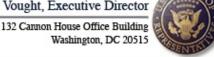


Rep. Jeb Hensarling (R-TX), Chairman Russ Vought, Executive Director



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Legislative Bulletin......March 6, 2008

Contents:

H.R. 2857—Generations Invigorating Volunteerism and Education (GIVE) Act

Order of Business: H.R. 2857 is scheduled to be considered Thursday, March 6, 2008, subject to a structured rule (H.Res. 1015) that allows for ten minutes of debate on 11 amendments made in order. The rule would waive all points of order against consideration of the bill—except those for PAYGO and earmarks—and would waive all points of order against the bill itself—except those for earmarks. The rule provides that the amendment in the nature of a substitute recommended by the Committee on Education and Labor, now printed in the bill, shall be considered as an original bill for the purpose of amendment and shall be considered as read. The rule would make in order one motion to recommit (with or without instructions). A summary of the amendments made in order under the rule is forthcoming.

<u>Summary</u>: H.R. 2857 would amend the National and Community Service Act of 1990 (NCSA) and the Domestic Volunteer Service Act of 1973 (DVSA) to revise their programs and reauthorize their appropriations through FY2012.

Title I—Amendments to the National Community Service Act of 1990

Definitions

Disadvantaged Youth—includes those youth who are economically disadvantaged and one or more of the following: are out-of-school, including out-of-school youth who are unemployed; are in or aging out of foster care; have limited English proficiency; are homeless or who have run away from home; are at-risk to leave school without a diploma; and are former juvenile offenders or at risk of delinquency.

General Provisions

- ➤ The bill adds new purposes related to service learning opportunities, emergency and disaster relief and recovery, and increased service opportunities for member of the Baby Boomer generation.
- ➤ H.R. 2857 includes a Sense of Congress that the number of participants in AmeriCorps should grow to 100,000 (see Conservative Concerns regarding AmeriCorps).

Learn and Serve America

According to ExpectMore.gov (a website developed by the U.S. Office of Management and Budget) this program is intended to support and promote "service-learning." It awards grants to community organizations and education institutions that implement or promote service-learning programs to

increase the likelihood that student participants will become more civically engaged and volunteer more in their communities.

School-based Programs

- The bill creates a new authority for grantees to operate "summer of service" programs that would provide service opportunities for students in grades six through twelve. In addition, the bill would allow students who complete at least 100 hours of service in such a program to be eligible for a summer of service education award of up to \$500, with economically disadvantaged students being eligible for an education award up to \$1000.
- ➤ The bill requires that the Corporation for National and Community Service (CNCS) reserve between two and three percent of funds for Indian Tribes and Territories.
- ➤ H.R. 2857 increases the cap on the percentage of funds that can be used for administrative purposes from five to six percent.

Higher Education Programs

- The bill encourages service learning as part of the teacher education, health professionals, criminal justice, and public policy curriculum.
- The bill requires the CNCS to provide special consideration to applications submitted by Historically Black colleges and universities, Hispanic-serving institutions, and Tribal colleges and universities.

Innovative Service-Learning Programs and Research

- ➤ In FY 2007, service-learning programs were funded at \$37 million. H.R. 2857 would authorize appropriations of \$65 million for fiscal year 2008 and such sums as may be necessary for fiscal years 2009 through 2012.
- The bill replaces the current community-based program with competitive grants to state educational agencies, Territories, Indian tribes, colleges and universities, and nonprofit organizations for programs related to: science; technology; engineering; math; energy conservation; emergency and disaster preparedness; improving access to technology in low-income communities; mentoring programs; and research into service-learning.
- > The bill requires that the CNCS conduct an independent evaluation of the program.
- Finally, H.R. 2857 sets the federal share for any grant program at 50 percent or below.

Service-Learning Clearinghouse

The bill eliminates the current law clearinghouse and includes it in a larger clearinghouse created under a new subtitle.

AmeriCorps

- The bill would prohibit the CNCS from providing grants to federal agencies.
- The bill increases the cap on administrative costs from five percent to six percent.
- According to the House Republican Education and Labor Committee Staff, the bill "incorporates language requested by the Corporation and included in the Subcommittee reported FY 2008 Labor, HHS, and Education appropriations bills to law, grantees must provide at least 15 percent of the costs of living allowances provided to participants, and at least 25 percent of the costs of operating a program. The bill creates one non-Federal match requirement of 24 percent during the first three years and increasing to 50 percent by the tenth year."

- ➤ H.R. 2857 requires the CNCS to set-aside three percent of the annual appropriation for competitive grants for programs that benefit veterans.
- ➤ The bill creates a lower match rate for programs in rural or severely economically depressed communities.
- The bill would require that 50 percent of the participants in a full-time, year-round youth corps program be "disadvantaged youth."
- ➤ H.R. 2857 increases the authorized activities for the program to include "court-involved youth and adults."
- The bill increases the range for administrative grants to state commissions from between \$125,000 and \$750,000 to between \$200,000 and \$825,000.
- The bill alters the funding allocations between the state formula, state competitive, and national direct pots. According to H.R. 2857, 37.5 percent of the appropriation will be used for state formula grants, and 23 percent will be used for national direct grants (with one percent reserved for Indian tribes and territories).
- The bill also expands the authority of the "education award program" where the federal government pays only the education award and a fixed amount of \$600 (or \$800 if at least 50 percent of the participants are disadvantaged youth) for the administrative support of a member.

National Service Trust and Education Awards

According to ExpectMore.gov, this program is meant to engage Americans in service to address unmet community needs in areas such as education, public safety, health, and the environment. AmeriCorps provides grants to a wide variety of organizations to serve communities in addressing local needs.

- ➤ H.R. 2857 would authorize appropriations of \$485 million for FY 2008 and such sums as may be necessary for FY 2009 through 2012 for programs authorized under this section. Funding for those subtitles totaled \$414 million for FY 2007.
- ➤ The bill increases the amount of the education award from \$4,725 to \$5,225 in \$100 increments over five years.
- ➤ H.R. 2857 also expands the types of student loans that can be repaid with the education award.

National Civilian Community Corps (NCCC)

According to ExpectMore.gov, this program is a residential community service program for young adults between the ages of 14-24, the purpose of which is to promote civic engagement. Members serve disaster preparedness and response needs across the country. This program is scored as **ineffective** according to the U.S. Office of Management and Budget.

- ➤ The bill would make permanent the National Civilian Community Corps (NCCC), which was originally authorized as a demonstration program. Funding for FY 2007 totaled \$27 million. Under H.R. 2857, the NCCC would be authorized at \$25 million for FY 2008 and such sums as may be necessary for FY 2009 through 2012.
- The bill rewrites the purpose of this program to include: natural and other disasters; infrastructure improvement; environmental stewardship and conservation; energy conservation; and urban and rural development.
- The bill requires that at least 50 percent of participants are disadvantaged youths.
- The bill requires a feasibility study for the creation of a new campus.

Administrative Provisions

- According to CBO, H.R. 2857 would authorize funding for administrative costs of \$51 million for FY 2008 and such sums as may be necessary for FY 2009 through 2012. The bulk of that funding—69 percent—would be for federal administrative costs, with the remainder reserved for financial assistance to state commissions. Outlays for administrative activities would total \$41 million in FY 2008 and \$258 million from FY 2008 through 2012.
- The bill would prohibit programs from receiving assistance under the national service laws for the sole purpose of referring individuals to federal assistance programs or state assistance programs (funded in part by the federal government).
- The bill would require that state commissioners of AmeriCorps programs develop a national service plan outlining goals to involve baby boomers in volunteer opportunities.
- The bill would provide the CNCS the authority to withhold one percent of their funds to put toward accountability activities.
- The bill also requires that the program consolidate duplicative programs, terminate assistance to programs that do not meet performance measures, and set sustainability goals in order to address the ineffectiveness of the program.
- The bill sets the per person cost of programs at \$16,000, with a waiver available up to \$18,000 if the CNCS determines the program has a "compelling reason."

Corporation for National and Community Service (CNCS)

According to their website, "The Corporation is the nation's largest grantmaker supporting service and volunteering. Through our Senior Corps, AmeriCorps, and Learn and Serve America programs, we provide opportunities for Americans of all ages and backgrounds to express their patriotism while addressing critical community needs."

- The bill creates a new National Office of Outreach and Recruitment within the CNCS.
- ➤ In addition, the bill authorizes a **new program** to require the CNCS to conduct a study regarding service efforts for veterans, and to provide to Congress a report on the study that includes a plan for a pilot program based on the study. This new program is authorized at "such sums" for five years. H.R. 2857 would authorize such sums as may be necessary for FY 2008-2012 for that purpose. Based on funding provided for other pilot programs, CBO estimates authorizations for that program would total \$5 million in FY 2008 and \$26 million from FY 2008 through 2012.
- The bill also creates a new model program, under a current authorization, for programs to "solve community problems while engaging or developing 21st century learning and thinking skills (critical-thinking and problem solving, communication skills, creativity and innovation skills, collaboration skills, contextual learning skills, information and media literacy skills, and information and communications literacy) and life skills (leadership, ethics, accountability, adaptability, personal productivity, personal responsibility, people skills, self-direction, and social responsibility) for school-age youth and low income adults. Priority shall be given to programs that collaborate with the RSVP program, the AmeriCorps programs, or the Learn and Serve programs."
- The bill requires that the CNCS create a clearinghouse to provide information and assist programs receiving funds under the national service laws.
- ➤ H.R. 2857 repeals the Points of Light Foundation.

Authorization of Appropriations

The bill increased the authorizations for these programs, including programs that are proven to be ineffective (have been cut in previous RSC budgets). The authorization levels are approximately \$200 million more than the original authorization amounts for each program.

Title II—Domestic Volunteer Service Act of 1973

H.R. 2857 also would amend and reauthorize programs under the Domestic Volunteer Service Act of 1973, including Volunteers in Service to America (VISTA) and volunteer programs aimed at engaging senior citizens in service activities.

The FY 2008 authorized amounts that are specified in the bill are:

- ➤ Volunteers in Service to America: \$100 million
- Retired and Senior Volunteer Program: \$67.5 million
- Foster Grandparent Program: \$115 million
- Senior Companion Program: \$52 million
- Demonstrations: \$500,000Administration: \$35 million

Volunteers in Service to America (VISTA)

According to ExpectMore.gov, this program "supports efforts to alleviate poverty by placing volunteers in communities for 12 months of full-time intensive service. These volunteers strengthen local organizations that serve low-income communities, encourage local volunteer service, and generate the commitment of private sector resources."

- The bill includes a number of new projects for participants to serve in, including: prisoner reentry; financial literacy; before-school and after-school programs; community economic development; assistance for veterans; and health and wellness.
- The bill requires that the CNCS gives priority to disadvantaged youth and retired adults.
- The bill increases the minimum "stipend" that participants can receive from \$100 per month to \$125 per month, and the maximum from \$125 per month to \$150 per month. Furthermore, the bill would increase the stipends for "experienced participants" from \$200 per month to \$250 per month.

Retired and Volunteer Senior Program

- ➤ The bill would remove the requirement that participants be 60 or older.
- The bill prioritizes projects utilizing retired professionals in science, technology, engineering, math, retired health care professionals, retired criminal justice professionals to prevent disadvantaged youth from joining gangs, and retired military and emergency professionals to improve public safety.

Foster Grandparent Program

- The bill lowers the age of eligibility from 60 to 55.
- The bill sets the stipend ceiling for participants at 75 percent of the minimum wage.
- ➤ H.R. 2857 also alters the definition of "low-income person" from one living at 125 percent above the poverty line to **200 percent of above the poverty line**. In addition, low-income participants receive priority.
- > The bill would allow for a 10 percent increase in the stipend for experienced participants.

Senior Companion Programs

The bill would allow participants to receive a stipend.

Administrative Provisions

➤ The bill requires that the CNCS demonstrate innovative activities when making grants to organizations.

Authorization of Appropriations

> Increases the authorization amount for these programs.

Additional Background on AmeriCorps: In the past, the RSC has suggested that funding for the National and Community Service Act be eliminated from the budget. According to this RSC report, AmeriCorps, which receives the bulk of the funding under the Act, is an inefficient and expensive way of assisting individuals to pay for college by stretching the notion of what constitutes a "volunteer." In addition, AmeriCorps is not means-tested. As a result, children of wealthy people can edge out low-income children for participation.

According to the <u>AmeriCorps</u> website, the following questions address the benefits that AmeriCorps "volunteers" receive:

Do I get paid?

For all AmeriCorps programs, members receive a modest living allowance, and some programs provide housing. You may not save much money during your year of service, but most members find the living allowance to be adequate to cover their needs. AmeriCorps members who complete a term of service also receive an AmeriCorps Education Award.

What if I'm out of school and not interested in the education award? Can I get that money in cash?

If you're part of AmeriCorps*VISTA, you may opt for a cash payment of \$100 per month of service instead of the education award. All other AmeriCorps members are eligible only for the education award.

Can I defer student loans during my service with AmeriCorps?

You may qualify for postponement, or forbearance, of the repayment of your loans during your service. The education award will help you pay off qualified student loans when you're finished. Contact your lender for more specific information or to confirm your loan status during AmeriCorps service.

What are the benefits of serving with AmeriCorps*NCCC?

AmeriCorps*NCCC members receive a living allowance of approximately \$4,000 for the 10 months of service (about \$200 every two weeks before taxes), housing, meals, limited medical benefits, up to \$400 a month for childcare, if necessary, member uniforms, and an education award of \$4,725 upon successful completion of the program.

What do the medical benefits cover?

The medical benefits plan covers all injuries and/or illnesses suffered during service and most pharmacy needs. The plan does not cover medical care for pre-existing medical illnesses and/or injuries.

Can I bring my child/children with me to the campus?

Children are not permitted to live with members at the campus. AmeriCorps*NCCC members with children must make arrangements for someone to care for their child/children while they are in the program. Members that have custody of their children are eligible for up to \$400 per month to help pay for child care while they serve with the program.

In addition, according to CRS (reflecting current law):

AmeriCorps State and National Grants (Title I-C). Benefits: AmeriCorps members receive a living allowance and, in some cases, student-loan forbearance (i.e., loan postponement), health coverage, and child care for those who qualify. AmeriCorps members can receive an educational award of up to \$4,725 per year of full-time service, the amount is reduced based on service term or part-time hours (see Table 1).

Table 1. Educational Awards by Service Term

Member service term	Number of hours	Educational award
Full time	at least 1,700	\$4,725.00
Half time	at least 900	\$2,362.50
Reduced half time	at least 675	\$1,800.00
Quarter time	at least 450	\$1,250.00
Minimum time	at least 300	\$1,000.00

Source: CNCS, FY2007 Congressional Budget Justification.

Note: Educational awards are being increased in this bill to at least \$5,000 for full time students.

Furthermore, the following questionable programs have been funded by AmeriCorps:

State	City	Program Name	Funded Through
Wyoming	Cheyenne	Wyoming Legal Services	AmeriCorps * VISTA
Washington	Seattle	Planned Parenthood of Western Washington	AmeriCorps * VISTA
Washington	Tacoma	Planned Parenthood of Western Washington	AmeriCorps * VISTA
Ohio	Columbus	Legal Aid Ex-Offenders Re-entry Project	AmeriCorps * VISTA
Ohio	Marion	Legal Aid Ex-Offenders Re-entry Project	AmeriCorps * VISTA
New York	Rochester	Legal Assistance of Western New York	AmeriCorps * VISTA
New York	Geneva	Access to Justice Project	AmeriCorps * State
Montana	Miles City	Montana Legal Services Association	AmeriCorps* VISTA
Montana	Missoula	Montana Legal Services Association	AmeriCorps* VISTA
Montana	Polson	Montana Legal Services Association	AmeriCorps* VISTA
Montana	Helena	Montana Legal Services Association	AmeriCorps* VISTA
Montana	Helena	Montana PBLC	AmeriCorps* National
Montana	Kalispell	Montana Legal Services Association	AmeriCorps* VISTA
Montana	Livingston	Montana Legal Services Association	AmeriCorps*VISTA
Montana	Anaconda	Montana Legal Services Association	AmeriCorps*VISTA

Montana	Billings	Montana Legal Services Association	AmeriCorps* VISTA
Montana	Bozeman	Montana Legal Services Association	AmeriCorps*VISTA
Montana	Great Falls	Montana Legal Services Association	AmeriCorps*VISTA
Montana	Red Lodge	Montana Legal Services Association	AmeriCorps* VISTA
Montana	Ronan	Montana Legal Services Association	AmeriCorps*VISTA
Missouri	St. Joesph	Students Taking Action Against Drugs	AmeriCorps* State
Minnesota	St. Paul	LawHelpMN	AmeriCorps* VISTA
Iowa	Honolulu	Project Laulima	AmeriCorps*State
Illinois	Des Moines	Iowa Legal Aid AmeriCorps Project	AmeriCorps*State
Hawaii	Chicago	Legal Assistance Foundation of Metropilitan	AmeriCorps* VISTA
Colorado	Johnstown	Wyoming Legal Services	AmeriCorps* VISTA
Alaska	Juneau	Risk Reduction for Juneau Youth	AmeriCorps* VISTA
Alabama	Anniston	Legal Services Alabama	AmeriCorps* VISTA
Alabama	Birmingham	Legal Services Alabama	AmeriCorps*VISTA
Alabama	Dothan	Legal Services Alabama	AmeriCorps*VISTA
Alabama	Florence	Legal Services Alabama	AmeriCorps*VISTA
Alabama	Mobile	Legal Services Alabama	AmeriCorps*VISTA

Source: http://americorps.gov/Default.asp

Many of the programs reauthorized and expanded in H.R. 2857 are ineffective and inefficient. ExpectMore.gov, a website developed by the U.S. Office of Management and Budget, whose goal is to assess the performance of every Federal program in order to hold programs accountable for improvement, has audited these programs. According to ExpectMore.gov, the programs included in H.R. 2857 have been audited as follows:

<u>Learn and Serve</u>: Not Performing; Results Not Demonstrated <u>AmeriCorps National Civilian Community Corps</u>: Not performing; Ineffective <u>AmeriCorps State and National Grants</u>: Performing; Adequate <u>AmeriCorps Volunteers in Service to America</u>: Performing; Adequate

Conservative Concerns: Many conservatives are concerned that H.R. 2857 would expand and authorize programs that have been audited and considered ineffective by the U.S. Office of Management and Budget (see above). In addition, many conservatives may be concerned with AmeriCorps history of funding projects that some conservatives find objectionable (ex. Planned Parenthood of Western Washington). Along with Planned Parenthood of Washington, the Los Angeles Gay and Lesbian Center (LAGLC) has received funding from AmeriCorps as well. According to this article, published in 2000, the LAGLC was given AmeriCorps funding to go into schools and prevent "anti-gay" bias:

The Los Angeles Gay and Lesbian Center (LAGLC), the nation's largest gay rights organization, has received more than \$200,000 in support from AmeriCorps. The LAGLC AmeriCorps program is "focusing on society's last 'acceptable'prejudice: anti-gay bias," according to a LAGLC program update. AmeriCorps members distributed a survey in L.A. schools that implied that students should report to school authorities any time they heard any student make a derogatory comment to any other student. An example of anti-gay bias that Gwen Baldwin, the LAGLC executive director, offered was "one person not being invited to a lunch table."

According to the Heritage Foundation,

... AmeriCorps participants should be prohibited from working for programs that promote abortion or refer individuals to abortion providers. The Delaware chapter of Planned Parenthood, for instance, currently advertises its AmeriCorps grant for 20 participants "to provide human sexuality education and referrals for services to teens and their parents."

According to an annual <u>report from Planned Parenthood of Houston and Southeast Texas</u> (PPHSET),

In 2000-2001 PPHSET initiated the Planned Parenthood Sex Education Team (PPHset), which was comprised of six Americorps youth. This creative group developed program performances featuring dance, music and drama to educate peers in 42 schools in Houston and southeast Texas.

Not only are many potentially contentious organizations receiving funds through AmeriCorps, many of these organizations are double, and triple dipping at the federal "trough". For example, AmeriCorps funds numerous legal services organizations (see above) who may already be receiving funds under the Legal Services Corporation Act (42 U.S.C. 2996). Some conservatives may be concerned that this is an egregious example of wasteful government spending.

Furthermore, many conservatives may not agree that individuals who are paid monthly stipends, compensated for living expenses, and granted healthcare benefits should be classified as volunteers—AmeriCorps indentifies their participants as volunteers.

Some conservatives may also be concerned that a notable provision championed by Republicans was left out of H.R. 2857. This provision would have ensured that AmeriCorps funding is not used to operate programs directed at youth that are designed to promote or encourage sexual activity; to distribute obscene materials to minors on school grounds; to provide sex education that is not age appropriate and excludes discussion of abstinence; to provide HIV-prevention instruction that is not age appropriate and excludes discussion of abstinence or the risks of HPV; or to operate a program of contraceptive distribution in schools. As was previously noted, AmeriCorps funding has been used for sex education programs, including programs put on by Planned Parenthood. Some conservatives may be concerned that this provision, that would have provided a safeguard against activities that many parents deem inappropriate for their children, was disregarded by the Majority.

Finally, many conservatives may be concerned that the programs authorized and expanded in this bill reflect a big government response to local and community needs—instead of a more effective encouragement of community and individual response to such need.

<u>Committee Action</u>: H.R. 2857 was introduced on June 26, 2007, and referred to the Committee on Education and Labor. On June 27, 2007, the Committee held a mark-up and ordered the bill reported, as amended, by a vote of 44 to 0.

Administration Position: According to the Administration,

The Administration supports House passage of H.R. 2857, which would reauthorize the national service programs administered by the Corporation for National and Community

Service. The Administration appreciates that the bill includes provisions consistent with the President's principles for reauthorization to make these programs more effective and efficient, responsive to State and local needs, and performance-oriented. In particular, H.R. 2857 would amend the national service laws to introduce competition to the RSVP program and incorporate requested technical amendments to reduce unnecessary administrative burdens on States.

The Administration is committed to making the Federal investment for national service programs more accountable and cost-effective and looks forward to continuing to work with the Congress to address the Administration's remaining concerns with the Committee-reported bill as the legislation moves forward.

The Administration opposes the authority in H.R. 2857 for several new programs and activities that are not included in the President's FY 2009 Budget. In addition, the Administration strongly supports the flexibility that is provided in the bill to support competitive, merit-based grants to national associations and organizations that strengthen and mobilize more citizen volunteers. The Administration also supports introducing competition in the Foster Grandparent and Senior Companion programs and is concerned by the bill's focus of Senior Corps demonstration authority on existing grantees.

<u>Cost to Taxpayers</u>: According to CBO, H.R. 2857 would authorize appropriations of about \$1 billion for fiscal year 2008. CBO estimates that authorizations under H.R. 2857 would total \$6.2 billion over the 2008-2012 period for grants and other activities, including education awards for participants in national service activities.

Assuming appropriation of the authorized and estimated amounts, CBO estimates that enactment of the bill would result in additional outlays of \$277 million in 2008 and \$4.1 billion over the 2008-2012 period. Enacting the bill would not affect direct spending or revenues.

<u>Does the Bill Expand the Size and Scope of the Federal Government?</u> Yes, the bill creates new programs under the National Community Service Act of 1990, increases authorizations, and expands the authority of such programs.

<u>Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?</u> No.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax

Benefits/Limited Tariff Benefits?: The Committee on Education and Labor, in House Report

110-420, asserts that, "H.R. 2857 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clauses 9(d), 9(e) or 9(f) of rule XXI of the House of Representatives."

<u>Constitutional Authority</u>: The Committee on Education and Labor, in <u>House Report 110-420</u>, cites constitutional authority in Article I, section 8, clause I of the U.S. Constitution.

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