ee(a)(3)(A)) is amended—

(1) by striking out "or" at the end of clause (iii);

(2) by striking out the period at the end of clause (iv) and inserting in lieu thereof a semicolon and the word "or"; and

(3) by adding at the end thereof the following new clause:

"(v) in the case of service described in subparagraph (F) of paragraph (2) at the rate of 15 percent for the first or second year of such service and 20 percent of the third or fourth year of such service."

SEC. 241. EFFECTIVE DATE.

The amendments made by section 240 shall apply only to loans made to cover the costs of instruction for periods of enrollment beginning on or after 30 days after the date of enactment of this subtitle.

Subtitle E—Loan Forgiveness

SEC. 250. LOAN FORGIVENESS.

(a) **IN GENERAL.**—Part B of title IV of such Act is amended by inserting after section 432 (20 U.S.C. 1082) the following new section:

"SEC. 432A. TREATMENT OF STUDENTS VOLUNTEERS.

"(a) **IN GENERAL.**—Notwithstanding any other provision of law except subsection (c), a loan insurable under section 427, or the student loan insurance program of a State, institution, or organization under section 428, shall provide that, in the case of any student borrower who, prior to the beginning of the repayment period, agrees in writing to volunteer for service under the Peace Corps Act (22 U.S.C. 2501 et seq.) or under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.) or for comparable full-time service as a volunteer with a tax-exempt organization of demonstrative effectiveness, for the payment by the United States of the percent of the amount of loans specified in subsection (b).

"(b) **PARTIAL CANCELLATION AUTHORITY.**—

"(1) **AGREEMENT.**—The Secretary shall enter into an agreement with any student borrower described in section 427(a)(2)(H) or 428(b)(1)(V) under which the borrower shall agree to serve as a volunteer under the Peace Corps Act (22 U.S.C. 2501 et seq.) or under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.) or for comparable full-time service as a volunteer with a tax-exempt organization of demonstrated effectiveness.

"(2) **ASSURANCES.**—The agreement entered into under paragraph (1) shall contain provisions designed to assure that—

"(A) the Secretary will assume the obligation of paying the percent of any loan made,

insured, or guaranteed under this part, except those described in sections 428A, 428B and 428C, pursuant to the schedule described in paragraph (5); and

"(B) the student borrower who fails to volunteer for service in accordance with the agreement will assume the obligation of paying the amount of any such loan attributable to the period for which the student borrower failed to comply with the agreement.

"(3) PAYMENT.—The Secretary shall in each fiscal year pay to the holder of each loan for which the Secretary assumes responsibility under this subsection the amount specified in paragraph (5).

"(4) WAIVER OR SUSPENSION.—The Secretary shall waive or suspend any obligation of service or payment of any loan, or any part thereof, to which the United States is entitled under paragraph (2)(A) whenever the Secretary determines that compliance by an individual with the agreement is impossible or would involve extreme hardship to the individual.

"(5) AMOUNT OF PAYMENT.—

"(A) IN GENERAL.—The percentage of a loan that shall be paid by the United States under paragraph (2)(A) shall be 15 percent for the first or second year of service and 20 percent for the third or fourth year of service as described in paragraph (1).

"(B) INTEREST.—If a portion of the loan is paid by the Secretary under this subsection for any year, the entire amount of interest on such loan which accrues for such year shall be paid by the Secretary.

"(C) CONSTRUCTION.—Nothing in this subsection shall be construed to authorize the refunding of any repayment on the loan.

"(c) LIMITATION.—In each fiscal year, the Secretary shall limit the value of any benefits conferred under this section to an amount that is not in excess of the appropriation for such fiscal year to carry out this section, and if the fulfillment of the requirements of this section requires amounts in excess of this limitation described in this subsection, such benefits shall be reduced to the extent necessary to comply with the requirements of this subsection."

(c) TECHNICAL AMENDMENTS.—

(1) STUDENT VOLUNTEER.—

(A) NOTE.—Section 427(a)(2)(B)(ii) of such Act (20 U.S.C. 1077(a)(2)(B)(ii)) is amended by inserting after "that" a comma and the following: "subject to the provisions of subparagraph (H)."

(B) PAYMENT BY FEDERAL GOVERNMENT.—Section 427(a)(2) of such Act (20 U.S.C. 1077(a)(2)(B)(ii)) is amended by—

(i) striking out "and" at the end of subparagraph (G);

(ii) redesignating subparagraph (H) as subparagraph (I); and

(iii) inserting after subparagraph (G) the following new subparagraph:

"(H) complies with section 432A."

(2) FEDERAL PAYMENT TO REDUCE INTEREST.—

(A) INSURANCE PROGRAM REQUIREMENT.—Section 428(b)(1)(D) of such Act (20 U.S.C. 1078(b)(1)(D)) is amended by inserting after "paragraph" the following: "and subject to subparagraph (V)".

(B) PAYMENT BY FEDERAL GOVERNMENT.—Section 428(b)(1) of such Act (20 U.S.C. 1078(b)(1)(D)) is amended by—

(i) striking out "and" at the end of subparagraph (T);

(ii) striking out the period at the end of subparagraph (U) and by inserting in lieu thereof a semicolon and "and"; and

(iii) adding at the end thereof the following new subparagraph:

"(V) complies with section 432A."

SEC. 251. EFFECTIVE DATE.

The amendments made by section 250 shall apply only to loans made to cover the costs of instruction for periods of enrollment beginning on or after 30 days after the date of enactment of this Act.

TITLE III—POINTS OF LIGHT INITIATIVE

THE FOUNDATION

SEC. 301. SHORT TITLE.

This title may be cited as the "Points of Light Initiative Foundation Act".

SEC. 302. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) community service and service to others is an integral part of American tradition;

(2) existing volunteers and volunteer programs should be praised for their efforts in helping and serving others;

(3) the definition of a successful life includes service to others;

(4) individuals should be encouraged to volunteer their time and energies in community service efforts;

(5) if asked to volunteer or participate in community service, most Americans will do so;

(6) institutions should be encouraged to volunteer their resources and energies and should encourage volunteer and community service among their members, employees, affiliates; and

(7) volunteer and community service programs are intended to complement and not replace governmental responsibilities.

(b) PURPOSE.—It is the purpose of this title—

(1) to encourage every American and every American institution to help solve our most critical social problems by volunteering their time, energies and services through community service projects and initiatives;

(2) to identify successful and promising community service projects and initiatives, and to disseminate information concerning such projects and initiatives to other communities in order to promote their adoption nationwide; and

(3) to discover and encourage new leaders and develop individuals and institutions that serve as strong examples of a commitment to serving others and to convince all Americans that a successful life includes serving others.

SEC. 303. AUTHORITY.

(a) The President is authorized to designate a private, nonprofit organization (hereafter referred to as the Foundation) to receive funds pursuant to section 401(a)(7), upon his determination that such organization is capable of carrying out the undertakings described in section 302. Any such designation by the President shall be revocable.

(b) Nothing in this Act shall be construed either (i) to cause the Foundation to be deemed an agency, establishment, or instrumentality of the United States Government, or (ii) to cause the directors, officers or employees of the Foundation to be deemed officers or employees of the United States.

SEC. 304. GRANTS TO THE FOUNDATION.

(a) Funds made available pursuant to sections 303 and 401(a)(7) shall be granted to the Foundation by a department or agency in the executive branch of the United States Government designated by the President—

(1) to assist the Foundation in carrying out the undertakings described in section 302; and

(2) for administrative expenses of the Foundation.

(b) Notwithstanding any other provision of law, the Foundation may hold funds granted to it pursuant to this Act in interest-bearing accounts, prior to the disbursement

of such funds for purposes specified in subsection (a) of this section, and may retain for such purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress.

SEC. 305. ELIGIBILITY OF THE FOUNDATION FOR GRANTS.

(a) Grants may be made to the Foundation pursuant to this Act only if the Foundation agrees to comply with the requirements specified in this Act. If the Foundation fails to comply with the requirements specified in this Act, additional funds shall not be released until the Foundation brings itself into compliance with these requirements.

(b) The Foundation may use funds provided by this Act only for activities and programs consistent with the purposes set forth in sections 302 and 304.

(c) The Foundation shall not issue any shares of stock or declare or pay any dividends.

(d) No part of the funds available to the Foundation shall inure to the benefit of any board member, officer, or employee of the Foundation, except as salary or reasonable compensation for services or expenses. Compensation for board members shall be limited to reimbursement for reasonable costs of travel and expenses.

(e) No director, officer, or employee of the Foundation shall participate, directly or indirectly, in the consideration or determination of any question before the Foundation that affects his or her financial interests or the financial interests of any corporation, partnership, entity, or organization in which he or she has a direct or indirect financial interest.

(f) The Foundation shall not engage in lobbying or propaganda for the purpose of influencing legislation, and shall not participate or intervene in any political campaign on behalf of any candidate for public office.

(g) During the second fiscal year in which funds are granted to the Foundation pursuant to this Act, the Foundation shall raise from private sector donations an amount equal to at least one-fourth of any funds granted to the Foundation pursuant to this Act in that fiscal year. Funds shall be released to the Foundation during this fiscal year only to the extent that this matching requirement has been met.

(h) The accounts of the Foundation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The report of each such independent audit shall be included in the annual report required by subsection (i) of this section.

(i) So long as the Foundation is receiving grants pursuant to this Act, the accounts of the Foundation may be audited at any time by any agency designated by the President. The Foundation shall keep such records as will facilitate effective audits.

(j) So long as it is receiving grants pursuant to this Act, the Foundation shall be subject to appropriate oversight procedures of the Congress.

(k) The Foundation shall ensure—

(1) that any recipient of financial assistance provided by the Foundation from funds granted pursuant to this Act keeps separate accounts with respect to such assistance and such records as may be reasonably necessary to disclose fully (i) the amount and the disposition by such recipient of the assistance received from the

Foundation, (ii) the total cost of the project or undertaking in connection with which such assistance is given or used, (iii) the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and (iv) such other records as will facilitate effective audits; and

(2) that the Foundation, or any of its duly authorized representatives (including any agency designated by the President pursuant to subsection (i) of this section), shall have access, for the purpose of audit and examination, to any books, documents, papers, and records of the recipient that are pertinent to assistance provided from funds granted pursuant to this title.

(1) The Foundation shall submit to the President and to the Congress an annual report, which shall include a comprehensive and detailed description of the Foundation's operations, activities, financial condition, and accomplishments for the preceding fiscal year. This report shall be submitted not later than three months after the conclusion of any fiscal year in which the Foundation receives grants pursuant to this Act.

SEC. 306. POWERS AND FUNCTIONS.

The Foundation, in addition to the other powers and functions provided for in this title—

(1) shall have perpetual succession, except that such Foundation may be dissolved by an Act of Congress;

(2) may adopt, alter, and use a corporate seal;

(3) may make and perform contracts and other agreements with any individual, corporation, or other entity and with any government agency;

(4) may acquire by purchase, devise, bequest, or gift, or otherwise lease, hold, and improve, such real and personal property as the Board finds to be necessary to achieve the purposes of the Foundation;

(5) may accept money, funds, property, and services of every kind of gift, devise, bequest, grant, or otherwise;

(6) may establish and operate such programs, adopt such policies, and pursue such activities as may be determined appropriate by the Board to further the purposes of the Foundation; and

(7) shall have such other powers as may be necessary and appropriate to carrying out its powers and duties under this Act.

SEC. 307. PRINCIPAL AND BRANCH OFFICES.

The Foundation shall establish a principal office in the District of Columbia and may establish such branch offices or other offices in any place within the United States or elsewhere where the Foundation may carry out its operations.

SEC. 308. NONPROFIT NATURE OF THE FOUNDATION.

(a) **IN GENERAL.**—The Foundation shall be a nonprofit corporation and shall have no capital stock.

(b) **REVENUE AND EARNINGS.**—No part of the revenue, earnings, or other income or property of the Foundation shall inure to the benefit of the members of the Board, the officers, or the employees of the Foundation, and such revenue, earnings or other income, or property shall be used for carrying out the purposes of this title.

(c) **CONFLICT OF INTEREST.**—No member of the Board, officer or employee of the Foundation shall in any manner, directly or indirectly, participate in the deliberation or the determination of any question affecting the personal interests of such members, officer or employee or the interests of any corporation, partnership or organization in which such members, officer or employee is directly or indirectly interested.

(d) **CONTRIBUTIONS.**—The Foundation shall not contribute to or otherwise support any political party or candidate for elective public office.

SEC. 309. EXEMPTION FROM TAX.

The Foundation, including its income, shall be exempt from taxation imposed by the United States or any territory or possession thereof, or by any State, county, municipality, or local taxing authority.

SEC. 310. OVERSIGHT.

The Board shall use amounts appropriated under section 401(a)(7) to—

(1) prepare and submit, to the appropriate Committees of Congress and the President, an annual report concerning the activities of the Foundation and the expenditure of funds by such;

(2) procure audits of its activities by the Comptroller General; and

(3) participate in the Office of Management and Budget budget review process.

SEC. 311. ANNUAL BUDGET.

The Foundation shall establish an annual budget for use in allocating amounts available to the Foundation under section 401(a)(7). The Foundation may, in each fiscal year, supplement the appropriation for such fiscal year under such section (a) with private resources.

TITLE IV—AUTHORIZATION OF APPROPRIATIONS

SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

(a) **IN GENERAL.**—There are authorized to be appropriated to carry out this Act, \$50,000,000 for fiscal year 1990 and \$75,000,000 for fiscal year 1991, of which the Secretary shall make available—

(1) to carry out subtitle B of title I, \$10,000,000 for fiscal year 1990 and \$15,000,000 for fiscal year 1991;

(2) to carry out subtitle C of title I, \$14,000,000 for fiscal year 1990 and \$21,000,000 for fiscal year 1991;

(3) to carry out subtitle D of title I, \$14,000,000 for fiscal year 1990 and \$21,000,000 for fiscal year 1991;

(4) to carry out subtitle E of title I, \$400,000 for fiscal year 1990 and \$600,000 for fiscal year 1991;

(5) to carry out subtitle G of title I, \$800,000 for fiscal year 1990 and \$1,200,000 for fiscal year 1991;

(6) to establish clearinghouses under section 190(f), \$800,000 for fiscal year 1990 and \$1,200,000 for fiscal year 1991; and

(7) to carry out title III, \$10,000,000 for fiscal year 1990 and \$15,000,000 for fiscal year 1991.

(b) **POINTS OF LIGHT FOUNDATION.**—If any amounts made available under subsection (a)(7) are not used by the Points of Light Foundation, such amounts shall be made available to carry out subtitles B, C, and D of title I on a pro rata basis.

(c) **UNUSED APPROPRIATIONS.**—If an amount authorized to be appropriated in any fiscal year is not appropriated, or is appropriated but not expended in such fiscal year, such amount shall remain available to be appropriated, or expended, in the following fiscal year.

SEC. 501. EMERGENCY MEDICAL SERVICES FOR CHILDREN.

Section 1910(a) of the Public Health Service Act (42 U.S.C. 300w-9(a)) is amended in the first sentence—

(1) by striking out "not more than four";

(2) by striking out "in any fiscal year"; and

(3) by striking out "in such States".

SEC. 502. PHYSICIAN'S COMPARABILITY ALLOWANCE.

The positions of the Assistant Secretary for Health, the Deputy Assistant Secretary for Health, the heads of the Public Health

Services agencies, and other positions that are compensated under subchapter II of chapter 53, of title 5, United States Code, relating to the Executive Schedule, when employed as physicians shall be defined as "government physicians" for purposes of eligibility for physicians comparability allowance as defined in section 5948 of title 5, United States Code.

SEC. 503. POLICY REGARDING PEACE DIVIDEND.

(a) **FINDINGS.**—The Senate finds that—

(1) in recent months, dramatic movements toward greater political and economic freedom have occurred in Eastern Europe and the Soviet Union, and

(2) these democratic reforms will permit the preservation of our Nation's security at a cost less than current budget levels.

(b) **SENSE OF THE SENATE.**—It is the sense of the Senate that funds saved as a result of reductions in military expenditures shall be used for—

(1) balancing the budget, without resorting to use of the Social Security surpluses, in order to stop the ongoing "thievery" and "embezzlement" from the Social Security Trust Funds;

(2) urgent national priorities, including investing in America's future, anti-drug and anti-crime efforts, education, health care, the environment, rebuilding the infrastructure, assisting emerging democracies, and other critical needs;

(3) tax reductions for working men and women.

SEC. 504. DRUG FREE WORKPLACE REQUIREMENTS.

All programs receiving grants provided under this Act shall be subject to the Drug-Free Workplace Requirements for Federal Grant Recipients under Section 5153 through 5158 of the Anti-Drug Abuse Act of 1988 (41 U.S.C. 702-707).

SEC. 505. AMEND SECTION 1-2503 OF DISTRICT OF COLUMBIA CODE.

Section 1-2503 of the District of Columbia Code (1981 edition) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

"(c) (1) Nothing in this chapter shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation in any program or activity that educates coaches or trains any minor, or holds out an adult as a role model, mentor, or companion to any minor, of any adult homosexual, bisexual or heterosexual person who has been convicted of or is charged with a sexual offense with a minor, or who otherwise poses a threat of engaging in sex with a minor or otherwise sexually abusing a minor; and

"(2) nothing in this chapter shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation of any adult homosexual, bisexual or heterosexual person in any voluntary program or activity that educates, coaches, or trains any minor, or holds out an adult as a mentor, or companion to a minor, if the parent or guardian of said minor objects to the participation of such person based on the person's sexual orientation."

SEC. 506. SENSE OF CONGRESS CONCERNING ENACTMENT OF GOOD SAMARITAN FOOD DONATION ACT.

(a) **IN GENERAL.**—It is the sense of Congress that each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States should—

(1) encourage the donation of apparently wholesome food or grocery products to nonprofit organizations for distribution to needy individuals; and

(2) consider the model Good Samaritan Food Donation Act (provided in subsection (c)) as a means of encouraging the donation of the food and products.

(b) **DISTRIBUTION OF COPIES.**—The Archivist of the United States shall distribute a copy of this section to the chief executive officer of each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

(c) **MODEL GOOD SAMARITAN FOOD DONATION ACT.**—

(1) **SHORT TITLE.**—This subsection may be cited as the "Good Samaritan Food Donation Act".

(2) **DEFINITIONS.**—As used in this section:

(A) **APPARENTLY FIT GROCERY PRODUCT.**—The term "apparently fit grocery product" means a grocery product that meets all quality and labeling standards imposed by Federal, State, and local laws and regulations even though the product may not be readily marketable due to appearance, age, freshness, grade, size, surplus, or other condition.

(B) **APPARENTLY WHOLESOME FOOD.**—The term "apparently wholesome food" means food that meets all quality and labeling standards imposed by Federal, State, and local laws and regulations even though the food may not be readily marketable due to appearance, age, freshness, grade, size, surplus, or other condition.

(C) **DONATE.**—The term "donate" means to give without requiring anything of monetary value from the recipient, except that the term shall include giving by a nonprofit organization to another nonprofit organization, notwithstanding that the donor organization has charged a nominal fee to the donee organization, if the ultimate recipient or user is not required to give anything of monetary value.

(D) **FOOD.**—The term "food" means any raw, cooked, processed, or prepared edible substance, ice, beverage, or ingredient used or intended for use in whole or in part for human consumption.

(E) **GLEANER.**—The term "gleaner" means a person who harvests for free distribution to the needy, or for donation to a nonprofit organization for ultimate distribution to the needy, an agricultural crop that has been donated by the owner.

(F) **GROCERY PRODUCT.**—The term "grocery product" means a nonfood grocery product, including a disposable paper or plastic product, household cleaning product, laundry detergent, cleaning product, or miscellaneous household item.

(G) **GROSS NEGLIGENCE.**—The term "gross negligence" means voluntary and conscious conduct by a person with knowledge (at the time of the conduct) that the conduct is likely to be harmful to the health or well-being of another person.

(H) **INTENTIONAL MISCONDUCT.**—The term "intentional misconduct" means conduct by a person with knowledge (at the time of the conduct) that the conduct is harmful to the health or well-being of another person.

(I) **NONPROFIT ORGANIZATION.**—The term "nonprofit organization" means an incorporated or unincorporated entity that—

(i) is operating for religious, charitable, or educational purposes; and

(ii) does not provide net earnings to, or operate in any other manner that inures to the benefit of, any officer, employee, or shareholder of the entity.

(J) **PERSON.**—The term "person" means an individual, corporation, partnership, organization, association, or governmental entity, including a retail grocer, wholesaler, hotel, motel, manufacturer, restaurant, caterer, farmer, and nonprofit food distributor or hospital. In the case of a corporation, part-

nership, organization, association, or governmental entity, the term includes an officer, director, partner, deacon, trustee, council member, or other elected or appointed individual responsible for the governance of the entity.

(3) **LIABILITY FOR DAMAGES FROM DONATED FOOD AND GROCERY PRODUCTS.**—A person or gleaner shall not be subject to civil or criminal liability arising from the nature, age, packaging, or condition of apparently wholesome food or an apparently fit grocery product that the person or gleaner donates in good faith to a nonprofit organization for ultimate distribution to needy individuals, except that this paragraph shall not apply to an injury to or death of an ultimate user or recipient of the food or grocery product that results from an act or omission of the donor constituting gross negligence or intentional misconduct.

(4) **COLLECTION OR GLEANING OF DONATIONS.**—A person who allows the collection or gleaning of donations on property owned or occupied by the person by gleaners or unpaid representatives of a nonprofit organization for ultimate distribution to needy individuals shall not be subject to civil or criminal liability that arises due to the injury of the gleaner or representative, except that this paragraph shall not apply to an injury or death that results from an act or omission of the person constituting gross negligence or intentional misconduct.

(5) **PARTIAL COMPLIANCE.**—If some or all of the donated food and grocery products do not meet all quality and labeling standards imposed by Federal, State, and local laws and regulations, the person or gleaner who donates the food and products shall not be subject to civil or criminal liability in accordance with this section if the nonprofit organization that receives the donated food or products—

(A) is informed by the donor of the distressed or defective condition of the donated food or products;

(B) agrees to recondition the donated food or products to comply with all the quality and labeling standards prior to distribution; and

(C) is knowledgeable of the standards to properly recondition the donated food or product.

(6) **CONSTRUCTION.**—This subsection shall not be construed to create any liability.

(d) **EFFECT OF SECTION.**—The model Good Samaritan Food Donation Act (provided in subsection (c)) is intended only to serve as a model law for enactment by the States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States. The enactment of subsection (c) shall have no force or effect in law.

SEC. 507. CONDEMNING HUMAN RIGHTS REPRESSION IN CHINA.

(a) **THE SENATE FINDS THAT—**

(1) On June 4, 1989, the Government of the People's Republic of China brutally massacred thousands of innocent Chinese nationals demonstrating in Tiananmen Square for greater personal freedom and political expression, and subsequently executed at least 40 Chinese nationals for activities in support of the Tiananmen Square pro-democracy movement;

(2) Since June 4, 1989, the Government of the People's Republic of China has brutally imprisoned 10,000 to 30,000 Chinese citizens for their participation in or allegiance to the pro-democracy movement in China;

(3) Consular officials, and other official and unofficial representatives of the Government of the People's Republic of China, in direct violation of United States law, are reported to have instituted systematic intimidation and harassment of Chinese na-

tionals in the United States for supporting the pro-democracy movement in China;

(4) The Government of the People's Republic of China continues to enforce coercive population policies, including the use of forced abortions and forced sterilizations;

(5) Numerous international human rights organizations, including Amnesty International, Asia Watch, and the International League for Human Rights, report continued and even increased human rights and religious freedom violations by the Government of the People's Republic of China, including the recent arrest of four Chinese Catholic priests, and the November 30, 1989, detention of ten Tibetan monks;

(b) **IT IS THEREFORE THE SENSE OF THE SENATE THAT—**

(1) The Senate strongly reiterates its condemnation of the Government of the People's Republic of China for its brutal military repression of the peaceful pro-democracy demonstration in Tiananmen Square on June 4, 1989, and further expresses its abhorrence of the continued political and human rights repression in the People's Republic of China;

(2) The Senate notes that the harassment of Chinese nationals residing in the United States is governed by 22 U.S.C. 2756, Public Law 97-113, and that any continuation of these harassment activities in the United States will further adversely affect Sino-American relations;

(3) The Senate expresses condemnation of the Government of the People's Republic of China for its inhumane policy of forced abortion and sterilization;

(4) The Senate urges the President of the United States to instruct the United States representatives to international financial institutions, and specifically the World Bank, to oppose loans or other financial assistance to the People's Republic of China which are not purely natural disaster relief or basic human needs, until it is clear that the human rights practices of the Government of the People's Republic of China have dramatically improved.

SEC. 508. EXCHANGE PROGRAM WITH COUNTRIES IN TRANSITION FROM TOTALITARIANISM TO DEMOCRACY.

AUTHORIZATION OF ACTIVITIES; GRANTS OR CONTRACTS FOR EXCHANGES WITH FOREIGN COUNTRIES.—The President is authorized, when he considers that it would strengthen international cooperative relations, to provide, by grant, contract, or otherwise, for—

(1) exchanges with countries in transition from totalitarianism to democracy, which include, but are not limited to Poland, Hungary, Czechoslovakia, Bulgaria, and Romania.

(i) by financing studies, research, instruction, and related activities—

(A) of or for American citizens and nationals in foreign countries, and

(B) of or for citizens and nationals of foreign countries in American private businesses, trade associations, unions, chambers of commerce, and local, state, and federal government agencies, located in or outside the United States; and

(ii) by financing visits and interchanges between the United States and countries in transition from totalitarianism to democracy; which program shall be coordinated by a White House Office, which the President is hereby authorized to establish.

(2) **TRANSFER OF FUNDS.**—The President is authorized to transfer to the appropriations account of the agency (agencies) administering this program such sums as he shall determine to be necessary out of the travel accounts of departments and agencies of the United States as he shall designate, which transfers shall be subject to approval of the

House and Senate Committees on appropriations and in addition he is authorized to accept such gifts or cost-sharing arrangements as may be proffered to sustain the program, and to place such gifts into an endowment fund.

SEC. 509. ENHANCE NATIONAL AND COMMUNITY SERVICES.

Any entity, including the Foundation, administering a program or project under this act shall take appropriate action to ensure that:

(1) Rural Areas receive equitable treatment in the allocation and distribution of assistance; and

(2) Prospective grantees or fund recipients located in Rural Areas are treated equitably under the eligibility criteria.

Mr. KENNEDY. Mr. President, I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Chair recognizes the majority leader.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, for information of Senators, following the rollcall vote that is about to occur, there will be no further rollcall votes this evening.

The Senate will not be in session tomorrow. The Senate will be in session on Monday, at which time I expect to present a committee substitute on the clean air bill. There will be no rollcall votes on Monday.

However, amendments will be offered then and on Tuesday, and it is expected that rollcall votes will occur on Tuesday.

So I thank Senators for their patience and cooperation.

CALLING FOR A SETTLEMENT IN THE MAJOR LEAGUE NEGOTIATIONS—SENATE RESOLUTION 255

The Senate continued with the consideration of the resolution.

The PRESIDING OFFICER. The Chair recognizes the majority leader.

Mr. MITCHELL. Mr. President, I understand that the Senator from New Hampshire wishes to be recognized to address the Senate for 30 seconds.

Mr. RUDMAN. Mr. President, I will not be long. I wish to say on the record why I am voting "no" on this resolution.

Quite frankly, I think we have so many of these irrelevant—with all due respect to my colleagues—frivolous resolutions, as if the owners and the baseball players really give a damn as to what the U.S. Senate wants to do with the strike.

Quite frankly, we are wasting everybody's time and we look like fools.

Thank you, Mr. President.

[Applause.]

The PRESIDING OFFICER. The question is on agreeing to the resolution.

On this question, the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. MATSUNAGA], is necessarily absent.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], and the Senator from Oregon [Mr. PACKWOOD], are necessarily absent.

The result was announced—yeas 82, nays 15, as follows:

[Rollcall Vote No. 28 Leg.]

YEAS—82

Adams	Ford	McConnell
Baucus	Glenn	Metzenbaum
Bentsen	Gore	Mikulski
Biden	Gorton	Mitchell
Bingaman	Graham	Moynihan
Bond	Gramm	Nickles
Boren	Harkin	Pell
Boschwitz	Hatch	Pressler
Bradley	Hatfield	Reid
Breaux	Heflin	Riegle
Bryan	Helms	Robb
Burdick	Hollings	Rockefeller
Burns	Inouye	Roth
Chafee	Jeffords	Sanford
Coats	Johnston	Sarbanes
Cochran	Kassebaum	Sasser
Cohen	Kasten	Shelby
Conrad	Kennedy	Simon
Cranston	Kerrey	Simpson
D'Amato	Kerry	Specter
Danforth	Kohl	Stevens
Daschle	Lautenberg	Symms
DeConcini	Levin	Thurmond
Dixon	Lieberman	Warner
Dodd	Lott	Wilson
Dole	Lugar	Wirth
Durenberger	Mack	
Exon	McCain	

NAYS—15

Bumpers	Grassley	Murkowski
Byrd	Helms	Nunn
Domenici	Humphrey	Pryor
Powder	Leahy	Rudman
Garn	McChure	Wallop

NOT VOTING—3

Armstrong	Matsunaga	Packwood
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So the resolution (S. Res. 255) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 255

Whereas, the American public is now witnessing the end of the second week of the spring training lockout in baseball;

Whereas the economics of those communities that host spring training are suffering major economic losses as a result of baseball owners and players inability to agree and begin the season;

Whereas cities with major league baseball franchises now risk similar serious economic losses if the disagreement continues;

Whereas major league baseball enjoys a unique and privileged treatment under Federal law;

Whereas the American people do not believe the inability to resolve these disputes should deny the American people the opportunity to see a complete spring training and regular session of the national pastime;

Whereas, in addition to representing the interests of owners and players, the negotiators in this dispute have an obligation to baseball fans, who through their enthusiasm, attendance, and willingness to pay to view the game, provide benefits both owners, players and the host communities: Now it be

Resolved, That the baseball owners, players, and their negotiators settle their differences promptly and begin a complete spring training and regular season as soon as possible.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DANFORTH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, for the information of Senators—I hope their staffs will advise them of this—I earlier described the schedule until next Monday when we will proceed to return to consideration of the clean air bill.

It is my expectation that there will be lengthy sessions on that next week, so Senators should be prepared for sessions throughout the evening all next week and make their plans accordingly.

Mr. President, with respect to the clean air bill, I ask unanimous consent that a summary of the bipartisan Senate Clean Air Act agreement be printed in the RECORD at this point for the information of all Senators and others interested in the legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY OF BIPARTISAN SENATE CLEAN AIR ACT AGREEMENT

NONATTAINMENT OF HEALTH STANDARDS FOR OZONE

For the past month, representatives of the Administration and members of the Senate from both parties have been meeting to discuss proposed revisions to the Clean Air Act. Today, the Senators and the Administration reached an agreement to support on the Senate floor a series of provisions encompassing virtually all of the major areas by the Act. A summary of those provisions follows.

PROVISIONS FOR ATTAINING HEALTHY AIR STANDARDS

Currently over 100 areas in the United States do not meet health standards under the Clean Air Act for ozone (smog); more than 40 areas are failing to attain the carbon monoxide standards; and an estimated 58 areas exceed the health standard for particular matter (PM-10). State and local governments have a major responsibility for implementing measures that will reduce pollution to levels that do not threaten health; the Federal government sets certain minimum requirements and assures that States carry out their responsibilities.

Title I of the agreement divides areas that fail to meet any one of the pollutant standards listed above into categories, depending on the severity of the pollution problem, and sets out requirements of different levels of stringency for each category. Following is a summary of the provisions of title I:

Depending on the severity of the pollution problem, nonattainment areas for any of the pollutants must attain the health standard within five, ten, or fifteen years (twenty years for Los Angeles) for ozone.

Nonattainment areas for each of the pollutants must achieve specified increments of

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A BILL

To promote and facilitate the engagement of American individuals, institutions, and organizations in direct and consequential action to solve community problems.

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

SECTION 1. SHORT TITLE

This Act may be cited as "The Points of Light Initiative Foundation Act."

SEC. 2. FINDINGS

The Congress finds that --

- (1) community service is a valuable and integral part of the American tradition; and
- (2) while government must continue to play an important role in combatting social ills, it is increasingly clear that such problems as drug abuse, illiteracy, poor educational performance, homelessness, hunger, environmental decay, and family and community breakdowns, cannot be adequately addressed without the active engagement of countless individuals and private organizations that have not previously participated in community service and that are not paid for their efforts.

SEC. 3. PURPOSE

It is the purpose of this Act to provide assistance to a private, nonprofit organization dedicated to --

- (1) calling upon every American individual and organization to become engaged in helping to solve the Nation's most critical social problems;

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- (2) identifying successful and promising community service projects and initiatives, spreading knowledge about such projects and initiatives to other communities, and helping to facilitate new projects and initiatives throughout the Nation; and
- (3) discovering, encouraging, and developing community service leaders, and convincing all Americans that a meaningful, adventurous, and successful life should include service to others.

SEC. 4. AUTHORITY

(a) The President is authorized to designate a private, nonprofit organization (hereafter referred to as the Foundation) to receive funds pursuant to section 6, upon his determination that such organization is capable of carrying out the undertakings described in section 3. Any such designation by the President shall be revocable.

(b) Nothing in this Act shall be construed either (i) to cause the Foundation to be deemed an agency, establishment, or instrumentality of the United States Government, or (ii) to cause the directors, officers or employees of the Foundation to be deemed officers or employees of the United States.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS

To carry out the purpose specified in section 3, there are authorized to be appropriated to the President --

\$100,000,000, of which not more than \$25,000,000 may be appropriated in any fiscal year.

Such amounts are authorized to be made available until expended.

SEC. 6. GRANTS TO THE FOUNDATION

(a) Funds made available pursuant to sections 4 and 5 shall be granted to the Foundation by a department or agency in the executive branch of the United States Government designated by the President --

- (1) to assist the Foundation in carrying out the undertakings described in section 3; and

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(2) for administrative expenses of the Foundation.

(b) Notwithstanding any other provision of law, the Foundation may hold funds granted to it pursuant to this Act in interest-bearing accounts, prior to the disbursement of such funds for purposes specified in subsection (a) of this section, and may retain for such purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress.

SEC. 7. ELIGIBILITY OF THE FOUNDATION FOR GRANTS

(a) Grants may be made to the Foundation pursuant to this Act only if the Foundation agrees to comply with the requirements specified in this Act. If the Foundation fails to comply with the requirements specified in this Act, additional funds shall not be released until the Foundation brings itself into compliance with these requirements.

(b) The Foundation may use funds provided by this Act only for activities and programs consistent with the purposes set forth in sections 3 and 6.

(c) The Foundation shall not issue any shares of stock or declare or pay any dividends.

(d) No part of the funds available to the Foundation shall inure to the benefit of any board member, officer, or employee of the Foundation, except as salary or reasonable compensation for services or expenses. Compensation for board members shall be limited to reimbursement for reasonable costs of travel and expenses.

(e) No director, officer, or employee of the Foundation shall participate, directly or indirectly, in the consideration or determination of any question before the Foundation that affects his or her financial interests or the financial interests of any corporation, partnership, entity, or organization in which he or she is an officer, director, or trustee, or in which he or she has any direct or indirect financial interest.

(f) The Foundation shall not engage in lobbying or propaganda for the purpose of influencing legislation, and shall not participate or intervene in any political campaign on behalf of any candidate for public office.

(g) During the second fiscal year in which funds are granted to the Foundation pursuant to this Act, the Foundation shall raise from private sector donations an amount equal to at

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least one-fourth of any funds granted to the Foundation pursuant to this Act in that fiscal year. Funds shall be released to the Foundation during this fiscal year only to the extent that this matching requirement has been met.

(h) During the third fiscal year in which funds are granted to the Foundation pursuant to this Act, the Foundation shall raise from private sector donations an amount equal to at least one-half of any funds granted to the Foundation pursuant to this Act in that fiscal year. Funds shall be released to the Foundation during this fiscal year only to the extent that this matching requirement has been met.

(i) During the fourth and any subsequent fiscal year in which funds are granted to the Foundation pursuant to this Act, the Foundation shall raise from private sector donations an amount at least equal to the amount of any funds granted to the Foundation pursuant to this Act in that fiscal year. Funds shall be released to the Foundation during any such fiscal year only to the extent that this matching requirement has been met in that fiscal year.

(j) The accounts of the Foundation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The report of each such independent audit shall be included in the annual report required by subsection (n) of this section.

(k) So long as the Foundation is receiving grants pursuant to this Act, the accounts of the Foundation may be audited at any time by any agency designated by the President. The Foundation shall keep such records as will facilitate effective audits.

(l) So long as it is receiving grants pursuant to this Act, the Foundation shall be subject to appropriate oversight procedures of the Congress.

(m) The Foundation shall ensure --

- (1) that any recipient of financial assistance provided by the Foundation from funds granted pursuant to this Act keeps separate accounts with respect to such assistance and such records as may be reasonably necessary to disclose fully (i) the amount and the disposition by such recipient of the assistance received from the Foundation, (ii) the total cost of the project or undertaking in

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connection with which such assistance is given or used, (iii) the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and (iv) such other records as will facilitate effective audits; and

- (2) that the Foundation, or any of its duly authorized representatives (including any agency designated by the President pursuant to subsection (k) of this section), shall have access, for the purpose of audit and examination, to any books, documents, papers, and records of the recipient that are pertinent to assistance provided from funds granted pursuant to this Act.

(n) The Foundation shall submit to the President and to the Congress an annual report, which shall include a comprehensive and detailed description of the Foundation's operations, activities, financial condition, and accomplishments for the preceding fiscal year. This report shall be submitted not later than three months after the conclusion of any fiscal year in which the Foundation receives grants pursuant to this Act.