SENATE—*Tuesday, July 20, 1993*

(Legislative day of Wednesday, June 30, 1993)

The Senate met at 8:45 a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. MATHEWS].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Almighty God, Father of us all, with grave concern we intercede for all who are victims of the unprecedented catastrophe in the Midwest. We hardly know how to pray, for we cannot identify with the depth of the tragedy the people are experiencing. We pray for every family who has lost a home, for every business that has been destroyed, and for every farmer who has lost a farm. In their frustration, in their helplessness, grant them grace to endure the immeasurable devastation.

We thank Thee mighty God for the righteous response of neighbors, near and far, to all who are hurting because of this disaster. We pray for the President, Vice President, members of the Cabinet who are involved, and Members of Congress as they struggle with the ways and the means to respond to this unmitigated devastation.

In the name of Him whose love is unconditional and boundless. Amen.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

HATCH ACT REFORM AMENDMENTS

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of S.185, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 185) to amend title V, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitation, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Domenici Modified Amendment No. 597, to express the sense of the Senate that the President should submit the supplementary budget as required by law no later than July 16, or no later than July 26, 1993, and the requisite information therein required.

Mr. GLENN. Mr. President, what is the business before the Senate?

The ACTING PRESIDENT pro tempore. The business before the Senate is S. 185, and the amendment by the Senator from New Mexico, Senator DOMENICI.

Mr. KENNEDY. Mr. President, I ask unanimous consent that I may proceed for 8 minutes as in morning business.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. DOMENICI. Mr. President, is this all right in terms of the rest of the schedule?

Mr. GLENN. Yes.

Mr. DOMENICI. I have no objection.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I know this has been a complex arrangement in working out the time for the benefit of Members, so I am very grateful to the floor managers. If it were not for the very special circumstances, I would not ask for this courtesy.

PRESIDENT CLINTON'S POLICY ON GAYS IN THE MILITARY

Mr. KENNEDY. Mr. President, the policy put forward yesterday by the administration on the service of gay and lesbian Americans in the military is a step in the right direction, but only a first step. It is far less than a clear policy of nondiscrimination would require. Thousands of gay men and lesbians currently living a lie in order to serve their country deserve better. This issue will not be settled until true freedom from discrimination is achieved.

From the beginning, members of the U.S. Armed Forces have fought and died to defend the fundamental principles of liberty and justice upon which this Nation was founded.

One of the most important of those principles is that all individuals are to be judged by their abilities, not misjudged by the misperceptions of others.

During this long history, the military has faced a range of difficult social challenges that involve not only the defense, but the very definition of our Nation. Time and time again, the Armed Forces have demonstrated the character to rise to the occasion. And, in the process, we have enhanced military readiness, military effectiveness, and military justice. In each instance, progress has been made toward a stronger and truer America.

But progress is seldom easy. Often it comes step by step, not leap by leap. Prejudice is deeply ingrained. But, in the end, people can and do change—and America moves forward.

If there is one lesson to be learned from the civil rights battles of the past half century it is this: As people are exposed to others whom they fear, stereotypes begin to crumble, and ultimately fade. Prejudice thrives in the dark, in ignorance and fear—and its greatest enemy is truth.

Familiarity does not breed contempt—it undermines it. We need only look at the record of racial integration in the military.

In 1945, 84 percent of white soldiers opposed racial integration. At that time, the Senate Armed Services Committee received testimony that "one of the surest ways to destroy the efficiency of the army" was to integrate blacks and whites. But in 1953, 5 years after President Truman ordered integration, only 34 percent of soldiers remained opposed.

Familiarity brought acceptance of change—but change took both time and struggle.

President Truman issued his Executive order in 1948, but it took 5 years—until the heat of the Korean war in 1953—for units to become truly integrated.

And even then, decades passed before African-Americans were truly accepted as equal members of our Nation's Armed Forces and our society as a whole. In reality, our struggle for racial justice continues to this day. But gradually, our country has moved closer to its ideals.

The fight for women's rights in the military has been equally instructive. We were told that if women served alongside men, military effectiveness would be impaired. It has taken decades, but this year Secretary Aspin issued regulations permitting women to fly aircraft in combat.

Through persistence, perseverance, passion, and sometimes patience—we have improved our armed services, and our society as a whole.

These battles have not been easy, but they have been just. And we know that, in the end, it is our duty to see to it that justice prevails. Inevitably, in America's history, the dawn breaks. And I believe it will again.

Never before has this Nation engaged in an extended dialog about what it means to be a gay American. But for the past 6 months, our country has done precisely that—and the light of truth has begun to shine through. Many more Americans now know that

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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gays and lesbians are not outside our common humanity. They are people—men and women seeking equal access to America's liberty and America's dream.

Poll after poll has shown that those who are least afraid of lifting the ban—and most accepting of gays—are those who actually know gay people. They understand that the debate on gays in the military is not about flaunting or foisting—it is about forcing fellow citizens to choose between being honest and serving their country. It is about believing in America and living with dignity.

Almost all Americans know people who are gay, whether they realize it or not. For too long, the opponents of gay men and lesbians have portrayed them as immoral, or sinister, or un-American. This is the way discrimination has always been rationalized—by degrading and dehumanizing others. Every denial of human rights begins with a basic denial of humanity.

But now, the silence has been broken—and the dialog has begun. We are moving forward on this issue, not standing frozen in place, and that is what counts the most.

The more society attempts to understand the issue, the more Americans will discover that they have always had gay people in their lives, in their families, in their jobs, in their churches, and yes, in their combat units.

The policy put forward yesterday by the administration is not all that we had hoped for—and it is not all that President Clinton wanted. I know that it has been an extremely difficult decision for the President, and I had hoped he would be able to take a larger step. But the issue before us has now changed, and it has changed forever. Deeply entrenched attitudes of discrimination are finally yielding.

Gay men and lesbians can and will serve in the Nation's Armed Forces. The task ahead is to chart the best course toward full equality and fairness.

So we will keep challenging this country to be all it was created to be, and all it has the capacity to be. Our ancestors were drawn here by the promise of freedom and equality. And in that spirit, we must turn disappointment today into constructive action tomorrow, until we have opened the doors of opportunity to all Americans in all aspects of our society.

In this battle, the forces of freedom put together a coalition of conscience as never before. This is no longer a battle about politics—or even about party affiliation. It is a battle about the integrity of America. That is why a broad range of individuals from Coretta Scott King to Barry Goldwater, from the conscience of civil rights to the conscience of conservatives, stood together and spoke together about America and nondiscrimination, in the same voice and with the same vision.

This latest chapter in the great unfinished business of our Nation—which truly is "liberty and justice for all"—will continue to unfold. If we do not end discrimination wherever it exists in our society, then America is not America.

We have been here before, and we will surely be here again. For our country, the work goes on.

We will continue to stand at the crossroads of national conscience. We do not seek a new America, but an America that has always been there, enshrined in the ideals that transcend the imperfect, beckoning each successive generation to give meaning to the dream and the destiny of our country as a shining city upon a hill.

For history, too, has its claims, and to all who think that this step forward is too small, I say larger steps will come. We have begun.

And after all the speeches are given, and all the headlines are written, and all the news is reported, the people who oppose a policy of nondiscrimination should ask themselves how they will be judged—not in the court of momentary opinion, but in the higher court of history, which is a more final arbiter of our deeds.

Those who defend discrimination against gay men and lesbians today will stand in that great accounting with those who once defended slavery, segregation, and discrimination against women and the disabled. It is not a place in history to which any of us should aspire.

I congratulate the American people—who, according to every survey on this issue, have been far ahead of most of their political leaders.

I commend the President for raising this issue, and seeking to move our country forward. He has hoisted the sail and begun the next stage of our great national journey on civil rights.

From this day forth, we must awaken the complacent, inspire the indifferent, and challenge our country to live up to its ideals. And in that cause, we shall never submit or surrender.

HATCH ACT REFORM AMENDMENTS

The Senate continued with the consideration of the bill.

Mr. GLENN. Mr. President, I ask unanimous consent we return to the regular order as prescribed by the previous agreement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GLENN. Mr. President, I ask unanimous consent it be in order for the Senator from Kansas [Mrs. KASSEBAUM] to offer her amendment immediately following debate on the first Roth amendment notwithstanding the consent agreement of July 15, 1993.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. GLENN. Mr. President, I further ask unanimous consent that the voting sequence be modified to reflect the vote on or in relation to the Kassebaum amendment be the last vote in the sequence of amendments, notwithstanding the order of July 15, 1993.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GLENN. Mr. President, is it the previous order that we now proceed to the discussion of the amendments?

The ACTING PRESIDENT pro tempore. The Senator is correct. The Senator from New Mexico is recognized to debate his amendment.

AMENDMENT NO. 597, AS MODIFIED

Mr. DOMENICI. Mr. President, I yield myself, so I can be advised, 10 minutes.

We have this morning a total of 40 minutes for the Domenici amendment, 20 minutes on each side. I am not certain that I will use all my time, in an effort to make sure that we do complete this bill on time. I do not want to go beyond what is necessary.

First, let me say the sense-of-the-Senate amendment that I offered last Thursday simply says that the administration should abide by the law and submit to the Congress a midsession budget review by July 16, but in no case later than July 26. Obviously, the statutory July 16 deadline has already passed. But we are still within the window of my amendment giving time for administration to submit a midsession review by next Monday.

One of the arguments that has been made, and that I am sure will be made this morning, is past administrations have missed the deadline. The argument has been made by the other side, and there is nothing new here, that Republican administrations have regularly missed the statutory deadline. First, while true, that does not make it any more right.

Second, the Bush administration met the deadline each year within the timeframe of this amendment. They did their midsession review in all 4 years by the 26th day of this month.

Another argument that will be made is Senator DOMENICI, as a ranking member of the Budget Committee or chairman of it, never complained in the past. Not true. On Friday I had printed in the RECORD a letter coauthored by then chairman, Senator Chiles, of the Senate Budget Committee, chairman of the House Budget Committee, Bill Gray.

The letter was almost identical to the one the Republican leader and I sent to the President last week.

So let me repeat the purpose of this amendment. The law of the land says that the supplementary budget should be provided by July 16 to the Congress. We simply ask that the law be observed, with a window of 10 days to comply. There are very good indications, Mr. President, that the deficit

for the current fiscal year could be as much as $50 billion lower than the $322 billion policy deficit for this year estimated by the administration on April 8.

Let me repeat that. On April 8, the administration sent us a policy statement and a deficit within it estimating that this year it would be $322 billion. There are very good indications that it would be as much as $50 billion less. In fact, after I raised this point, while the Budget Director, Leon Panetta, apparently in his wisdom does not see fit to comply with the law nonetheless sent a summary sheet, and under that, it is $37 billion less. Not just a little piece of change. In fact, if it happens to be $50 billion less, which is what I think it will be, then that will be a bigger deficit reduction than the first year of this plan in terms of putting taxes on the public and allegedly restraining expenditures.

Fifty billion dollars will be more than the first year, more than the second year and, in essence, it is nothing, nothing to snoot at. It is a very big reduction. It happened without us doing anything. It happened without us raising taxes.

It seems to me, before we start this reconciliation process, we ought to have the details. So before the conferees on that bill work their will and, obviously, impose somewhere between $250 billion and $300 billion in new taxes on the American people—and if the House bill is followed, it will tax everyone from those who drive automobiles to senior citizens to small business and across the line, all in the name of taxing the rich—it seems to me we ought to know what the deficit is then, what the impact of this big reduction is on the next 5 years.

Let me end this first discussion with a somewhat ironic note. While the White House cannot find its way to prepare a midsession review, required by the law last week, it did somehow find time to prepare an 86-page document asserting the merits of the Clinton plan, plus a marketing memo entitled, "Hallelujah! Change Is Coming."

They have plenty of time to do that, and we will get into the details of the 86-page document sometime during this week, because it is obvious from this little sales kit that it is pretty much a political document. I question whether Republican plans are described right, and I question whether or not the President's plan is encapsulated in salesman's language so that many of us will not even know that it is the same plan.

But one thing within this Democratic message, "Hallelujah! Change Is Coming," is the following language, and I am going to read it literally. In this document, it says if you are asked difficult, specific questions, then it says, "* * * you will be pressed for details beyond these principles. There is nothing wrong with demurring for a moment on the technicalities and educating the American people and the media on the historic change we seek."

Is it any wonder that the administration that would put such a product out is choosing to demur from the law and not provide the supplementary budget with facts and figures? While the White House could not find its way clear to provide Congress with an update of its own budget, as required by law, it did find a way to produce an 86-page document blasting Republican budgets, one of which I produced myself and, from what I can see, it is distorted and not stated correctly. For instance, it says the Republican plans cut Social Security. Not true in the plan that Senator DOLE and I produced. But, nonetheless, it says that.

Both plans that are not before the Congress, Representative KASICH's and Senator DOLE's and mine, are given front-and-center treatment in an effort to get the public to get away from the Clinton plan and look at something else. Is it any wonder that this administration cannot defend its own budget submission by providing Congress with the statutorily required report and they find it necessary to attack Republican plans? Maybe if they had a real budget, they would not need to attack those that were debated sometime in the past.

Mr. President, I repeat, I do not think this is anything monumental that I am asking for. For those who say we did not care before, that is wrong. I put letters in the RECORD showing that.

It seems to me that with the preliminary evidence in, there is no better time than now to submit a detailed reestimate and reevaluation of where we stand.

Having said that, I do not know that I would be here pushing this President and this administration on this supplementary as one Senator—any Senator could do it—but I do not know that I would be here if the President of the United States had not made such a case for the proposition that he has to abandon campaign promises, such as the middle-income tax cut, no gasoline tax, and myriad others. Those changes were predicated upon the President stating the deficit went up from his campaign time to February and March of the first year of his Presidency.

Actually, this year, if it went down $50 billion, it went down as much as it had gone up, and in going up, it produced a myriad of campaign promises being thrown out the window. It seems to me that in fairness, we ought to ask the President to tell us all about this deficit that is coming down. I might say, for those who think it cannot possibly be $50 billion, in a cursory evaluation in response to this, the OMB supplemental review, a single-page document, says that it is $37 billion less, if you start with $322 billion, like we do—because that is what they sent up here—it is $37 billion down even under their cursory evaluation.

So, Mr. President, I do not think I am going to win. I think perhaps in times past it might have been a bipartisan effort to get this, but I believe the other side will vote partisan, in some way thinking they are protecting the President or we are in some way trying to be damaging to the President. Clearly, we are not.

I hope the rhetoric is not that this is just a partisan ploy. We have done this before with Republican Presidents, and President Bush submitted every one of his 4 years' review within the July 26 deadline, which is what I ask for, a sense-of-the Senate deadline for the President of the United States.

Mr. President, I want to say I do not have the entire document that accompanies this "Hallelujah! Change Is Coming," the one that says, please demur if they ask you technical questions and just sing the song of generalities and just talk about, hallelujah, change is coming. Somewhere else they add, "and change is good." That is the real question: Is the change proposed good, not that the President is not suggesting change, for he is.

Having said that, I have not seen the 86 pages, but this is enough to convince me that it is a totally political document, intended to be used as much. Frankly, I do not know where it came from, excepting that it is touted as being part of the White House's effort to convince the American people that they have a great budget and it is good for America.

So I assume the White House and the administration had a lot to do with it. I repeat, I think while they were doing that 86 pages of work, they could comply with the law and send us a re-estimated deficit for 1993 and its impact on 1994, 1995, 1996, 1997, and 1998.

I reserve the remainder of my time.

Mr. GLENN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Ohio [Mr. GLENN] is recognized.

Mr. GLENN. Mr. President, it is my understanding that Senator SASSER wishes to reply. He is on the way to the floor; it is my understanding he is on the way to the floor.

I ask unanimous consent that the time be charged equally against both sides until his arrival.

Mr. DOMENICI. What is the request, Mr. President?

Mr. GLENN. That the time be equally charged against both sides until the arrival of Senator SASSER.

Mr. DOMENICI. Why should we do that? I object to that. I am here. The Senator has 20 minutes.

Mr. GLENN. Mr. President, I change that unanimous-consent request. I ask that the time be charged against Senator SASSER's time until time on both sides is equal; and then, that the time be charged equally until exhausted.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. GLENN. Mr. President, under the previous order, time was to be charged against Senator SASSER's time until the time on both sides was equal, and then time charged equally against both sides.

I ask that that same allocation of time occur in a quorum call, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator from New Mexico [Mr. DOMENICI] has 8 minutes and 34 seconds remaining.

Mr. DOMENICI. I yield myself 3 minutes and reserve the remainder for another Senator.

I want to close my part of this argument by once again suggesting that it is ironic that an administration that cannot produce and will not produce a midsession review required by law, at a very critical time in the evolution of a very new and different approach to Government—that is, to get ourselves out of the deficit principally by taxing the American people more and not controlling the principal reason the deficit is out of control; that is, the entitlements except for Social Security—that we are going down a path of having all these taxes on the American people, on American business, on small business, on senior citizens. And we are going to find the deficit is no better in 5 years, and rising again. That is a very big change.

I agree with this document that is now out among the media, which we will have soon, that must come from the White House or the White House's political arm, saying "Hallelujah, change is coming". You bet it is. The question is whether that change is good for America or good for Government.

I am convinced it is not good for America.

So one can herald the change. But the question is, Change from what to what? Change to more taxes and not controlling the very expenditures that are breaking the backs of Americans. That is what I think we are not doing in this dramatic change.

Mr. President, again, I want to repeat very simply, how is it, how is it, that a White House that cannot produce a 30-, 40-, 50-, 60-page midsession review—I have seen them; they are in that neighborhood, some are a little longer—would have the time to produce an 86-page document for circulation among our people? And obviously some administration people had to work on this. They did not dig up this 86 pages of rhetoric and numbers without participation from people who work for the White House and for the Government of the United States.

So they had time to do that. As I indicated, it has one very interesting statement:

> While you will doubtlessly press for details beyond these principles, there is nothing wrong with demurring for the moment on technicalities and educating the American people and the media on the historic change we seek.

Having said that, I submit that we ought to ask the President to give us what he should give us, instead of 86 pages of rhetoric and political propaganda. It had to be written partially with White House help, staff, and OMB Director help. Why can they not produce a similar document with the realities of where the deficit is, how much is it down, and what does that $35 to $50 billion downward in this year mean?

Mr. President, I do not believe I am alone in figuring that this deficit has come down dramatically. The conference board, in their most recent communication, indicates that they believe the deficit will be down $100 billion to $150 billion lower than CBO's January estimate, by fiscal 1997, without us doing anything.

So it does seem to me that this is a very interesting, important issue, and I hope we will ask the President in our sense-of-the-Senate to comply.

I yield the floor.

The ACTING PRESIDENT pro tempore. The remainder of the Senator's time will be reserved.

Mr. GLENN. Mr. President, on our side, the Senator from Tennessee has control of the time in opposition.

Mr. SASSER. Mr. President, may I inquire how much time there is in opposition?

The ACTING PRESIDENT pro tempore. There are 13 minutes, 35 seconds remaining.

Mr. SASSER. Mr. President, the ranking member of the Budget Committee is simply, it appears to me, trying to turn a postponed submission of the midsession term budget review into some kind of sinister plot on behalf of the White House or President. There is nothing nefarious or suspicious here about a missed deadline. In fact, it is something that happens all the time in this particular area.

The Congressional Research Service, in a report issued July 15, 1993, says that the midsession review has been submitted on time in only 4 of the last 14 years. As I pointed out last Thursday, Mr. President, probably the most glaring delays were those that occurred under the administrations of President Reagan. For example, in 1985, the midsession review was not released until August 15. In 1986, it was August 30. In 1987, it was August 6. In 1988, it was August 17. And in 1985 and 1986, my distinguished friend from New Mexico was chairman of the Senate Budget Committee. I do not recall him coming to the floor in 1985 and in 1986 and taking the Reagan administration to task for being late in submitting the midsession review, even though they were over a month late. As a matter of fact, I do not recall any Senator coming to the floor and making an issue of that, and I do not know why we are doing that today.

The distinguished Director of the Office of Management and Budget, Mr. Leon Panetta, did issue a preliminary midsession review in July 1993, on time for the preliminary, and he indicated what the budget deficits were to be. He indicated, I am pleased to say, some improvement for fiscal year 1993. The net deficit projected in April was $310 billion. The deficit projected now by the Office of Management and Budget is $285 billion. So I think we can all rejoice that there has been a $25 billion reduction in the deficit projections for fiscal year 1993. But as we look into the outyears, the deficits still present a gloomy scenario indeed.

The amendment before us today is totally unnecessary. I think the American people could care less about a paperwork delay. What they really care about is reducing the deficit. And this amendment does nothing to bring down the deficit.

I am sorry to say, Mr. President, that it appears to be nothing more than a continuing effort to harass this administration, to push this administration into disfavor, to try to embarrass this administration. I cannot honestly say that it appears to be an honest effort to try to deal with the overriding problem of the deficit.

The American people are onto these tactics. There is no question about it. Just recently, in a poll taken by public opinion strategists and reported in the local publication here, it found that—actually, the poll was a NBC News/Wall Street Journal national poll. The question was asked: Do you believe that Republicans in Congress are interested in offering a realistic alternative to President Clinton's economic plan, or do you believe they are opposing President Clinton's plan for political reasons?

Mr. President, only 27 percent of the Americans said that our Republican colleagues in Congress were interested in a realistic alternative; while 60 percent said that our friends on the other side of the aisle, our Republican friends, are opposing the Clinton plan for political reasons only.

That is a shocking note. When we asked the so-called independent voters,

61 percent said that the opposition of our Republican friends to the President's economic plan was politics as usual, and only 24 percent said that the Republicans were seeking a realistic alternative.

So the American people are onto these little games, Mr. President, that are used to delay, to prevent the deficit reduction from taking place, to bring into disfavor the President's proposals, without offering any realistic alternatives of their own.

I have mixed emotions about these little sallies that take place over here as they rush out and try to tear off a tiny piece of the President's economic proposals here and rush out and try to tear off a tiny piece there. When I read this poll, if I were purely partisan, I would say to my Republican friends: Keep it up, because by these tactics, you are simply discrediting yourselves and discrediting your own efforts. And if I were only partisan, I would say that study inured to the benefit of the President and to Democrats when next we open the polls for an election.

But this is more than about partisan politics here. This is about trying to deal with one of the overriding crises that this country faces, and that is what to do about massive budget deficits that stretch as far as the eye can see. Bear in mind that President Clinton is not responsible for these deficits, and he told a joint session of Congress and the American people in February that he is not going to try to place blame for the fiscal disaster that he inherited inherited, I might say, after 12 years of Republican administrations.

No. What he said was that he will play the card that is dealt him, that there is plenty of blame to go around. Those were this words and indeed he is correct.

So what we are seeing here is a good-faith effort by this administration to deal with a very, very serious problem, the massive budget deficits that have quadrupled the national debt in the space of only 12 years.

I would hope, given this national crisis, that our friends on the other side of the aisle would feel some responsibility to offer constructive suggestions, some responsibility to say, well, we cannot agree with the President 100 percent on what he is going to do, but he is right at least on 10 or 15 or 20 percent of it, or 40 percent of it, and we will support him on that. We have not heard anything like that. It has been a total opposition to everything this President has proposed to try to reduce this deficit, an effort to totally distort the deficit reduction plan that he has produced and presented to the Congress and the American people, the largest deficit reduction plan in the history of this country.

And now what are we faced with? I would characterize it as a pettifogging attempt to simply come in and throw up one more minor, and I might say somewhat petty, roadblock about the midterm review.

Bear in mind, as I said earlier, that the Congressional Research Service has said that only 4 of the last 14 midsession reviews have been submitted on time by various administrations.

Indeed, in the 8 years of the Reagan administration, and I said Thursday, only one time was a midseason review presented on time. In the Bush years, they missed three out of four opportunities to present the midseason review on time.

So, Mr. President, I do not think this is a matter of any significant consequence. I want to see the administration and the President and the Director of the Office of Management and Budget, Mr. Panetta, devote the lion's share of their time to getting this deficit reduction plan passed and getting this deficit down. That is what is necessary. That is what we ought to be about, rather than debating some bureaucratic time deadline here and wasting our time in that regard.

Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator has 2 minutes and 28 seconds.

Mr. SASSER. I would just end by saying this, Mr. President: The important thing here is to deal with the deficit simply and not to spend our time trying to throw up minor roadblocks in the way of the President and the administration as they work very diligently to try to reduce the deficit and to bring our fiscal house in order.

The numbers in the midsession review have a very, very short shelf life indeed and are not going to bring down the Republic or the Government around other areas if we are 8 to 10 days or 2 weeks late in getting them, or even a month and a half late as we were on one occasion in the Reagan administration.

Mr. President, I will reserve the remainder of my time and yield the floor. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GLENN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GLENN. Mr. President, I ask unanimous consent that the time under the quorum call be charged equally on both sides.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

Mr. GLENN. Mr. President, I amend the unanimous-consent request to say charged equally until one side runs out and the time to continue on the other side until exhausted.

The ACTING PRESIDENT pro tempore. Is there objection to that request?

Without objection, it is so ordered.

Mr. DOLE. Mr. President, after OMB failed to meet the legal deadline for submission of its midsession budget review last week, OMB Director Panetta sent me a letter which I received yesterday.

In the letter, Director Panetta restated:

> The administration's intention to issue a midsession review upon completion of the reconciliation process by the Congress.

He did provide us with a brief, preliminary update of OMB's current deficit forecast.

The preliminary OMB analysis projects that the deficit for the current fiscal year will be $25 billion lower than OMB projected back in April. Over the next 5 years, OMB now estimates that the cumulative deficit increase will be $64 billion less than they projected back in April. A combination of lower than expected interest rates, lower S&L cleanup costs, a smaller stimulus package, and other technical changes contributed to the improving deficit picture.

Mr. President, I ask unanimous consent that a table entitled "Comparison of OMB Deficit Estimates, April vs. Preliminary Midsession Review" be inserted in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARISON OF OMB DEFICIT ESTIMATES, APRIL VERSUS PRELIMINARY MIDSESSION REVIEW

[In billions of dollars]

	Fiscal year—						
	1993	1994	1995	1996	1997	1998	1993–98
April budget	310	302	301	298	347	387	1,945
Preliminary update	285	300	286	291	340	379	1,881
Deficit decrease	25	2	15	7	7	8	64

Source: OMB.

Mr. DOLE. While this new information blows the administration's cover for the biggest tax increase ever, it still misses the mark. A two-page double-spaced preliminary analysis does not qualify as a full report to Congress.

Within the next few weeks, Congress will be voting on the largest tax increase in the history of the world. The stakes could not be higher. Let us not forget that it was President Bill Clinton who told the American people back in February that he could not deliver on his campaign promises to cut the deficit in half in 4 years, support $3 in spending cuts for every dollar of tax increases, or provide the middle class with a tax cut because—and I quote—"The deficit has increased so much beyond my earlier estimates and beyond even the worst official Government estimates from last year."

Now OMB Director Panetta admits that the deficit forecast is no longer as bad as he told the President it was earlier this year.

GIVE US THE FACTS

Last week, President Clinton urged Congress to base this deficit reduction package on—and I quote: "Hard numbers and good figures." I could not agree more.

If the President genuinely believes that this plan is good for America. He should not hesitate to give us the facts—all of them. The detailed revenue projections. The most current spending estimates. The latest White House economic forecasts.

A NONPARTISAN ISSUE

My colleagues on the other side of the aisle are quick to point the finger at Republicans for being unduly partisan. This should not be a partisan issue.

The vote on this conference report may be the most important vote we cast in this body this year. No other vote will have a greater impact on the economy.

Every Member of Congress—whether Democrat, Republican, or independent—should demand that the administration provide us with the best possible information about the status of the budget and the health of the economy before the conference on the budget reconciliation bill completes its work.

REPUBLICAN COMMITMENT TO DEFICIT REDUCTION

Mr. President, one final point: Republicans are not suggesting that we do not need to reduce the deficit. I have been a strong advocate of deficit reduction for years, and I have the record to prove it.

Republicans understand the importance of deficit reduction. We understand that the future of our children and grandchildren are at stake.

But, Republicans will continue to oppose this plan because of the way it reduces the deficit.

President Clinton argues that his tax now, cut spending later deficit reduction plan will reduce the deficit and stimulate the economy.

Republicans believe that the Clinton economic plan is the wrong medicine for our fragile economy for three reasons.

No. 1, a record-breaking tax increase will not stimulate the economy. It will destroy hundreds of thousands, perhaps millions, of jobs.

No. 2, we believe that a tax-now, cut-spending-later approach to deficit reduction sends the wrong signal to the American people. We do not believe that Congress will keep its promise to cut spending down the road. That is why Republicans support a cut-spending-first approach to deficit reduction.

Finally, we oppose this plan because we believe it is just the first installment. What do the American taxpayers get in exchange for the largest tax increase in history? They get a deficit that starts moving up again after 1997.

By failing to control the runaway growth of entitlement spending, President Clinton's plan fails to control the deficit in the long run.

Republicans are so convinced that the President's tax-now, cut-spending-later plan is the wrong approach that we think a full administration report on the economy and the budget may help us get the votes we need to defeat the Clinton plan.

If we are successful in blocking this plan, the President can count on help from Republicans in crafting a real deficit reduction plan that works.

I urge all of my colleagues—Democrat and Republican—to support the Domenici amendment.

Mr. GLENN. Mr. President, I yield back all time that was allotted to Senator SASSER and Senator DOMENICI.

Mr. ROTH. We yield back all our time.

Mr. GLENN. Mr. President, what is the next order of business?

The ACTING PRESIDENT pro tempore. Under the previous order, Senator DOMENICI'S amendment is set aside and the Senator from Delaware is recognized to offer one of his two amendments.

Mr. GLENN. Mr. President, what is the time limit on this amendment?

The ACTING PRESIDENT pro tempore. Thirty minutes, equally divided.

AMENDMENT NO. 600

(Purpose: To provide that revenue agents, tax auditors, and tax examiners of the Internal Revenue Service may not take an active part in political management or political campaigns)

Mr. ROTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH], for himself and Mr. DOMENICI, proposes an amendment numbered 600.

Mr. ROTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection it is so ordered.

The amendment is as follows:

On page 17, insert between lines 15 and 16 the following new paragraph:

"(3) No employee of the Office of Examination (including revenue agents, tax auditors, and tax examiners) of the Internal Revenue Service may take an active part in political management or political campaigns.

On page 17, line 16, strike out "(3)" and insert in lieu thereof "(4)".

Mr. ROTH. Mr. President, my amendment would prohibit, as under current law, revenue agents, tax auditors, and tax examiners from taking an active part in political management or political campaigns.

With the adoption of the amendment on Thursday, the Senate recognized the importance of exempting employees in sensitive agencies from active participation in partisan politics. We all recognize the rationale for keeping these agencies above the fray of partisan politics even if relatively few Americans have direct contact on a regular basis with agencies such as the Customs Service or Defense Intelligence Agency.

But every American taxpayer is required by law to file a tax return and thus has regular contact with the Internal Revenue Service. Not too long ago, the Congress enacted the taxpayer bill of rights, to protect taxpayers against unfair dealing with the IRS agents and auditors.

Yet, in the Halls, in the Cloakroom, in the editorials, there is much discussion of the IRS auditor who examines tax returns by day and is active in partisan politics at night.

How would a taxpayer who has been asked questions about their return feel if that very same tax examiner came by their house after working hours to ask for their vote in favor of their candidate. Might that not raise doubts as to the integrity and fairness of the tax system.

How would a taxpayer who is known to support a particular party's candidates feel if his tax return is being audited by a IRS employee who conducts audits by day and serves as the chairman of the local Democratic or Republican Party at night.

Proponents of S. 185 will cite the specific regulations that revenue agents and tax auditors are required to follow before beginning an audit. Yet one only has to look at Travelgate to question whether those rules are strictly followed. BNA's tax notes on June 7 covers this ground thoroughly. More importantly, simply the specter of an IRS auditor raising questions is enough to send chills down the backs of taxpayers.

Asking a small businessman for copies of all W–Z's, 1099's, and bank statements for all cash transactions; asking a taxpayer to provide receipts or appraisals of their charitable contributions; asking to provide contemporaneous record keeping for all business mileage used, documented copies of all deductions and receipts for various charitable organizations, or bank statements to match sales and receipts. Questions alone are enough to make a taxpayer feel pressured. And we cannot outlaw questions. We can outlaw the sensitive situation by adopting my amendment. Proponents ignore these subtle pressures in their belief that coercion is easily proved.

I received a letter yesterday from the Association of Former Internal Revenue Executives, a group of 150 former executives of the IRS with an average of 30 years each in public service, in

support of this amendment. Why does this group feel so strongly about this amendment? Because they have dedicated their lives to a nonpartisan, efficient tax collection system. They have firsthand experience in cleaning up the IRS from political interference. They know what will happen if IRS auditors can be active in partisan politics.

If S. 185 is passed without this amendment, revenue agents, tax auditors, and tax examiners would be permitted to engage in partisan political activities, and could harm the public's perception of the impartiality of the IRS. In addition, I remain particularly concerned about the possibility of subtle coercive pressures which will build up inside the IRS, as well as the rest of Government.

The 1976 legislation presented to President Ford recognized the need to exclude certain agencies from the legislation—specifically sensitive employees within the IRS, Department of Justice, and Central Intelligence Agency. With the amendment adopted Thursday, we were able to exempt employees of the FBI and CIA, and some employees of the IRS.

But as the Association of Former Internal Revenue Executives make clear:

> Employees of the Examination Activity have [as] sensitive tax administration responsibilities as those in the Criminal Investigations work.

For these reasons, Mr. President, I urge my colleagues to adopt this amendment.

Mr. President, could I ask how much time I have remaining?

The ACTING PRESIDENT pro tempore. The Senator has 8 minutes and 49 seconds remaining.

Do you wish to reserve the remainder of your time?

Mr. ROTH. I wish to reserve the remainder of my time.

Mr. GLENN. Mr. President, I yield myself such time as I may require.

Mr. President, to those who think the Government agencies such as the IRS do not have the right now to do things politically, I would say that same IRS agent about whom we have just been talking right now can write a $1,000 check to the candidate of his or her choice—that is current law—or any portion thereof, or multiple, up to a $25,000 limit; multiple candidates, a thousand dollars each to Federal candidates. So, IRS agents are not prohibited from political participation right now.

Those same IRS agents we are talking about who we are thinking are so pristine pure can go out right now and put 500 yard signs in their yards if they want to, they can cover their automobiles with candidate signs and drive into work and park right outside or park in the garage. That might give a little hint as to what their—how they feel about this. They can go to a rally. That is not prohibited. They can wear a button to work and no size limitation. There is nothing that says that an IRS agent cannot walk into an interview with someone whose account they are auditing right now with a great big Bush-Quayle button or Clinton-Gore button on, 7 inches across. Do you think that would give somebody a little bit of a hint? I would certainly think so. So, this idea that the IRS agents are not permitted right now to have any political activity is just flat wrong. Current law says they can do all these things right now.

If they use undue influence, if they try to imply to somebody we are going to take this account of yours apart, but if you promise to vote for somebody, for a certain candidate, or if you would see fit to contribute to our political action committee, maybe this thing could be terminated—that is covered under current law. There are strict penalties.

What this amendment proposes is to keep about 30,000 Internal Revenue Service employees under the current Hatch Act statute. They can do right now those things I mentioned a moment ago. Out of that 30,000 there would be about 15,500 revenue agents who audit high-revenue individuals and corporations, 2,500 tax auditors who handle individual audits, 11,000 tax auditors who look at forms and do not deal with the public, and clerical staff.

Let us look at the office which would be exempted under this amendment proposed by the Senator from Delaware, the Office of Examination of the Internal Revenue Service. The words "tax auditors" send chills down the backs of most Americans. However, employees in the Office of Examination that we are talking about cannot pick somebody and say, "I am going to audit this person for political reasons," just on their own. They have little control over whom or what they audit. Almost all audits are chosen by computer and they are based on mathematical models. Any non-computer-generated audit must be approved by a supervisor. So they cannot just go out and decide they are going to use political influence. The supervisor has to approve this.

Let us say an IRS employee just gets angry with his or her neighbor and says, "Boy I am going to get even with them. I'll show them. I will get an audit going here." Or, "I'll convince them they ought to vote for Clinton or Bush" or whomever—or whatever Federal office. They just cannot do that. An employee making this kind of endeavor would be subject to dismissal and criminal charges. This is the law now and nothing in S. 185 will change that law.

Let us suppose an IRS auditor wants to misuse his or her position for political purposes. Just as the current Hatch Act does, the text of S. 185, in fact it is section 7323, prohibits any Federal employee from using his or her influence or authority for political purposes. Let us suppose that auditor wants to break the law, that auditor sets out to coerce some poor citizen who is being audited to attend a rally or stuff envelopes or whatever.

We know the auditor cannot accept a check under S. 185. Such coercive action would be against the law under the terms of S. 185. In addition, it is a criminal offense, quite apart from the Hatch Act; 18 U.S.C. 594, 595, and 600 provide criminal penalties for any Federal employee who misuses his or her official influence or authority in this way. For IRS auditors specifically, 26 U.S.C. 7214 provides penalties for anyone "who demands, or accepts, or attempts to collect, directly or indirectly as payment or gift, or otherwise, any sum of money or other thing of value * * * except as expressly authorized by law."

The law provides that a violator further, "be dismissed from office or discharged from employment and, upon conviction thereof, shall be fined not more than $10,000 or imprisoned not more than 5 years, or both."

Let us suppose an IRS auditor wants to misuse someone's tax return for political purposes. Again, that is what we are talking about here, misuse someone's tax return for political purposes. Again, 18 U.S.C. 1905, 2071 and 5 U.S.C. 552A provide criminal and civil penalties for the disclosure of confidential Government information. And 26 U.S.C. 6103 specifically prohibits the disclosure of tax return information.

Mr. President, the purpose of S. 185 is to clarify the confusion and the illogic of current law governing the political activities of Federal and postal employees and to make the law more fair.

I repeat, right now if an IRS agent wants to try to influence somebody, he or she cannot just go out and say, "You better vote or I am going to take your tax return in and we will see you get your due if you do not come around to my political way of thinking." That is illegal. They can go to jail for that right now, and nothing in S. 185 would change that. It does not change any of that law whatsoever.

But if that IRS agent was to be more subtle about this thing—and nothing that the Senator from Delaware proposes or does not propose would change this—under current law, that agent can write a check. That agent could tell somebody else, I am writing a check, indicating that maybe they would want them to do the same thing.

They can put signs on their cars. They can put 100 of them in their yard if they want to. They can plaster their cars with them. That might give somebody a little hint as to what that IRS agent is thinking about. They can go to a rally. If they wave that same sign in the rally, that is against the law. That is one of the inconsistencies right

now. Or if they come into an audit, it is legal right now, not against the law, for that IRS agent to come in wearing a great big campaign button. Might that give someone a hint as to how they feel about this thing? I would think so. That is not against the law right now.

Mr. President, there is enough protection here. I do not think we need this amendment, the pending amendment. We are taking out one particular group here that people have a special feeling about. I just do not think it is necessary. I think all of this is adequately covered, and at the appropriate time I will probably move to table.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, there is a great deal of difference between what a Federal employee can now do and what is proposed under the so-called reform legislation. Yes, an IRS agent can, today, write a check. But I ask how does that intimidate a taxpayer? And, yes, agencies can permit Federal employees to wear a button, a campaign button to work. But as I have said on many occasions, both this year as well as in the past, if the majority would agree to continue the prohibition of political activity on the part of these IRS agents, I would be happy to ensure that wearing a political button would not be permitted. But I think the important thing to understand is that the limited activities now permitted, including the right to vote, are something entirely different from what will be permitted under the legislation before us.

We find it appalling that people in sensitive positions can be politically active because, while it is true that there are strong laws against coercion, any lawyer will agree that it is difficult to prove coercion. What we are most concerned about are subtle pressures.

For example, we had an illustration of that in consideration of the Hatch Act itself. The minority had a day of hearings and we invited a number of people to testify before us. One or more staff members on the majority side called these individuals and began asking a number of questions such as how much revenue foregone the organization they represented used for subsidized mailings.

Maybe that was not intended to be a subtle pressure. But let me tell you, those who received the calls thought it was indirect or subtle coercion. The majority, as well as the minority, had every right to ask those questions if they so chose. But the fact is, if you have a witness coming before you and testifying against your position, if you call them and raise questions of whether or not they use forgone forgone, that can be a very, very subtle pressure.

And that is what we are concerned about in the legislation before us; that the IRS agents will be subject not to illegal coercion, but subtle pressures.

One of the best, I think proofs of that problem is a letter I just received, dated July 19, from the Association of Former Internal Revenue Executives. The writer says:

> I am writing to you as a former district director of the State of Massachusetts, as Deputy Commissioner and as President of the Association of Former Internal Revenue Executives. Our association consists of about 150 former executives of the IRS, including five former commissioners who were appointed both by Democratic and Republican Presidents.
>
> Our members have an average of well over 30 years in public service. * * * We are gravely concerned about the damage that could be done to the integrity of the IRS and to the impartial role of the Nation's tax enforcement organization by the revisions of the Hatch Act which the Senate will soon be considering. We strongly urge that the Senate maintain the existing rules for technical employees in the examination audit of the IRS.

He goes on in the letter to say:

> The examination activity consists primarily of Internal Revenue agents and tax auditors who have the responsibility of auditing the records of taxpayers to determine their tax liability.

The PRESIDING OFFICER (Mr. DORGAN). The Chair advises the Senator he has consumed 5 minutes.

Mr. ROTH. I yield the floor for the present, and I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator is reserving his time. The Senator has 3 minutes remaining.

The Chair recognizes Senator GLENN.

Mr. GLENN. Mr. President, I yield myself 4 minutes.

I appreciate the views of the IRS Commissioners, as just stated here. I am sure there are people who did the best job they could while they were in office. They are concerned that the Service continue that tradition, which it has always had; that there would not be damage to the IRS and that there not be tax auditors out there running amuck using political influence.

I agree with them 100 percent, but nothing in this amendment would change anything with regard to that. Nothing in this amendment changes the fact that an IRS agent right now can write a check to the candidate of their choice and go out and talk about it. I do not think many of them do. But nothing in this amendment would change the fact that they could put yard signs all over their yards and in every window of their house if they wanted to. I do not think many of them do, but they could if they wanted to. None of this changes the fact that they can put signs all over a car and drive down to the local political rally and walk into that rally and stand there. IRS agent, political rally, how about that? Not many of them do.

They can come into an audit of a particular person wearing a great big campaign button in their lapel. Now, I am sure not many of them do.

But if any of them do want to misuse the power of their office to that regard, S. 185 prevents it. We say they cannot walk in with that campaign button on. We prohibit that when they are on the job, whether they are in the office or out auditing somebody. This tightens it up. If the IRS Commissioners Alumni Association, or whatever the group was that was cited just a moment ago, wants to really look at this and talk about the details of it, this protects them more. It makes the Hatch Act tougher in that regard as to what their agents can do. It does not loosen things up.

They ought to read this thing first and then look at what it really does, not just have some knee-jerk reaction from 10 years ago. This is not a repeal of the Hatch Act. This is not the House bill, as I have said on this floor a number of times already. This is not the House bill, which does let people go out and ask for contributions, and does let them run for partisan political office. This bill does not do that.

So I wish they would get down to the nitty-gritty of what this bill actually does, not what it is purported to do.

This amendment, I will say, does not prohibit any of those abuses I mentioned just a moment ago. Keeping the present Hatch Act leaves those same thing as potential abuses for agents going out to audit particular accounts.

So, in effect, what these IRS agents are talking about, we strengthen their case. We strengthen the Hatch Act in that regard. We do not weaken it. It makes it tougher. I think if they would read this and talk to us about it instead of writing these knee-jerk letters, that they would be for the changes that we are trying to make because we strengthen the very protections that they expressed concerns about.

This amendment by the distinguished Senator from Delaware talks about the subtle differences. Subtle differences: Writing a check and telling people about it; yard signs; car signs, going to a rally; wearing buttons in to audit somebody. Those are permitted under law right now and those are not so subtle, I would say. It gives you a pretty broad hint as to what the agent's political bent is if they are coming in to audit you. This does not change that.

Mr. President, we just checked with the administration on this amendment. They see no reason to exempt this office from Hatch Act reform.

So the administration opposes this. I oppose it.

I reserve the remainder of my time. I suggest the absence of a quorum and ask the time be charged equally against both sides.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. I yield myself such time as I may take.

The PRESIDING OFFICER. The Senator has 3 minutes remaining. The Chair recognizes the Senator from Delaware [Mr. ROTH].

Mr. ROTH. Mr. President, let me point out first that the Association of Former Internal Revenue Executives is well acquainted, understands fully the differences between the House and the Senate bill. They testified before the Senate committee, on the Senate bill, explaining why they were in opposition to the reforms.

I will just say to my distinguished chairman, the fact is that the majority was willing to exempt a criminal investigation employee. Why not a tax auditor? As the Former Internal Revenue Executives properly point out, they are in a similarly sensitive position. I quote from the letter:

Employees of the examination activity have sensitive tax administration responsibilities as those in the criminal investigations work.

So I ask the majority, why treat them differently when they are in the same kind of sensitive position? Let me just point out, as I started to in my earlier remarks, the examination activity consists primarily of Internal Revenue agents and tax auditors who have the responsibility of auditing the records of taxpayers to develop their tax liability.

That has nothing to do with making a contribution or a wearing of a button. What we are concerned about is that this will include taxpayers at all levels of income, all classes of returns—individuals, fiduciary, partnerships, gifts, et cetera. For fiscal year 1992, these officials audited over 1.3 million tax returns, resulting in recommended additional tax and penalties in excess of $26 billion.

The examination program is one of the most important ingredients of our tax administration programs and contributes significantly to our self-assessment tax system's success. It is very obvious that these officials occupy a very sensitive position—

I am quoting from the letter—

and must present an image of fairness, honesty, and perform their work in an even-handed manner. It is not a compatible position for these employees to be involved in any partisan political activity as envisioned by current proposals to amend the Hatch Act.

Mr. President, I ask unanimous consent that the entire letter from which I have read be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ASSOCIATION OF FORMER
INTERNAL REVENUE EXECUTIVES,
Alexandria, VA, July 19, 1993.

Hon. WILLIAM V. ROTH, Jr.,
U.S. Senate,
Washington, DC.

DEAR SENATOR ROTH: I am writing to you as a former District Director for the State of Massachusetts, as Deputy Commissioner, and as President of the Association of Former Internal Revenue Executive (AFIRE). Our Association consists of about 150 former executive of the IRS, including five former Commissioners (who were appointed by both Democratic and Republican presidents). Our members have an average of well over 30 years each in the public service, and AFIRE exists solely because of our shared concern for the agency to which we gave so many years of our life.

We are gravely concerned about the damage that could be done to the integrity of the IRS and to the impartial role of the nation's tax enforcement organization by the revisions of the Hatch Act which the Senate will soon be considering. We strongly urge that the Senate maintain the existing rules for technical employees in the Examination (Audit) of the IRS. We are most pleased that a bipartisan effort resulted in an agreement to maintain the existing rules for the Criminal Investigations Activity of the IRS. Employees of the Examination Activity have sensitive tax administration responsibilities as those in Criminal Investigations work.

The Examination Activity consists primarily of Internal Revenue Agents and Tax Auditors who have the responsibility of auditing the records of taxpayers to determine their tax liability. This will include taxpayers at all levels of income, and all classes of returns—individual, fiduciary, partnership, gift, estate, corporation, employment, and exempt organization. For Fiscal Year 1992, these officials audited over 1.3 million tax returns resulting in recommended additional tax and penalties in excess of 26 billion dollars. The examination program is one of the most important ingredients of our tax administration programs and contributes significantly to our self-assessment tax system's success.

It is very obvious that these officials occupy a very sensitive position and must present an image of fairness, honesty and perform their work in an even-handed manner. It is not a compatible position for these employees to be involved in any partisan political activity as envisioned by current proposals to amend the Hatch Act.

Our concern stems from the fact the IRS suffered through a damaging series of scandals in the late 1940s and early 1950s. Congressional investigations into the cause of those scandals revealed clearly that the involvement of IRS employees in partisan political activities (which was permitted until the enactment of the Hatch Act) was a major factor in the corruption, inefficiency, favoritism, and integrity problems revealed by the investigations. History has a way of repeating itself but too many of our leaders tend to ignore the effects of history or are not willing to accept this realistic fact.

To remedy those conditions and prevent their return, President Truman and the Congress wisely agreed that, in the future, IRS employees should be completely removed from political activities; that only the Commissioner and the Chief Counsel would be political appointees; and that all other employees below them would be career civil servants who stayed out of partisan politics. This decision was a wise one and has been one of the principal factors in developing the most effective tax administration system in the World.

Many of our AFIRE members worked in the multi-year efforts that were required to clean up those terrible conditions, and all of us have worked subsequently to make IRS a non-partisan, fair, and efficient organization. We greatly fear that, unless employees in the Examination and Criminal Investigations Activities are excluded from the revisions now being considered, the problems of the 40s and 50s could return. The Congress should not let that happen—

Prior to the reorganization of the IRS in 1952, when officials owed their own success to political sponsors, they recognized that they were expected to respond when those sponsors asked them for return favors such as avoiding the collection of tax bills owed by certain prominent citizens, or not auditing their tax return. Employees with political supporters became immune to supervisors directions, and did not find it necessary to perform well in order to stay on the payroll. They also found that they did not need to follow normal office procedures, so it became easy for them to embezzle money or to shake down taxpayers. Thus, the conditions that eventually led to the scandals grew and grew.

If IRS employees in the enforcement programs such as the Examination and Criminal Investigations Activities are again allowed to engage in political activities, on their own time, we do not see how those abuses can be prevented from gradually creeping back. To avoid that risk, we believe that employees in these two critical and sensitive areas should be kept out of the political arena just as they have for the past 40 years.

There are also other consequences of allowing IRS Examination employees (Internal Revenue Agents and Tax Auditors) to engage in political activities "on their own time." If a citizen who has been audited during the day by an IRS agent is asked by that same agent after working hours to vote for a specific political candidate, might that not raise doubts concerning the integrity and fairness of our tax system? If, during a political campaign, it is known that an IRS official who can influence the choice of tax returns for audits is working "on his/her own time" for one of the candidates, would that seem OK to those who are supporting other candidates? These are merely two of the many examples that could be cited to illustrate the potential dangers of political involvement of IRS agents and auditors.

While the IRS is still far from perfect, we believe that we and other IRS employees have succeeded in giving the United States citizens—despite the fact that it has the most complex tax laws in the world—an unusually honest and effective tax administration agency. Since retirement from the IRS, many of our members have worked on the tax systems of many foreign countries and can state that our system is the "envy of the world." In addition foreign tax officials who have come to study our system support this position. Clearly, it would be unwise to endanger that agency by allowing its Examination (Audit) personnel to get back into partisan political activities.

For those reasons, AFIRE urges that the Senate exclude Tax Auditors and Internal Revenue Agents, of the IRS Examination Activity, from the revisions of the Hatch Act. These employees occupy sensitive and responsible positions comparable to Criminal Investigators which have been excluded by Senate action.

Thank you for considering this important issue and we trust that the Senate will vote to maintain the existing rules of the Hatch Act for the officials of the Examination Activity of the Internal Revenue Service.

With best regards—

Sincerely,

WILLIAM E. WILLIAMS,
President.

Mr. ROTH. So, again, Mr. President, I say, if the majority were willing to exempt the criminal division, why not exempt the tax auditor who is in a similarly sensitive position.

I yield the floor. I reserve the remainder of my time.

The PRESIDING OFFICER. The time of the Senator from Delaware has expired.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. GLENN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Ohio has 2 minutes and 32 seconds remaining.

Mr. GLENN. Mr. President, I yield myself as much time as I may require.

Mr. President, a good answer to the question the Senator from Delaware asked as to why we exempted the Office of Criminal Investigations is that it is for one very good reason: Because we are faced with a filibuster here on the floor and that is the only way we can get a time agreement.

One thing leads to another, and I did not think that the rationale for taking that criminal investigation group out was any more logical than the one we are talking about right now. We were faced last week here, as the Senator recalls, with the hope that we could get a time agreement so we could move this thing forward so we will not be faced in the indefinite future with cloture and so on. They are just time delays. So we accepted that. I did not particularly want to accept that. But we did.

Now we are using that as a rationale to say we should exempt all these other things. I disagree with that. I think all of these pressures are not corrected by this amendment at all. IRS agents or anybody else, like any other American citizen, can write a check, they can put signs in their yard, on their car, they can go to a rally, wear a button to work.

You talk about subtle pressure. That is not so subtle pressure if you are an auditor in there. That is not knocked out under this. It would be, under S. 185, illegal to wear one of those campaign buttons at work. We tighten up the Hatch Act. We make it a tougher Hatch Act by saying you cannot do anything on the job, you cannot solicit someone, you cannot do any of those things.

Off the job, is there anything wrong with someone going down, who cannot give that $1,000 check, and they say, "But I want to participate, I don't have that thousand dollars, I've got a couple kids in college, I don't have that extra thousand dollar to give. But I want to help out a little bit." So I can go down here and participate in this American democracy that we have here. I can go down to campaign headquarters, I can stuff envelopes, maybe drive a car for them during the campaign, something like that. I do not see anything wrong with that. That is not coercing anybody.

The law already provides very strict penalties, not just the Hatch Act but other law, for anybody, the IRS or anyone else, and these agents. The Association of Former Internal Revenue Executives, I am sure, would be the first to tell us that there is very tough law. If they want to do any of these things that are so subtle——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GLENN. Mr. President, what is the next order of business?

The PRESIDING OFFICER. Under the previous order, amendment No. 600 is laid aside.

Under the previous order, Senator KASSEBAUM is now recognized to offer her amendment. The Chair recognizes Senator KASSEBAUM.

AMENDMENT NO. 601

(Purpose: To provide that Federal employees may not solicit, accept, or receive political contributions)

Mrs. KASSEBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mrs. KASSEBAUM], for herself, Mr. DOMENICI, Mr. GRASSLEY, Mr. ROTH, and Mr. SIMPSON, proposes an amendment numbered 601.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 15, line 22, beginning with the comma strike all through line 19 on page 16 and insert a semicolon.

Mrs. KASSEBAUM. Mr. President, on behalf of myself and Senator DOMENICI, Senator GRASSLEY, Senator ROTH, and Senator SIMPSON, I rise to offer this amendment as one who supports the reform of the Hatch Act. I believe there is much that has already been said, pro and con, and I agree with some of the comments just offered by Senator GLENN, who is putting forward these reform measures.

But the amendment that I am offering today would strike from S. 183 a special exemption that would allow Federal employees in labor organizations to solicit political contributions. It would still prohibit Federal employees who are not members of the union from soliciting a contribution, and there is a special exemption in this bill that I believe is not a wise or fair exemption.

Currently, all Federal employees are barred from soliciting political contributions. The Senate bill before us, S. 185, alters this prohibition by allowing union members to solicit contributions from fellow union workers. The amendment that I am offering would maintain the current law prohibition against soliciting political contributions in all cases.

The dangers inherent in allowing Federal employees to solicit funds have long been recognized. In fact, prohibitions against soliciting contributions were in existence for more than 50 years before the Hatch Act was passed in 1939. In 1882, the Supreme Court, in Ex parte Curtis upheld the prohibition against Federal employees soliciting other Federal employees for political purposes.

I think, Mr. President, that we are all well aware of the subtle pressures that accompany a request for money, particularly for political purposes. In my view, opening the door to the possibility of these pressures is unwise, especially in light of the fact that union employees can currently contribute to their union PAC's if they wish to do so.

Proponents of this exemption excuse the possibility of subtle abuses and argue that allowing solicitation within the union is a simple change that eliminates the dodge of bringing retirees in to seek contributions, which can now be done. Retirees of the union can solicit within the union.

Mr. President, this exemption would instantly grant fundraising authority to some 1 million union members in the Federal and postal work force. This is a substantial change that would undoubtedly increase the influence and financial power of the union PAC. This is especially troubling and ironic in light of the fact that the Senate recently passed a campaign finance bill that limited the influence of PAC's and PAC funds, and I believe rightly so, Mr. President, even though they do hold a place in our political system.

In addition, allowing solicitation even off the job would undoubtedly place employees in an awkward and uncomfortable position. The current law prohibition against solicitation provides an important protection for Federal workers who may be reluctant or unable to contribute to their union PAC.

I realize that some may argue that the private sector allows employees to solicit funds from fellow employees. It is true that businesses take political stands and solicit the sometimes reluctantly given help of their employees. This is an unfortunate situation in the private sector. But it is an intolerable situation for Government, which must be responsible for impartially carrying out its mission of serving citizens. Jeopardizing this neutrality is a risk that we cannot afford to take.

Mr. President, I have not in the past supported many of the reforms that have been set forth in similar legislation. However, after careful thought, I have decided that it is necessary to ease certain Hatch Act restrictions that are now set forth in S. 185. For example, I support eliminating the ambiguity in current law, and I also support according Federal employees the right to participate, limited as it may be, in political activities on their own volition. However, I think it is imperative that we draw the line somewhere to ensure impartiality of the Federal work force. It is a protection for them; it is a protection for us. And I believe that allowing solicitation would cross that line and threaten political neutrality.

Furthermore, proponents of Hatch Act reform legislation have long called for fair treatment of Federal employees. And I agree that Federal employees should be treated fairly. While S. 189 accomplishes this goal in many ways, it creates an additional political privilege for union employees by allowing them to solicit political contributions. The amendment that I will offer would correct this inequity by ensuring that all Federal employees, including those in Federal labor organizations, are prohibited from soliciting funds.

It is very clear cut, it is very simple, and I believe that it keeps the playing field level.

During debate on S. 185, proponents have called for eliminating the confusing and inconsistent aspects of the Hatch Act. I believe that clear lines must be drawn. However, S. 185 as it is currently written creates new confusion and is inconsistent in its distinction between union and nonunion employees.

If the goal of this legislation is to establish clear lines, it should not create another hazy distinction. Furthermore, I do not understand why the proponents are willing to allow union employees to solicit funds when they admittedly recognize the dangers of allowing Federal employees to solicit funds from the general public. This amendment would end the confusion by prohibiting solicitation in all cases.

I understand that the Senate bill is less expensive in this area than the House bill. However, I am convinced that this bill itself goes too far with regard to soliciting funds. The amendment that we are offering will eliminate the potential for subtle coercion and pressure that accompanies a request for political contributions.

I urge my colleagues to adopt it.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Does the Senator from Kansas reserve the remainder of her time?

Mrs. KASSEBAUM. Yes, Mr. President.

The PRESIDING OFFICER. There are 12 minutes, 30 seconds remaining.

Mr. GLENN. Mr. President, are there 40 minutes allotted, equally divided?

The PRESIDING OFFICER. That is correct.

Mr. GLENN. Mr. President, I yield myself such time as I may require.

Mr. President, I appreciate what the Senator from Kansas is trying to do. I know personally of her long interest in this and her interest in seeing that we get some of these things straightened out in the right way.

This amendment, however, as I understand it, is pretty much identical to an amendment that in 1990 was voted down by the Senator 63 to 35. In 1992 the Governmental Affairs Committee also rejected the amendment when it was offered by Senator ROTH. I believe it was the same amendment, or near an identical amendment, and it was voted down by the committee by 8 to 4.

Currently the rules for establishing and operating a PAC are found in Federal election laws administered by the FEC. The laws allow each PAC to decide which of its members may solicit contributions for the PAC. If the Congress prohibits PAC's as part of campaign finance reform, then Federal employees and postal PAC's would also be eliminated.

Under the current Hatch Act, Federal employees are prohibited from active participation in partisan political activities. Therefore, these employees are prohibited from being designated by a PAC to solicit campaign contributions.

How do they get around that, because they still have PAC's, and we still know they have money? I will tell you how. It is a little subterfuge, a little dodge. They cannot do it legally, and we have never corrected this—we say, OK, they can have some of their retirees do it from them and contribute the money to the PAC, or ask people to voluntarily give money to the PAC.

Well, that is just a dodge; it is a subterfuge. It gives the appearance of obeying the law, while at the same time finding a loophole to come around and in the back door and say we are still going to get money in the PAC.

Well, what we do in S. 185 is correct that. We make it very straightforward and we say that people can solicit money, still with very careful limitations, and only from within their own employee organization and not from any subordinate; and the money would go directly into the PAC, and it would stop this dodge and inconsistency of having to ask some of their retirees to do that job for them. It allows for employees to play an active role in the operation of any PAC to which they may belong, so long as that PAC is comprised solely of Federal or postal employees, and provided that no one asks for a contribution from a subordinate employee.

This means that a Federal or postal employee could—if designated by his or her PAC—solicit PAC contributions off the job. You cannot go in the office—once you are designated as that PAC's person—to ask for contributions. You cannot come in the office and say, "Will you contribute." It would still have to be off the job.

We prohibit all political activity on the job with S. 185. I keep hammering that, and hammering that thought home, because there has been so much misunderstanding. We tighten up the Hatch Act and make it tougher than it now is. No political contributions, no political activity, no wearing of a button on the job. So all we are talking about here is soliciting PAC contributions, designating an employee—off the job—to the PAC or the organization of which both the employee and the donor belong, and provided, as I say again for the third time, that the donor was not a subordinate employee.

S. 185 does not allow Federal employees to solicit funds on behalf of individual candidates. Not one of us here in the Senate could go to a PAC and say: Raise money for me and contribute to my PAC and go out and solicit for me money to be paid to my PAC. You could not do that.

You could not solicit directly for political parties. It can only be support for the PAC of the employee organization to which that person belongs. It does not allow employees to solicit contributions from the general public, which the House bill does. This bill does not do that. The PAC provisions are limited to organizations already in existence at the time of the bill's enactment.

So it does not create a new money pool of PAC money. The extent to which Federal employees would be able to engage in any political fundraising activity would be strictly limited under S. 185. Federal employees would not be able to solicit political contributions from anybody, except other members of their employee organization, who are not subordinate employees.

Furthermore, solicitations could only be made on behalf of their organization's political committee. Under S. 185, Federal employees cannot solicit funds on behalf of individual candidates, nor can they solicit funds for other PAC's or for political parties. Fundraising cannot be conducted while the employee is on duty, while in uniform, or while using a Government vehicle.

What does all this mean? It means Federal employees cannot solicit contributions from the general public. It means that a Federal employee will not be able to solicit contributions on behalf of the candidate of their choice from anyone. Nothing on the job—zero.

It means that no partisan political activity can occur during working

hours, even if it involves two members of the same Federal employee organization.

So I repeat, we tighten up the Hatch Act measurably on the job. On the job, zero, no contribution requests, nothing can be given. It would be illegal to give as well as to ask for. No buttons will be worn on the job. Nobody will be coerced. We tighten up the Hatch Act on the job.

In return for that, we say that off the job a person that cannot contribute the $1,000, which is legal under the Hatch Act and under current law—any Federal employee can contribute a check directly to their candidate of their choice. That is under current law. That is not changed.

They can put a yard sign in, and that shows what they are thinking about. They can put signs all over their yard and all over their car, if they want to. They can go to a rally, and they can wear buttons to work. Those things are legal right now.

So, what we do is tighten up on the job on what can be done and what cannot be done.

Mr. President, at the appropriate time before the voting time I will probably move to table the amendment.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Ohio reserves the remainder of his time.

The Senator from Ohio has 12 minutes remaining, and Senator KASSEBAUM has 12 minutes remaining.

The Chair recognizes the Senator from New Mexico.

Mr. DOMENICI. Senator KASSEBAUM asked me to speak on her time but I do not want to interfere with the distinguished chairman if he wants to speak on this also.

Mr. ROTH. I plan to speak, also.

Mr. DOMENICI. Could we split the time?

Would that be fair with the Senator?

Mr. ROTH. Yes.

Mr. DOMENICI. I yield myself 6 minutes and then yield the floor to the chairman.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 6 minutes.

Mr. DOMENICI. Mr. President, in 1990 I offered an amendment that excluded Federal employees of certain sensitive departments and agencies from participating in political activities because it had the potential of compromising their professional duties and leaving the impression that they are easily compromisable.

The ranking member of our committee on the floor is going to offer an amendment later on to expand on what is in this bill in terms of the exclusion and I am a cosponsor and will help him with that if he needs my help but I am going to support it wholeheartedly.

This amendment also included language that would bar any solicitation or acceptance of political contributions by employees of the Federal Government, the one I offered in 1990. I believe these concerns are as valid today as they were then.

I support Senator KASSEBAUM's amendment to bar solicitation of political contributions by Federal Government employees. As in 1990, I support some modification to the Hatch Act that would permit Federal employees to participate in significantly more ordinary citizen activities relative to the electoral process. At the same time, nothing precludes a Federal employee from contributing to a political candidate, nothing permits them now without any change in the law, nothing precludes a union member from voluntarily giving money to its union PAC, it is purely voluntary. That is the law now.

I believe that this spirit of voluntary participation is appropriate and it should continue. S. 185 now permits union members to solicit contributions from other union members as long as they are not subordinate employees. I have to question why we should introduce this new element into this voluntary system. It seems to me that since employees can already provide moneys to their favorite candidates or to their PAC, that we should not inject or interject any additional element that has the potential of placing partisan politics into professional relationships.

Frankly, I just see no merit to this. Instead I see the possibility of accusations being made that may not be true, and changing the relationship between workers that do not need to be changed. Prohibiting solicitation or acceptance of contributions just keeps politics out of the picture. It is simply a fairness issue for all concerned.

This is not an issue of depriving Federal employees of any fundamental rights unless you want to say that employees of the Government who are not union members cannot solicit the same way union members can. I have nothing against unions. In my State they are doing an excellent job, many of them are my friends but I do not understand why you are now going to say employees of the Government who are not union members cannot solicit the same way as union members. It seems patent to me. This is an effort to put more into the PAC's of the unions which we already know have a very, very big predisposition in terms of party politics.

In other words, the way I read S. 185 only union members can solicit moneys. If it is such a good thing why only union members? Why not other nonunion Federal employees? Do we only trust this right to be in one institution, either a union or something very much like it? It makes no sense to me. I think it is just not needed, period. We do not need Federal employees asking for contributions from other employees with all the potential problems that it can produce, and it will.

From a practical perspective S. 185 under it it seems to me that every Federal employees who is a member of a union would have to, one, ensure who he or she is talking to off duty, is already a member of the union and, two, is a subordinate employee. So what is the Federal economy going to say then: Oh, I am sorry I was going to ask you to give some money to help with X candidate but I guess I should not ask you?

It seems to me that since the union Federal worker can already give money to a candidate of his choice or to the union PAC if he or she is a member, then let us just leave the present law as it is. To the extent that we want Federal employees to put all their money in one place and support candidates that is happening now.

Is it the purpose of this bill to make that even more so, to the detriment of those employees who do not happen to belong? I do not think that is what we ought to be doing.

I yield the remainder of my time, if any, to Senator ROTH and he has additional 6 minutes under the Kassebaum amendment.

The PRESIDING OFFICER. The Chair will advise the Senator from Ohio has 12 minutes remaining and the Senator from Kansas [Mrs. KASSEBAUM] has 7 minutes 30 seconds.

Mr. GLENN. I yield myself such time I may require.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. GLENN. Mr. President, I point out to our distinguished colleague from New Mexico this does not apply just to unions. It is not just to unions, it is to any employee organization and all of them are not unions.

I would also point out that these solicitations are only permitted for multicandidate PAC's. You cannot solicit for an individual. For a multicandidate PAC.

But I also say that one of the reasons for writing S. 185 the way it is written is you can even term honesty in Government provision if you wanted to overblow this maybe just a little bit. But right now what happens is that you have an organization, they have a PAC. It is Government employees, and because of the current restrictions they have their retirees do the fundraising for the money for the PAC.

Oh, we say why go through a dodge like that? If you want to operate Government by subterfuge, Government by behind a very smokey glass of some kind there you do not want to be really straightforward about what is going on, then you have the retirees come in and do it. I am sure they are just as public-spirited as they have ever been, and 99$^{44}/_{100}$ percent of Government employees are just trying to do the very finest job they can. They are not trying to evade the law or do anything

dishonest or anything that would be improper.

So why have to rely on the retirees? Why not have designated people within the PAC who can come in and they can, off duty now not on the job, but strictly off duty can say: OK, we contribute to a PAC. I am contributing, will you? They are the designated hitter, in effect. They are the people who will do that kind of fundraising and it does not have to go through subterfuge, this dodge of getting the retirees to come in and do it for us here. Why not be straightforward about these things?

Keep coming up about all these subtle pressures, I do not think it is very subtle when under current law an IRS person or anybody else in any one of these Government agencies right now can write a check now or are permitted to be right now.

Of course they are. Nothing says that you prohibit all political activity by Government employees. Right now every Government employee can write a check of $1,000 to a candidate of their choice. They can also put yard signs out. They can cover up their front yard with yard signs. They can put yard signs all over their car, bumper stickers all over the place, drive around town pointing to the yard sign on the car. Is that illegal? No, it is not under law. Can they go to a rally? Yes, they can go to a political rally. But take one of the yard signs in the political rally, wave the sign a little bit, take one sign into that rally and wave it in the rally that is illegal. That it is so shows only of the inconsistency of the Hatch Act now.

That is the kind of thing we are trying to correct.

You talk about subtle pressure, you are, let us say an IRS agent is auditing and you go down for this audit, and there sits the IRS agent with a great big Bush campaign button. It can be any size of inches across if you like, he is going to do the audit, it gives you a little idea what that person's views are when you are asking questions, it sure does. That is permitted under current law though those people who think everything under the Hatch Act is so pristine pure, they have not read the Hatch Act that is all. We tighten up on things like that with this. We make the Hatch Act tougher.

This is not the House bill, as I keep pointing out. So what we try to do and the reason I oppose this particular amendment is because by saying that what we are trying to do by knocking out what we are doing in S. 185, which this amendment would do and say there can be no solicitation at all, all we are doing is say we will just continue with the same old dodge that the retirees will go around and do the solicitation.

What we say is why not be honest about this thing and say the employee organization or active employees there they have a designated hitter that can raise funding but not on the job. If that person wants to go around to a nonsubordinate someone not their subordinate say you can contribute to the PAC it for employees. It is a multicandidate PAC.

I just think that is honesty in Government. That is doing things in the open the way it should be done and not by some subterfuge in some circuitous route.

I reserve the remainder of my time.

How much time do I have remaining?

The PRESIDING OFFICER. The Senator from Ohio has 6 minutes and 36 seconds remaining. The Senator from Kansas [Mrs. KASSEBAUM] controls 7 minutes and 30 seconds.

Mr. ROTH. Mr. President, I yield myself such time as I may take.

The PRESIDING OFFICER. The Chair recognizes the Senator from Delaware under Senator KASSEBAUM's time.

Mr. ROTH. Mr. President, last Thursday's New York Times headlined its principal editorial with the words "Save the Hatch Act."

The chairman keeps talking about the fact that S. 185 strengthens the Hatch Act, but that is directly contrary to what over 100 different editorials scattered throughout this country have had to say. Some of them are admittedly directed at the House bill, which is stronger or goes further towards relaxing the standards, but, basically, many of them address the Senate bill, including the New York Times.

Today, the New York Times has a second editorial which has as its headline: "Mr. Glenn Hatchets the Hatch Act." It points out that the Republicans are offering two amendments that would do much to improve the Democratic bill. One is the Internal Revenue Service examiners and auditors, which I just offered a few minutes ago. But the other that the New York Times endorses would keep all Federal employees from participating in political fund-raising.

The editorial points out that the Senate bill is not as irresponsible as the House bill, but then it goes on to point out that: "The Glenn bill would free Federal civil servants, including prosecutors, to do campaign work in their off hours. Worse, it would allow Government workers to solicit coworkers for contributions to their union PAC's."

It points out: "The measure does contain penalties for coercion. But "—as I have been saying and the editorial agrees—"in the real world, these penalties would not provide adequate protection against the subtle pressures Federal workers will inevitably face to contribute their time and money to partisan causes."

It then points out that: Pressed by Senator DOLE and myself last week, there were modifications made to "keep existing restrictions for top-level bureaucrats in the Senior Executive Service, administrative law judges, the Board of Contract Appeals, and a dozen sensitive security agencies, including the CIA, the FBI and the Defense Intelligence Agency.

"But heeding the wishes of his party and the union officials who hovered within close earshot of the negotiations, Mr. GLENN insisted on relaxing Hatch Act prohibitions on IRS examiners and auditors, notwithstanding the Nation's strong stake in keeping the tax agency completely untainted by the appearance and reality of partisanship."

Then it points out:

With President Clinton apparently ready to sign any Hatch Act changes Congress presents, today may be the last chance to frame a more reasonable revision. The Republican amendments now give Democrats a heavy burden. Let them try to explain—with a straight face—why it is in the public interest to throw IRS agents and the rest of the Federal work force into the thick of Washington's political money game.

Mr. President, I ask unanimous consent that the text of the editorial in today's New York Times be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 20, 1993]

MR. GLENN HATCHETS THE HATCH ACT

All the lofty promises of political reform cannot hide one bedrock truth: In Congress, big money still talks. Today, the millions of dollars that Federal and postal union political action committees pour into Congressional campaigns will be talking loudly when the Senate takes up a misguided Democratic plan to ease Hatch Act restrictions on partisan political activity by Federal employees.

Two Republican amendments would do much to improve the Democratic bill. One would maintain current Hatch Act restrictions for Internal Revenue Service examiners and auditors. The other would keep all Federal employees from participating in political fund-raising.

The Hatch Act overhaul proposed by Senator John Glenn, Democrat of Ohio, isn't as damaging as the utterly irresponsible revision approved by the House in March. In contrast to the House measure, Mr. Glenn's bill would maintain the present restrictions that prohibit Federal employees from running for elected office and soliciting political contributions from the public.

But the Glenn bill would free Federal civil servants, including prosecutors, to do campaign work in their off hours. Worse, it would allow Government workers to solicit co-workers for contributions to their unions' PAC's.

The measure does contain penalties for coercion. But in the real world, these penalties would not provide adequate protection against the subtle pressures Federal workers will inevitably face to contribute their time and money to partisan causes.

Pressed last week by the Senate minority leader, Bob Dole, and Senator William Roth, Republican of Delaware, Mr. Glenn agreed to modify his bill to keep existing restrictions for top-level bureaucrats in the Senior Executive Service, administrative law judges,

boards of contract appeals and a dozen sensitive security agencies, including the C.I.A., the F.B.I. and the Defense Intelligence Agency.

But heeding the wishes of his party and the union officials who hovered within close earshot of the negotiations, Mr. Glenn insisted on relaxing Hatch Act prohibitions on I.R.S. examiners and auditors, notwithstanding the nation's strong stake in keeping the tax agency completely untainted by the appearance and reality of partisanship.

He also dismissed as non-negotiable the Republicans' sensible efforts to bar all Federal employees from soliciting, accepting or receiving any political contributions—a reminder, in case anyone had forgotten, that money, not free speech, is what's really driving the Democrats on this issue.

With President Clinton apparently ready to sign any Hatch Act changes Congress presents, today may be the last chance to frame a more reasonable revision. The Republican amendments now give Senate Democrats a heavy burden. Let them try to explain—with a straight face—why it's in the public interest to throw I.R.S. agents and the rest of the Federal work force into the thick of Washington's political money game.

Mr. ROTH. Mr. President, I congratulate my distinguished colleague from Kansas for the amendment she has offered today. It would, of course, strike from the bill the authority to allow Federal and postal employees to solicit political contributions.

Now it has been argued by my distinguished chairman that the PAC provision in the bill is merely a technical change; it is not that much different than current law. But I have to say that this is no small technical change. This one provision alone will allow nearly 1 million Federal and postal employees to solicit political contributions from one another. That is a very significant change.

Proponents suggest that this amendment is not needed because Federal employees can already contribute money contributions. We all know that. This amendment would not change that. That argument, Mr. President, is the biggest red herring I have ever seen.

What the bill would change, however, is to allow nearly 1 million employees to solicit contributions in a way that is not permitted under current law. Of course Federal and postal employees can contribute money to political action committees. They do so to the tune of more than $3 million per election cycle. This amendment is aimed at who is doing the soliciting. It simply strikes the ability of Federal and postal employees from soliciting from each other.

This is not current law—Federal employees cannot solicit from other Federal employees, and this amendment would conform this legislation to current law.

More than 100 years ago, the Congress enacted, the President signed, and the Supreme Court upheld a prohibition against Federal employees contributing to or soliciting other Federal employees for political purposes. This legislation would repeal a similar provision in current law.

In 1882, the Supreme Court considered a case Ex parte Curtis, which arose before the major civil service reforms of both the Pendleton Act and the employee protections of the Lloyd-LaFollette Act and the Hatch Act. In this case, the Supreme Court upheld a prohibition against Federal employees contributing to or soliciting other Federal employees for political purposes.

Why is it that proponents are so interested in repealing more than 100 years of precedent in this area? Because as the New York Times pointed out in its editorial last Thursday, July 15, 1993:

It's greed time in the nation's Capitol. Congressional Democrats, grateful for years of generous campaign giving by Federal and Postal union political action committees—and eager for more help in the future—are about to relax Hatch Act restrictions on active participation by Federal employees. * * * For now, Senate Democrats seem determined to get Federal civil servants in the business of hustling political contributions from their co-workers. That makes it plainer than ever: The Democrats' biggest concern here isn't free speech or good government but political money and influence.

I ask unanimous consent that the entire New York Times editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 15, 1993]

SAVE THE HATCH ACT

It's greed time in the nation's capital. Congressional Democrats, grateful for years of generous campaign giving by Federal and postal union political action committees—and eager for more help in the future—are about to relax Hatch Act restrictions on "active" partisan political activity by Federal employees.

From the public's standpoint and that of Federal workers who would face pressures to give money and time to partisan causes, it's a bad idea. But the House approved a bill in March, and President Clinton says he will sign any Hatch Act revision that Congress serves up. Thus, some weakening of the 1939 act seems inevitable this year.

The extent of the overhaul is now squarely before the Senate. The Senate majority leader, George Mitchell, and his Democratic colleagues can show character by accepting a reasonable Republican proposal that would maintain current Hatch Act restrictions for the most sensitive Government posts and agencies, and keep all Federal employees out of the political fund-raising game.

Critics of the Hatch Act complain it stifles the political rights of Federal employees. But even "Hatched" workers can vote, make political contributions and participate in their off hours in nonpartisan political activities. While some of the rules are needlessly complex, the remaining curbs on partisan activity, designed to protect the public from a politically tainted Civil Service, have been upheld by the Supreme Court.

Unlike the aggressively misguided revision rushed through the House in March, the measure proposed in the Senate by John Glenn, Democrat of Ohio, would still prohibit Federal employees from running for partisan elected office and soliciting political contributions from the public. However, like a similar measure wisely vetoed in 1990 by President Bush, the Glenn bill would allow civil servants to serve after working hours as active party and campaign workers and, more troubling, to solicit co-workers for contributions to their union's PAC's. Mr. Glenn provides penalties for coercion, but they are inadequate to protect Federal employees, who can now turn aside political overtures by saying, "Sorry, I'm Hatched."

The Senate minority leader, Bob Dole, and Senator William Roth, Republican of Delaware, have now proposed a reasonable compromise. Their amendment would exempt from the proposed relaxation on partisan politicking high-ranking career employees across Government who work closely with political appointees. It also excludes the intelligence services and other sensitive agencies like the Justice Department and Internal Revenue Service, where maintaining the perception and reality of nonpartisanship is crucial. All Federal employees would be barred from soliciting, accepting or receiving political contributions.

For now, Senate Democrats seem determined to get Federal civil servants in the business of hustling political contributions from their co-workers. That makes it plainer than ever: The Democrats' biggest concern here isn't free speech or good government but political money and influence.

Mr. ROTH. Mr. President, this amendment would cure what we believe is a blatant defect in this legislation. As it now stands, this legislation would open the door to even greater PAC collections. This is at the same time the Congress is considering campaign finance reform.

One of the principal thrusts of campaign reform is to do something about PAC's. PAC's are seen as an undesirable method of fundraising. So why is the majority proposing we expand PAC's less than 1 month after the Senate voted to eliminate PAC's completely?

Isn't it ironic that in one of the first bills we are considering after campaign finance reform, a measure which would ban PAC's, the majority is proposing to strengthen employee organization PAC's.

What is the rationale for such action? To correct "a dodge," as the distinguished Senator from Ohio suggested on Thursday? I do not think so. Not only would this legislation expand PAC's, but when one examines where Federal and postal employee PAC contributions go, one begins to understand the very impetus behind this legislation.

Of the total political contributions given by these PAC's in 1990 and 1992, 89 percent went to Democratic candidates and 11 percent went to Republicans. In 1987 and 1988, 88 percent went to Democratic candidates and 12 percent went to Republicans. No wonder the Democrats want this provision so badly.

The distinguished Senator from Ohio will argue that the provision in S. 185 which prohibits superiors from soliciting subordinates provides sufficient

protection for subordinates. Yet, given the level of movement within the Federal work force, an individual who is a colleague or peer one day can be promoted into a supervisory position soon thereafter. Knowing this, employees will feel pressure to contribute involuntarily. No one desires this result. This amendment will remedy it.

In addition, if a superior is known to favor one political candidate over another, one of the subordinates may think it pleasing to the superior to solicit contributions from the subordinate's colleagues. Even if the superior does not solicit the subordinate, those being subordinated will feel pressure to contribute.

The distinguished Senator from Ohio attempts to narrow the expansive nature of this provision of S. 185 with the argument that unions will designate members to solicit other members. But there is nothing in the bill which would require such designations. Perhaps the chairman will point out to me in the bill where such designations are required. But I have not found it.

And as a result, let us be clear about what this provision does—it will expand by nearly 1 million individuals the number of people who could solicit contributions for these PAC's. Make no mistake regarding this provision.

Under this scenario, any members of the network can solicit contributions, pledges, payment for services, or services themselves from any other member of the network. Congress will have created a much greater political force in postal and Federal employees organizations.

I understand the Senate bill is less expansive than the House bill. But as we consider breaking more than 100 years of precedent in this area, we should be mighty careful. Unfortunately, by allowing solicitation, even within one's own PAC, this will have an enormous impact on the amount of pressure, subtle as it may be, on an employee to become involved in partisan political activity against his will.

Mr. President, this amendment would prohibit soliciting by Federal employees for political contributions and action committee funds. This is the current law, nothing more, nothing less. I urge my colleagues to adopt this amendment.

The PRESIDING OFFICER. The time of the Senator from Delaware has expired.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Ohio for the 6 minutes remaining.

Mr. GLENN. Mr. President, I have said before during consideration of this act, I never cease to be amazed by some of the things being said about it, including those things said by the New York Times.

The implication that suddenly we are just taking all restrictions off just is not correct. The solicitations permitted right now under the Hatch Act by retirees who raise money, who go and raise money of members of the organization to contribute to a PAC, are permitted right now. That is a dodge. That is not straightforward. It is a way of getting around what people thought were restrictions.

Why not be straightforward about this thing? Why not say the employees can, for this multicandidate PAC, ask for their contributions openly, straightforwardly, off the job. They cannot do anything political on the job. That is where we tighten up. People keep ridiculing this, making fun of it, that we have not really tightened up the Hatch Act. I think it tightens it up considerably when you say you cannot even wear a campaign button to work, you cannot do any political speechmaking at work, you cannot go solicit people to vote for a certain person at work. I think this tightens things up. So I think it is a better Hatch Act with this change that we have with S. 185.

Why not let people? If we are going to have PAC's and they are still legal—maybe one of these days under campaign reform we will do away with PAC's. When we do that, that is a different ball game. But right now PAC's are still permitted. But to say the only way you can have an employee group that wants to form an interest group in their workplace, they want to have a PAC—and that is not illegal now—but the only way they can raise any money for that PAC is to have the retirees come in and solicit people? Why not be straightforward and just say the members of that organization can solicit off the job and raise money for that PAC? It is all straightforward, it is all reported, and that is the way we do it.

If there is coercion, right now if there is anybody who tries to coerce, I read into the RECORD a little earlier all the Federal laws that apply. If anyone tries to coerce someone else or tries to put pressure on them, there are very stiff penalties: Being fired, jail terms, a $10,000 fine, and so on.

So right now, people can be political. They can write a check, put the yard signs out, car signs, go to a rally, wear buttons to work, and so on. That is all permitted right now. That would not be changed under this at all. All we are talking about with this particular amendment is whether we are going to be straightforward and honest about letting people solicit for contributions for their employee PAC, multicandidate PAC. It cannot be designated for a particular person except with the whole PAC operating together as their PAC contribution.

I just do not see anything wrong with what we have provided for under S. 185. At the proper time, I will move to table the amendment.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Chair advises the Senator from Ohio he has 2 minutes remaining.

Mr. GLENN. Mr. President, I also add, as I said a little while ago, the administration has indicated to us they oppose this amendment.

I yield the remainder of my time.

Mr. SIMPSON. Mr. President, I rise to commend Senator KASSEBAUM for offering this very important amendment, and I am pleased to support her efforts.

Under this bill, Federal union members would be allowed to ask other fellow union members for campaign contributions to their political action committees or PAC's, off duty. Do we really believe that no one would dare approach a fellow union member on the job, by the water cooler perhaps? Why in an ideal world, no one would ever do something like that. But unfortunately we don't live in an ideal world. We know full well from experience that human beings will do these things. When your boss mentions at a weekend picnic that you might want to contribute some money to his favorite PAC, it would certainly get your attention. Surely, we are not all that naive to believe that will not happen. Because that is exactly what will happen if we do not approve this amendment offered by our distinguished friend from Kansas, Senator KASSEBAUM.

Mr. President, Senator GLENN has told us on more than one occasion during the course of this debate that he cannot support this amendment because it would put an end to Federal employee PACs as they exist today. That simply is not correct. This amendment merely restores existing law. Let me repeat: it puts us at square one—right where we are today. As we all are very well aware, Federal employee PAC's are alive and kicking and doing quite well, thank you, at this very moment. So let us lay that argument to rest right here and now.

But suppose, for the sake of argument, that the Senator from Ohio is right and this amendment does in fact put an end to Federal employee PAC's. If that is indeed his rationale for opposing this amendment, then I do find it curious that on May 26, he voted in favor of the Pressler amendment to the campaign finance reform bill. That amendment expressed the sense of the Senate that special interest PAC's should be eliminated. The Senator from Ohio, and the rest of the Senate agreed: we should crack down on PAC's to achieve real reform in our campaign finance laws.

That vote occurred less than 2 months ago, and today a whole slew on the other side of the aisle are gearing up to change that vote. Sure we want to ban PAC's, but if a PAC happens to provide 90 percent of its money to Democratic Party candidates, then we must ensure its survival.

This bill doesn't reform the Hatch Act. It guts it. Quite frankly, when you

take existing law—which states that "Federal employees may not solicit" and remove "may not" and replace it with "may"—you are in essence erasing all that the Hatch Act is really about. Mr. President, I urge my colleagues to remember the importance of consistency and to support the Kassebaum amendment.

The PRESIDING OFFICER. Under the previous order the Kassebaum amendment No. 601 is laid aside. The next order of business will be the Senator from Delaware being recognized to offer an amendment on which there will be 30 minutes for debate equally divided and controlled in the usual form.

The Chair will then recognize the Senator from Delaware [Mr. ROTH].

AMENDMENT NO. 602

(Purpose: To provide that employees of the Criminal Division of the Department of Justice may not take an active part in political management or political campaigns)

Mr. ROTH. Mr. President, I send an amendment sponsored by myself, Mr. DOMENICI, Mr. DURENBERGER, and Mr. GRASSLEY to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH], for himself, Mr. DOMENICI, Mr. DURENBERGER, and Mr. GRASSLEY, proposes an amendment numbered 602.

Mr. ROTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 17, insert between lines 15 and 16 the following new paragraph:

"(3) No employee of the Criminal Division of the Department of Justice (except one appointed by the President, by and with the advice and consent of the Senate), may take an active part in political management or political campaigns.

On page 17, line 16, strike out "(3)" and insert in lieu thereof "(4)".

The PRESIDING OFFICER. The Chair recognizes the Senator from Delaware for 15 minutes.

Mr. ROTH. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized for 5 minutes.

Mr. ROTH. Mr. President, my amendment states simply that employees of the Department of Justice Criminal Division may not take an active part in political management or political campaigns.

Why the Criminal Division within the Department of Juctice? Because as the Nation's top prosecutor, the Criminal Division is responsible for our country's most sensitive prosecutions—cases involving major drug and narcotics distribution, bank fraud, terrorism, racketeering, and organized crime. The investigation and prosecution of such cases requires the utmost sensitivity in avoiding the appearance of impropriety and conflicts of interest. A prosecutor active in partisan politics is more likely to be tainted by a political bias, which will lead to difficulty in avoiding such conflicts.

Criminal prosecutors necessarily exercise a great deal of discretion in deciding who to investigate or who to prosecute. IRS criminal investigators and FBI agents clearly have an important role to play in deciding whether criminal prosecutions are to be brought, and we are right to be sensitive about insulating them from political influence and political interference. The step we took on Thursday in excepting these employees was clearly a step in the right direction.

It makes little sense to prohibit the investigators from taking an active part in partisan activity and to allow prosecutors to be active in partisan causes. It is the prosecutor who makes the final decision about whether or not to bring a prosecution. That is why it is so important that those in the Criminal Division be exempt from the changes in the Hatch Act. Prosecutors should be kept free of even the appearance, even the suspicion, of political influence and favoritism.

The Justice Department has long recognized the need to insulate sensitive prosecutive decisions from political influence. That is why criminal tax prosecutions, criminal civil rights prosecutions, and criminal RICO prosecutions must generally be initially authorized by career Department of Justice personnel in Washington, DC, rather than by politically appointed U.S. attorneys. Allowing career criminal prosecutors to become heavily involved in political activity would undermine these efforts.

Without this amendment, employees with such discretion would be able to actively participate in partisan politics. My concern, Mr. President, is that this would undermine public confidence in our Federal criminal justice system and risk creating an appearance of political influence on prosecutive decisions that ought to be based solely on the evidence and the law.

Mr. President, the Senate took the important step last Thursday of prohibiting employees of the Office of Special Counsel from taking an active part in political management or political campaigns. I believe that Senate acted out of concern over perceived conflicts of interests of individuals who are responsible for enforcing the Hatch Act and bringing civil actions for alleged violations of the law. Having taken that step, what about Federal prosecutors who investigate and prosecute criminal matters related to allegations of such wrongdoing?

The public integrity section within the Criminal Division is the linear descendent of the Watergate Special Prosecution Force. It was believed that the Department needed to have specialists insulated from all political interference. The public integrity section manages the Federal Government's responsibility for prosecuting corruption of Government processes at all levels of Government.

The public integrity section prosecutes all forms of campaign finance crimes, and bribery and extortion involving Federal officials.

The public integrity section of the Criminal Division is responsible for investigating and prosecuting public officials including cases against Members of Congress and Federal judges. It is not unheard of for defendants whose political careers may be on the line to see if they can get the indictments dismissed through the use of private investigators to investigate the prosecutors in order to find a basis for such dismissal.

What would the people think of a prosecution by a Criminal Division lawyer who was an active partisan at night against an important Member of Congress of the opposing party? The Governmental Affairs Committee has ordered reported the reauthorization of the independent counsel law in order to assure the American people that in critical cases involving Washington's top public officials that there is no bias for or against the defendants in the prosecution.

Why is it so easy to see the need to avoid perceived political conflict of interests on the one hand and not on the other? How is it possible for the committee to be so concerned about the problem one day and so oblivious the next? Anyone who is concerned about impartiality and credibility of Government should support this amendment.

Mr. President, the Federal Bar Association testified that Federal attorneys should be exempt from S. 185. Prosecutions by the Criminal Division and the Public Integrity Sector are, by their nature, very public matters. This amendment is the least we can do to ensure the American people that the Nation's laws are being administered on a nonpartisan basis. The Criminal Division is a relatively small unit of Government—about 770 people—but it is one of the most important and most sensitive in Government. For that reason, I urge the adoption of my amendment.

I yield the floor, reserving the remainder of my time.

The PRESIDING OFFICER. The Senator from Delaware yields the floor. The Chair advises the Senator from Ohio that he has 15 minutes remaining and the Senator from Delaware 7 minutes. The Senator from Ohio [Mr. GLENN] is recognized.

Mr. GLENN. Mr. President, once again, as many times on the floor and in this debate since we started, I find myself talking about things that are

already permitted under the Hatch Act as though they are not under the Hatch Act now and opposing amendments which purport to correct something that I just do not think needs correcting.

I will say all these things my distinguished friend across the aisle comments on about what if we let them be active at night, once they went home, once they are off duty? "What if," as though S. 185 is going to permit that and as though they cannot do anything at night right now.

That person right now, whether he or she be in the Justice Department as a prosecutor, or wherever, can go home and write a check for $1,000, if that person wants to, for a candidate of his or her choice. They can put up yard signs. They can walk around their neighborhood with signs if they want to. They can put signs or bumper stickers all over their cars and go to rallies. They can wear buttons to work. They are permitted that kind of political activity right now. In some of those areas, S. 185 tightens up.

So all these things that are tossed out here as though the prosecutors are going to suddenly be able to do all these things that are bad, they are permitted to do all those things now. I see no reason why they are going to try to do more things. In fact, we tighten up and permit them to do fewer things than they can do right now.

So that is a basic reason that I oppose this amendment.

Mr. President, the amendment would impact approximately 770 people in the Criminal Division of the Department of Justice. I point out again that in the Department of Justice, as in other agencies, there are internal agency regulations that we should certainly mention in this debate. The Department of Justice regulations on employee conduct in 28 CFR 45.735 directs that DOJ employees must disqualify themselves from a criminal investigation or prosecution if an employee has a political relationship with a person or organization related to the investigation or prosecution. An employee must also disqualify himself or herself from investigations or prosecutions if the political relationship represents an appearance of a conflict of interest, just an appearance of a conflict of interest, or an actual conflict of interest, of course.

According to the DOJ regulations, a political relationship is defined as:

> A close identification with an elected official, a candidate, whether or not successful, for elective public office, a political party or a campaign organization.

That is section 45.735–4.

These restrictions apply to employees who work at the Federal Bureau of Investigation and the Drug Enforcement Agency as well.

So these are internal regulations to protect them from the abuses that we are talking about. It should be pointed out that the regulations do not provide for punitive action against employees who maintain such involvement, only disqualification from some kinds of work.

As everyone knows, we have defeated a number of amendments to exempt certain categories of employees from the terms of Hatch Act reform in past considerations. We have defeated these amendments in committee and on the floor. We have done so for a number of reasons.

First, there are numerous statutes in titles 5 and 18 of the United States Code, which provides criminal and civil penalties for the misuse of confidential information by any Federal employee. Nothing in S. 185 will affect those prohibitions and penalties.

Furthermore, I would like to point out that the people with the greatest access to sensitive information—the agency heads, secretaries, Presidential appointees confirmed by the Senate—are currently exempt from any Hatch Act restrictions and can participate in political campaigns and fundraising activities. I think that is something a lot of people forget. They think that, if we are going to change the Hatch Act, this applies to everyone in Government service. It does not. We have some 2,000 political appointees who serve at the pleasure of the President, appointed when any administration changes. Those people are not covered at all under the Hatch Act or anything else. They are permitted to do whatever they want: Go out and give campaign speeches, raise money, do whatever. These are the people at the top levels of Government—the agency heads, secretaries of the Departments, Presidential appointees confirmed by the Senate. They are all exempt from any Hatch Act restrictions whatsoever. They can participate in political campaigns and fundraising activities as they so choose.

Second, this amendment should be defeated because S. 185 is a very moderate proposal. S. 185 strictly prohibits all Federal employees from soliciting political contributions from the general public. The House bill is not like that. I keep having to point out the differences because you would not even recognize these as addressing the same subject hardly with the differences between the Senate bill and the House bill.

Under our bill, a Federal employee will not be able to solicit contributions on behalf of the partisan candidate of their choice from anyone. Under our bill, Federal employees will still be prohibited from running for partisan elective office.

The House bill permits both those things to occur. Under the House bill, civil service people could go out and raise money from the general public—I disagree with that one—and they can run for partisan political office. I said before, this bill does not repeal the Hatch Act, does not make changes like that. It simply continues it in a way that is more fair to Federal workers.

The fact is that 41 State governments now have more liberal Hatch acts than the Federal Government. Those States collect taxes, they enforce the laws also. There is no evidence, I believe, that those State employees in sensitive positions use their positions to influence political activity or State or local police officers who investigate crimes and complaints. I think Federal employees can, as a whole, be trusted to obey that bright line between their job and their off-duty political activities. The purpose of S. 185 is to clarify the confusion and the illogic of current law governing the political activities of Federal and postal employees and to make those laws more fair.

That is all this bill, S. 185, does.

(Mrs. BOXER assumed the chair.)

Mr. GLENN. Madam President, I reserve the remainder of my time.

I correct that. I yield myself—how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 7 minutes remaining.

Mr. GLENN. Madam President, the review of criminal restrictions other than the Hatch Act, which I read into the RECORD last week, I think, is worth mentioning again. We have eight different Federal statutes that apply to all sorts of coercion or intimidation or threats to try to influence Federal employees quite apart from the Hatch Act. These cover a multitude of things on trying to get people to vote or trying to affect the nomination of a candidate or trying to use a position for benefit one way or another.

Almost everything is covered by strict Federal penalties of either $5,000 or $10,000 fine and imprisonment of a year or more under all of these.

And they cover all of the things we seem to be debating on these amendments. Federal employees, civil service employees cannot just go out, regardless of the Hatch Act, and do some of the things that many of these editorials seem to imply they would be able to do.

What we do with these restrictions, we actually tighten up on the Hatch Act. And in return for that we say everybody should be able, as an American citizen, to have some political activity. It should go beyond just being able to contribute, which they can do now. And so that is what we permit. It is that simple.

All these dire things of what is going to happen under the act, I would say, if this passes, this is not going to be some great floodgate that opens. In fact, it is going to tighten up what they can do on the job and under very tight restrictions would permit a little more to be done off the job, as every other American can do, but still under very, very

tight controls, including all of these eight other Federal statutes that carry along with them very stiff penalties in case violations occur.

Madam President, I reserve the remainder of my time.

Mr. ROTH. Madam President, I yield myself such time as I may take.

Madam President, I find it somewhat difficult to follow the rationale of the actions on the part of the majority.

Last week, we, of course, exempted from the relaxation of the Hatch Act the Office of Special Counsel. The Office of Special Counsel is, of course, the government agency which has responsibility for civil prosecutions of the Hatch Act, and yet today we are asking that an exemption from the relaxation be made of the Justice Department's Criminal Division.

Now, the Criminal Division is responsible for prosecuting criminal violations of the Hatch Act. Obviously, those are the more serious violations. And yet we find that the majority is not willing to exempt the Criminal Division. We think this is irrational and difficult to reconcile.

I might point out that we are not only, of course, talking about prosecutions of the Hatch Act but many other sensitive areas as well such as cases involving drug and narcotic distribution, bank fraud, terrorism, racketeering, and organized crime.

As I said earlier, the investigation and prosecution of such cases requires the utmost sensitivity in avoiding the appearance of improperly and conflict of interest. A prosecutor active in partisan politics is more likely to be tainted by a political bias which will lead to difficulty in avoiding such conflicts.

I cannot emphasize too much that criminal prosecutors necessarily exercise a great deal of discretion, discretion in deciding who to investigate and who to prosecute. The step we took last Thursday in exempting FBI agents and the IRS criminal investigators was right. But we should perfect that action by accepting the amendment I propose today.

Now, proponents of S. 185 argue that Federal agencies under this legislation will retain the authority to prohibit certain sensitive employees from active involvement in political management or political campaigns. However, the text of S. 185 itself clearly indicates that agencies will have no such authority.

S. 185 provides that "an employee may take an active part in political management or in political campaigns." There is absolutely no authority provided the agencies to limit activity beyond the prohibitions expressly contained in S. 185.

We asked that question of the representative of the Federal Bar, and he so testified, that there was no discretion, that we were strictly limited as to what could be done by S. 185. And I would like to point out S. 185 declares it is the policy of Congress that "employees should be encouraged to exercise fully, freely and without fear of penalty or reprisal and to the extent not expressly prohibited by law"—let me reread that because those words are especially important—"to the extent not expressly prohibited by law their right to participate or to refrain from participating in the political processes of the Nation."

Madam President, I read this language to state clearly, unequivocally that without an express prohibition stated in statute, the President or an agency will lack the authority, the necessary authority to provide for additional prohibitions beyond S. 185.

Mr. President, that is the reason why my amendment is necessary, and I urge my colleagues to support this amendment.

I yield the floor and reserve the remainder of my time.

Mr. GLENN. Madam President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Ohio has 4 minutes 16 seconds remaining.

Mr. GLENN. Madam President, I am a little bit surprised to hear my colleague across the aisle saying he thinks things should be prohibited by law. I gather that we should encourage people not to participate in politics. I would say it is quite all right to participate in politics unless expressly prohibited for certain reasons, and that is why the United States Code, 18 U.S.C. 594 says:

Whoever intimidates, threatens, coerces, or attempts to intimidate, threaten or coerce any other person for the purpose of interfering with the right of such other person to vote * * * or not vote—

It goes on and on.

It is voting and it is on influencing people in a certain way, in a certain job. These are all covered under eight different parts of the United States Code, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REVIEW OF CRIMINAL RESTRICTIONS OTHER THAN HATCH ACT

18 U.S.C. 594: "Whoever intimidates, threatens, coerces, or attempts to intimidate, threaten or coerce, any other person for the purpose of interfering with the right of such other person to vote or to vote as he may choose, or of causing such person to vote for, or not vote for any candidate for the office of President, Vice President, Presidential elector, member of the Senate, member of the House of Representatives * * * at any election held solely or in part for the purpose of electing such candidate, shall be fined not more than $1000 or imprisoned not more than one year, or both."

18 U.S.C. 595: "Whoever, being a person employed in any administrative position by the United States, or by any department or agency thereof * * * uses his official authority for the purpose of interfering with, or affecting, the nomination or the election of any candidate for the office of President, Vice President, Presidential elector, Member of the Senate, Member of the House of Representatives * * * shall be fined not more than $1000 or imprisoned not more than one year, or both."

18 U.S.C. 599: "Whoever, being a candidate, directly or indirectly promises or pledges the appointment, or the use of his influence or support for the appointment of any person to any public or private position or employment for the position of procuring support in his candidacy shall be fined not more than $1000 or imprisoned not more than one year, or both; and if the violation was willful, shall be fined not more than $10,000 or imprisoned not more than two years, or both."

18 U.S.C. 600: "Whoever, directly or indirectly, promises any employment, position, compensation, contract, appointment, or other benefit, provided for or made possible in whole or in part by any Act of Congress, or any special consideration in obtaining any such benefit, to any person as consideration, favor, or reward for any political activity or for the support of or opposition to any candidate or any political party in connection with any general or special election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, shall be fined not more than $10,000 or imprisoned not more than one year, or both."

18 U.S.C. 601: "Whoever, directly or indirectly, knowingly causes or attempts to cause any person to make a contribution of a thing of value (including services) for the benefit of any candidate or any political party, by means of the denial or deprivation, or the threat of the denial or deprivation, of—

(1) any employment, position, or work in or for any agency or other entity of the Government of the United States, a State, or a political subdivision or a State, or any compensation or benefit of such employment, position or work; or

(2) any payment or benefit of a program of the United States, a State, or a political subdivision of a State; if such employment, position, work, compensation, payment, or benefit is provided for or made possible in whole or in part by an Act of Congress, shall be fined not more than $10,000, or imprisoned not more than one year, or both."

18 U.S.C. 602: "It shall be unlawful for—

* * * * *

(3) an officer or employee of the United States or any department or agency thereof; or

(4) a person receiving any salary or compensation for services from money derived from the Treasury of the United States to knowingly solicit, any contribution * * * from any other such officer, employee, or person. Any person who violates this section shall be fined not more than $5,000 or imprisoned not more than three years, or both."

18 U.S.C. 607(a): "It shall be unlawful for any person to solicit or receive any contribution * * * in any room or building occupied in the discharge of official duties * * * or in any navy yard, fort, or arsenal."

18 U.S.C. 610 [added by S. 185]: "It shall be unlawful for any person to intimidate, threaten, command, or coerce, or attempt to intimidate, threaten, command, or coerce, any employee of the Federal Government * * * to engage in, or not to engage in, any political activity, including, but

not limited to, voting or refusing to vote for any candidate or measure in any election, making or refusing to make any political contribution, or working or refusing to work on behalf of any candidate. Any person who violates this section shall be fined not more than $5000 or imprisoned not more than three years, or both."

Mr. GLENN. I would imply, at least from what my colleague from Delaware has said, he feels, unless something is specifically prohibited, that somehow we should discourage people from participating in the political process. I disagree with that most strongly. The people of this country are free to express their political will unless expressly prohibited. And that is what we do in the United States Code. That is what we do with the law. We say that there are certain cases where those rights to participate in the political process have to go down in the interest of greater considerations for the benefit of all the people of this country.

Now, that is what the Hatch Act was put in for years ago. The Hatch Act was put in to prevent misuse of political power in a partisan way. But there are so many things that grew up around it that were so nonsensical, things that we have covered in this debate, and all we are trying to do with this is say OK, the United States Code still applies, it still expressly prohibits by law only those things that should be prohibited by law and that people should be able to exercise their political prerogatives as American citizens unless specifically prohibited for these particular reasons.

The Hatch Act does not undo any of these things. All those protections for people in the Department of Justice or wherever else they are in Government are still there with stiff penalties if they are violated.

So do we want to expressly say to the people of this country, including Government employees, they are encouraged to be politically active unless specifically prohibited by law? Absolutely, just like every other American citizen. If you start restricting people's political activity when it is not necessary, when there is no real threat, then I think that really is a danger because something like that expands into the general population. When you start restricting people for no particular reason, that to me does not make any sense. That would be a danger to this country.

So we do not try to take any authority that goes beyond S. 185 and say we will overturn some of these other restrictions that are quite outside the domain of the Hatch Act. We do not change those at all. All of those protections are still there. Whether the people are in the Department of Justice, Treasury, FBI, Secret Service, you name it. All of those protections are still there, and with very stiff fines involved.

So all we try to do with this, I keep repeating, is make the Hatch Act more fair. We tighten up on the job. We loosen up some off the job but still with very careful restrictions therein.

How much time do I have remaining?

The PRESIDING OFFICER. The Senator's time is 10 seconds.

Mr. GLENN. I will sacrifice that. I yield my time.

The PRESIDING OFFICER. The Senator from Delaware has 1 minute and 25 seconds.

Mr. ROTH. Madam President, I yield the remainder of my time.

The PRESIDING OFFICER. Under the previous order there is 1 hour for debate remaining on the bill.

Mr. GLENN. Madam President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged to both sides equally.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FORD). Without objection, it is so ordered.

Mr. DOLE. Mr. President, has leader time been reserved?

The PRESIDING OFFICER. Yes.

Mr. DOLE. Mr. President, I have about three items to complete my leader time, and then if I can obtain some time from the Senator from Delaware I will make a brief statement on the Hatch Act.

MIKE WALDMAN: UNEXPECTED PASSING OF VETERAN REPORTER; COLORFUL NEWSDAY REPORTER WILL BE MISSED

Mr. DOLE. Mr. President, the unexpected death yesterday of Newsday reporter Mike Waldman was bad news indeed, a stunning passing that leaves a huge void in the Capitol Hill press corps.

Mike Waldman was one of the most popular and colorful reporters in Washington, a veteran journalist who had seen it all, and was not shy about telling you more than a few stories to prove it. He had a quick and clever sense of humor, filling his conversations and columns with puns and topical jokes. It was no surprise to his friends when he entitled his memoirs, "Forgive Us Our Press Passes." Mike was a special character, and a familiar sight in the Capitol with his trademark bow tie, rumpled pants, and suspenders and belt.

But behind all the color and humor was a talented journalist, a dedicated pro who could smell news a mile away. It was obvious he loved the political arena, whether it was the Halls of Congress, the campaign trail or the White House, Mike Waldman was always there, bringing his special talents and special personality to his beat.

It is never easy covering politics, what with all the traveling and inhumane hours. In fact, in one poignant and revealing story in his book, Mike recalls that after being away on yet another long trip, his young son greeted him at home with the comment, "Daddy, do you still live here?"

Well, Mike understood the sacrifice of big league journalism, but he also understood the importance of family. He was a devoted father and husband, and enjoyed talking—and, what else, joking—about his home life.

It is difficult to imagine Mike is gone. We will miss his raspy voice, his hearty laugh, and, yes, his tough questions at our press conferences. He was a good man, and a one-of-a-kind journalist.

I send my prayers to his family.

WELCOMING BACK SENATOR SPECTER

Mr. DOLE. Mr. President, I am sure that all of my colleagues in the Senate join me in extending a warm welcome back to our friend from Pennsylvania, Senator ARLEN SPECTER, who has returned to the Capitol following a very successful surgery.

On the path of this remarkable recovery, Senator SPECTER could not have returned to the Senate at a better time. In fact, as I left my office I watched him on C–SPAN making a statement at the Ginsburg hearings, and as a member of the Judiciary Committee, as one of the Senate's most brilliant lawyers, legal minds, he can be counted on to play an important role in that hearing and also the hearing of FBI Director-designate Louis Freeh.

Anyone who knows ARLEN SPECTER knows he is a workhorse who does not do anything halfway. But that will not stop us from encouraging ARLEN not to overdo it. I think that is a tendency everybody has, and we hope he will follow his doctor's advice. We refer to ARLEN in Russell, KS, as the "second Senator" from Russell, KS. He attended high school there, and his brother still lives there. Even though he is now a Senator from Pennsylvania, he has many, many friends in our small hometown of Russell, KS, who wish him well and know that his recovery will be complete, and it has been speedy.

We all look forward to seeing ARLEN in his now famous Pennsylvania hat on this floor more and more often in the days and weeks ahead.

NOMINATION FOR FBI DIRECTOR

Mr. DOLE. Mr. President, under my leader time, I will now comment on the new nominee for the FBI Director. In the wake of the unprecedented dismissal yesterday of an FBI Director appointed to a 10-year term, we must now look ahead to the confirmation of his successor.

President Clinton today announced his selection to head the FBI, U.S. District Court Judge Louis Freeh. While I do not know Judge Freeh, I look forward to examining his record, experience, and his views on criminal justice. At first glance, his credentials appear impressive. I was particularly pleased to hear Judge Freeh this morning mention his commitment to the political independence of the FBI.

I understand the administration would like to complete his confirmation before the August recess, and I certainly share the administration's interest in restoring leadership to the Bureau in a timely manner. It is this Senator's intent to cooperate with the administration toward that goal, consistent with the Senate's responsibilities to thoroughly consider this appointment. Certainly all of us wish the nominee success.

Mr. President's I yield any leader time I may have.

The PRESIDING OFFICER. All leader time remaining will be yielded back.

HATCH ACT REFORM AMENDMENTS

The Senate continued with the consideration of the bill.

Mr. DOLE. Mr. President, I am going to speak generally on the Hatch Act. There is no doubt that this bill is going to pass later today, probably with some bipartisan support, and it may become the law. It is a much better bill than the House bill. I commend the chairman of the committee for making it a better bill. I hope that maybe the House, if we have to pass anything, will take the Senate bill. I would just as soon we did not pass anything.

During last week's debate, the Republicans, under the leadership of my distinguished colleague from Delaware, Senator ROTH, succeeded in making some significant improvements. One improvement exempts both administrative law judges and members of the Senior Executive Service from coverage under the bill. Another improvement exempts those workers employed by some of our national security law enforcement agencies, agencies like the CIA, the Defense Intelligence Agency, and the FBI.

These are all steps in the right direction. But for those of us interested in nonpolitical Federal work force, they obviously do not go far enough. Senator ROTH has offered two more constructive amendments. One amendment will exempt IRS auditors from coverage under the bill. The second amendment will provide an exemption for the prosecutors in the Justice Department's Criminal Division, and it would seem to me that we ought to take these amendments. I cannot believe that we would want people who are in the IRS audit area, or are special prosecutors in the Justice Department's Criminal Division playing any role in politics, or being intimidated if they do not play a role. Do we really want members of the Justice Department's Criminal Division—individuals who decide on the prosecution of public employees—to serve as party officials? Do we want IRS auditors—individuals who have access to the most sensitive and confidential information—to be soliciting campaign contributions.

I think these amendments should pass and should be overwhelming, and I hope it will not be just party line votes, all Democrats and a few Republicans voting against the amendment. I know that most of the money in this operation goes to my colleagues on the other side of the aisle. I do not like public financing, but the more I see of this kind of legislation, the more attractive it appears to some. Because this is certainly a product of the activists in the Federal labor unions who raise a lot of money and give 89 percent of it to my colleagues on the other side of the aisle. Common Cause, who opposes this legislation, has been strangely silent. They are very active when there is something like campaign finance reform. But I guess, here, too, they have received the message that they are not totally nonpartisan. They did not testify at the hearing, as I understand it. They have not said anything. They wrote a letter in March, but that is the last we heard from Common Cause on this very important issue. I guess their credibility—what little they have—is probably at risk. It is a little late to weigh in now, but they have been a.w.o.l. on this particular legislation. Maybe it does not come as any great surprise, but if they are truly concerned about the politics and about money and about influence and about special interests, this certainly has been target number one. But somehow they are a.w.o.l., not here, and they are not doing anything. So I hope that Mr. Wortheimer and other members of Common Cause will take a look at this legislation. It is a little late to do much about it. At least they can say they did not do anything to stop it. I hope they will.

This amendment would sensibly prohibit Federal workers from participating in political fundraising. And for all the recent talk in this Chamber about the so-called Washington political money chase, one would think the Senate would want to spare the civil service the burdens of soliciting political contributions.

I hope that the Kassebaum amendment will pass. I do not think it is going to pass, because I think the votes are there. I think those that support the legislation—if they had not had the votes they probably would have accepted the amendment earlier.

I have not heard anybody yet—and maybe I missed it—deny that history is loaded with examples of political abuses that hurt Government, hurt Government's employees, and hurt the people the Government is supposed to serve.

Indeed, the fact that political abuses are rare in the Federal system today I think speaks to what we think is a good bill we have now. I think most Federal employees think we have a good bill now. They are not asking for change. These are the activists and the people that raise the money and who participate in politics. I think what we have today is a testament to the effectiveness of the Hatch Act as it is today. It works because it protects and insulates Federal employees from partisan politics. It prohibits them in using their official positions to interfere with Federal elections and from taking an active part in political campaigns.

Contrary to some of the propaganda out there, the Hatch Act does not prohibit public employees from voting and expressing their views in private and public, attending conventions or rallies as a spectator, or campaigning for or against political referendum questions, and a host of other activities.

These rights are real, and they have been exercised by the Federal employees for decades—and, for the most part, without complaint. But what is most important are the protections the Hatch Act gives them—protections we can kiss goodbye if this bill becomes law.

Under the bill's so-called reform approach, Federal workers will be entitled to hold office in a political party, solicit political contributions, make campaign speeches, and distribute campaign literature. They will be permitted to participate in political phone banks and attend and organize political meetings.

With these new rights, the very real danger is that the quality of our civil service will decline as politics replaces merit as the key factor in hiring and promotion decisions.

It seems to me that there is a lot of talk about whether there are going to be stiff penalties for political coercion. But as the New York Times pointed out, these penalties were inadequate to protect Federal employees, who now, under current law, can rebuff political overtures by superiors and others in the work force simply by saying, "sorry, I am Hatched." That is what most Federal employees would like. They have that protection today, and they will not have it later.

So there is not much public clamor for this legislation; not even much from the Federal employees here. It is like the motor-voter legislation. Not a single Governor I know of wanted motor-voter legislation, but it is construed by many to help my colleagues on the other side to win more elections, to increase their margins in some areas, and that is why it is on the

floor. In the motor-voter legislation, we mandated the States to pay for it. We did not offer to pay for it.

We are going to have some amendments on some of the appropriations bills to withhold implementation of that bill until we provide the money for it, because we are already hearing complaints from Governors as to how much it is going to cost.

WHO SUPPORTS S. 185?

So, Mr. President, if this bill has so many obvious flaws, so many potential pitfalls, then why are we debating it in the first place? And who really stands to benefit from repeal of the Hatch Act?

Certainly not the Federal employees themselves, who—from day one—have expressed little interest in changing the Hatch Act status quo.

More than 60 percent of the employees surveyed by the Federal Executive Alumni Institute, for example, oppose changes in the Hatch Act. And in a 1989 Merit System Protection Board survey of nearly 16,000 employees, only 30 percent responded favorably to the question of whether they would like to be able to be more active on partisan political activities.

Make no mistake about it, the people who want this bill are the union leaders here in Washington, the beltway boys, those at the top of the union ladder, those who have the power and who want more.

The issue, Mr. President, is power. Not free speech. Not civil rights. Not the emancipation of the Federal worker. But the emancipation of the Federal employee checkbook.

During the last election cycle, the political action committees of the major Federal employee unions gave more than $6 million to Democrat candidates. In comparison, Republicans received a paltry $600,000. That is more than a 10-to-1 ratio, Democrat to Republican.

And by allowing Federal workers to solicit union PAC contributions, this so-called reform bill will make the union PAC treasuries bulge even more at the very time that my Senate colleagues—Democrat and Republican—just passed a campaign finance bill that banned PAC's outright.

This bill should carry a warning label that says: "Federal employee—beware! Your checking account will take a nosedive, if and when, this bill passes."

Mr. President, I would like to save the Hatch Act. Last week and now today, Senate Republicans have been rolling out the Hatch Act lifeline. Unfortunately, in the final analysis, this lifeline came up short.

I say again, more than 60 percent of the employees surveyed by the Federal Executive Alumni Institute opposed changes in the Hatch Act. And in a 1989 Merit Protection Board survey of nearly 16,000 employees, only 30 percent responded favorably to the question of whether they would like to be able to be more active on partisan political activities.

So the union leaders, the beltway boys, those at the top of the union ladder, they are the ones out here in the Cloakroom; they are the ones who have been pushing this legislation. They want more power and they know how to use it, and that is what this issue is all about.

I hope this is something the American people, when they start taking a look at Congress, will consider. And they do not care much for Congress. Many people take a look at some of the things we continue to do. This is not free speech. It is not civil rights, not the emancipation of the Federal worker, but the emancipation of the Federal employee checkbook. That is what this legislation is all about.

We will see the contributions go up. And we will see some, I guess, who vote for the legislation maybe benefit. But the last time, unions gave more than $6 million to Democrat candidates, and I think $600,000 to Republican candidates. But whether it be $6 million apiece, it would not make any difference; it is still not good legislation. I regret some of my Republican colleagues are voting for this legislation.

It seems to me that it is going to pass, and again I suggest it is much better than the House bill. So I commend the distinguished chairman, the Senator from Ohio, Senator GLENN, for his effort to try to minimize, where possible, some of the pitfalls that many think will happen.

I know today's New York Times editorial has already been referred to and already put in the RECORD, so I will not do that again.

I do not often agree with the New York Times editorial policy. In fact, generally, it is aimed at me. But I just suggest maybe this one might be worth reading with reference to the amendments that are pending.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I yield myself as much time as I may take.

The PRESIDING OFFICER. The Senator may proceed.

Mr. ROTH. Mr. President, should the House of Representatives concur in the Senate amendments to H.R. 20, the Hatch Act Amendments of 1993, the President will sign the legislation into law. That means that the Senate may not be again debating the merits of this legislation for a long time—not until the new law has gone into effect, the culture of the Hatch Act has eroded, employees realize that politics has permeated the workplace, and a scandal erupts. Then we will be debating this again.

But before we close this chapter in our Nation's struggle to deal with the spoils system, a struggle that has lasted for nearly two centuries, I would like to offer a few observations.

Proponents and opponents have debated this legislation strenuously and passionately. In my judgment that debate will never end. It will never end because we each hold very different views on human nature and on the function and place of the Hatch Act in the Federal work force.

In evaluating this legislation, I recall that in Homer's epic poem, the "Odyssey," the main character Odysseus asks his sailors to tie him to the mast of the ship while they sail past the alluring Sirens, lest Odysseus and his men be distracted from their objective. I picture Odysseus at the mast with his hands tied behind him, at his own request and for his own protection, straining at the ropes while the Sirens' song calls him to ruin. Odysseus is like the Hatched Federal employee, restrained for his own protection. But now come the proponents of S. 185 to untie the hands of Odysseus while earnestly warning him not to listen to the Sirens' song.

Millennia pass. Circumstances change. But the problems of human nature persist.

On the subepic level, the Virginia Newport News earlier this year editorialized against the Hatch Act legislation pending in Congress, writing that it is like telling the cat he can play with the canary if he promises not to eat it.

Proponents accurately will state that S. 185 contains strong penalties for any cat who eats a canary. We differ with proponents in our belief that the real way to protect the canary from the cat is to separate them; proponents naively believe that no harm will come from mixing the two so long as the law prohibits the cat from eating the canary.

The cat-and-canary analogy is useful but it, too, misses an essential point: The wrongs that will occur when S. 185 becomes law will not always be tangibly evident. You could place the cat under constant surveillance with a camera and see whether the cat eats the canary. But there is no way to photograph the thoughts, the mind, the anguish of the Federal employee who believes, for whatever reason, that he is expected to take an active part in a political campaign.

While the Federal employee is the victim in such a situation, who is the violator that is to be punished under S. 185? No one has coerced him. So who is to be punished? And what is the evidence to make the case? What cases may be brought? On what basis may accurate statistics be kept about whether the new legislation has politicized the work force?

If anything, proponents of the legislation will cite the silence of the victims as evidence that the new legislation works. The rise in active political

participation among employees will be presumed by proponents to be totally voluntary. When the employee becomes publicly political because he believes he is expected to, just exactly who is the wrongdoer? Does the lack of an identifiable wrongdoer mean there is no wrong? The chairman can cite all the statutes on the books against coercion. But those laws don't mean a thing where there is no identifiable wrongdoer, and that will be all too common.

Who can these victims point to? Who made them the victims of political pressure? Unfortunately, the only answer to that question is the proponents of this legislation.

Another observation I wish to make is that proponents and opponents of S. 185 have significantly different views of the Hatch Act itself. In my judgment, the Hatch Act is something far more significant than a few sections of title V of the United States Code. To proponents of S. 185, the Hatch Act is a jumble of different rules, hard to understand, which suppress first amendment freedoms. To me, the Hatch Act is remarkable not so much for the text of its statute as it is for the context it has created. It has created a culture in the Federal work force that politics has no place. Today, the Federal employee is protected from requests to get involved in a campaign. He can rest assured in the knowledge that he can simply say "I am Hatched" to any request. But even more reassuring than that, perhaps, is the fact that the employee's coworkers are also Hatched, also precluded from engaging in political campaigns so that they might get an advantage over the employee to receive better assignments and better pay. It is not enough for the employee to be Hatched; it is equally important that coworkers be Hatched. Only that way can employees be assured that their performance on the job will be judged on the merits of their performance on the job and not on the basis of politics. To me, there is no brighter line than that.

In short, today's merit system culture is inextricably linked to the existence of the Hatch Act. The amendments contained in this legislation will poison the culture, shatter the assurances, and flatten the protections of the Hatch Act. Proponents argue that times have changed since 1939. They argue that we don't have problems of politics replacing merit any more. So they exhort us to do away with the fundamental prohibition against active participation in political campaigns. What they fail to grasp is that it is this very prohibition that has caused the change. Conditions have improved because this prohibition has worked.

For the life of me I do not understand why this prohibition's success is the basis for its repeal. But that is exactly the argument of the proponents of S. 185.

In sum, it should come as no surprise that we disagree, when we hold such disparate views both of human nature and the function of the Hatch Act. Mercifully, this debate is drawing to a close. But unfortunately it appears that proponents will prevail. The Hatch Act was passed in 1939. Attempts to relax it were vetoed by President Ford in 1976 and by President Bush in 1990. It was President Ford who summed up the legislation, in his direct style, as "bad for the employee, bad for the government, and bad for the public."

While much of the debate for the last week has focused on the Federal employee, it is important to understand that the welfare of the employee, the Government, and the public are inextricably linked. The public has a right to expect that programs that serve the public are administered in a neutral, nonpartisan manner, without regard for political considerations. Whether we are talking about who gets a grant, who gets audited, or who gets prosecuted, those discretionary decisions of government are better made without the infusion of political considerations. When political considerations are removed from decisionmaking, the government acts more efficiently, more productively, and more honestly with the results that the people receive the quality of service they deserve. Remember, the Government is here to serve the people.

So as opponents express concern about the subtle pressures that will be laid upon the Federal work force with the passage of S. 185, opponents are concerned not only about the personal impact on the employee but also about the impact on the American citizen, who is both the customer of, and the shareholder in, the Federal Government. So this legislation is no inside-the-beltway controversy, no internal Government problem, no arcane matter best forgotten. No, what we opponents are all concerned about is how Government performs for the American people. This legislation is an about-face, a march in the wrong direction. This is why over 100 newspapers have editorialized in favor of retaining the current Hatch Act. This bill has real consequences. It is bad for the employee, bad for the Government, and bad for the public. And that's why I shall vote "no" on final passage this afternoon.

I shall vote "no" even though the Senate bill is substantially better than the House bill in three major respects. The House bill, in contrast to the Senate bill, permits Federal employees, first, to solicit political contributions from the general public and, second, to run as a partisan candidate for local elective office. Third, as a result of an amendment agreed to last Thursday, the Senate bill exempts about 3 percent of the work force who hold certain police or intelligence positions. While I am pleased that the Senate took that step to improve the legislation, S. 185 still provides, as a general proposition that covers about 97 percent of the work force, that "an employee may take an active part in political management or in political campaigns * * *."

S. 185 thus repeals the fundamental prohibition that has come to be known as the Hatch Act, although the prohibition was first formulated by President Theodore Roosevelt in 1907. This legislation, notwithstanding its improvements, is still a break with our historic tradition, a tradition inaugurated by President Thomas Jefferson, and maintained as recently as President George Bush, a tradition of opposing electioneering by Federal employees.

This tradition understood the proclivities of human nature and valued the workplace culture created by the Hatch Act. Today marks the end of that tradition.

Mr. President, during the past week, I have mentioned the more than 100 editorials which have appeared in newspapers around the country expressing opposition to the proposed changes in the Hatch Act. During the debate I have read from a sample of the editorials. Rather than submit all 100 editorials for the RECORD, I ask unanimous consent that a list of the editorials, along with the date they appeared, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NEWSPAPER EDITORIALS AGAINST CHANGES IN THE HATCH ACT

New York Times, "Mr. Glenn Hatchets the Hatch Act," July 20, 1993.

New York Times, "Save the Hatch Act," July 15, 1993.

Los Angeles Times, "An Unwanted Escape Hatch—Keep Federal Civil Service employees clearly and formally above politics," March 3, 1993.

Wall Street Journal, "Hatch Not Hacks," February 19, 1993.

The Christian Science Monitor, "Go Slow on Voting Act," March 11, 1993.

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Athens News Courier, "Let's Keep Hatchet Away From Hatch Act," June 2, 1993.

Birmingham News, "Axing Hatch," March 26, 1993.

Birmingham Post-Herald, "A Last Pitch for Hatch," March 8, 1993.

Selma Times-Journal, "Hatch Act's 'Reform' Would Help Only Unions," May 26, 1993.

ARIZONA

Fort Smith Times Record; "Hatch Erosion," March 11, 1993.

The Arizona Republic, "Hatch Act 'Reform'—Politics at Work," March 4, 1993.

CALIFORNIA

Fresno Bee, "Hatch Act Revisited," March 18, 1993.

North County Blade-Citizen, "Keep Hatch Act," March 26, 1993.

The Sacramento Bee, "Hatch Act Overkill," March 1, 1993.

COLORADO

Denver Post, "Don't Renew the Shakedowns of Federal Employees," April 2, 1993.

Durango Herald, "Don't Weaken the Hatch Act," March 10, 1993.

Loveland Daily Reporter-Herald, "Who Gains From Destruction of Hatch?", March 10, 1993.

CONNECTICUT

Rocky Mountain News, "The Maiming of a Good Law," March 7, 1993.

Waterbury Republican-American, "Hatch Act Attack," March 8, 1993.

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Washington Times, "The Hatch Act's Common Cause," March 2, 1993.

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Stuart News "Hatch Still On Guard," February 23, 1993.

Tampa Tribune Times, "Keep the Hatch Act Intact," March 21, 1993.

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Albany Herald, "'Reforming' Hatch Act," March 18, 1993.

Atlanta Journal, "Hatch Act Changes Mean Return of the Spoils System," May 4, 1993.

Athens Banner Herald, "Urge Congress To Keep Hatch Act," May 3, 1993.

Augusta Chronicle, "Let's Keep the Hatch Act," January 30, 1993.

Rome News-Tribune, "OK'ing Corrupt Practices," March 14, 1993.

ILLINOIS

The Bloomington Pantagraph, "Hatch Act Limits Shouldn't Be Lifted," March 1, 1993.

INDIANA

The Indianapolis Times, "How Embarrassing," March 2, 1993.

IOWA

Des Moines Register, "Don't Scrap the Hatch Act—Keep Partisan Politics Out of Federal Service," March 5, 1993.

KANSAS

Belleville Telescope, "Unions Want Bureaucrats To Be Involved in Politics—We Need Hatch Act," June 3, 1993.

MAINE

Bangor Daily News, "Hatch Act Repeal," March 16, 1993.

Lewistown Sun-Journal, "Keep the Hatch Act," March 14, 1993.

MASSACHUSETTS

Boston Herald, "Hatch Act Endangered," March 8, 1993.

New Bedford Standard-Times, "Hatch Act Repeal Will Lead Us to a Rich Vein of Corruption," March 10, 1993.

Quincy Patriot Ledger, "Leave the Hatch Act Alone," March 9, 1993.

Worcester Telegram & Gazette, "Save the Hatch Act," March 10, 1993.

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Mississippi Press, "Hatch Act Has Served Us Well," February 25, 1993.

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Las Vegas Review Journal, "A Labor Union End-Around—Senate Bill Would Skirt Nevada's Right-To-Work Law," March 3, 1993.

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NEW JERSEY

Gloucester County Times, "Preserve Hatch Act Shield," May 12, 1993.

Trenton Times, "Should U.S. Employees Be Un-Hatched?" May 10, 1993.

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Santa Fe, "Bingaman, Domenici: Stand by Hatch Act," March 14, 1993.

NEW YORK

Buffalo News, "Don't Wreck the Hatch Act—This Federal Law Protects Civil Servants and Public," March 4, 1993.

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Cincinnati Post, "Hobbling the Hatch Act," February 22, 1993.

Cincinnati Post, "Keep the Hatch Act," March 6, 1993.

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PENNSYLVANIA

Lehighton Times News, "Hatch Act—Would Local Law Be Fair?" March 17, 1993.

Milton Evening Standard, "Hatch-Bashers Hard at Work," March 2, 1993.

New Castle News, "Keep Hatch Act in Present Form," February 25, 1993.

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Kenosha News, "Public Will Suffer If Hatch Act Revised—Public Servants Should Be Free of Politics," March 7, 1993.

Milwaukee Sentinel, "Don't Change It—Hatch Act Curbs Political Abuse," March 1, 1993.

Oshkosh Daily, "Hatch Act Again Comes Under Attack in Congress," March 8, 1993.

Racine Journal Times, "No Great Favor—Repeal of Hatch Act Would Be a Mistake," March 7, 1993.

Wisconsin State Journal, "Protect Hatch," March 8, 1993.

Mr. ROTH. Mr. President, I would like to point out that more than three-quarters of these editorials appeared after March 4, 1993, the day the House of Representatives passed their version of changes in the Hatch Act Reform. Despite the comments of the distinguished Senator from Ohio, many of these newspapers knew the difference between the House and Senate bill, and their opposition was to fundamental changes in the act, such as those that the Senate bill would make.

Mr. President, I reserve the remainder of my time.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I yield myself such time as I may require.

Mr. President, a couple decades ago, we used to all watch a TV program, and on it was a TV cop named Joe Friday. Joe Friday's statement always was: "Just the facts, ma'am; just the facts." He tried to get to the facts.

By some of the things that are tossed out against this legislation, I am reminded of Joe Friday—"just the facts."

S. 185 is not all these dire things that have been tossed out. The 54-year-old Hatch Act, it has been said, would undermine this. "The ghost of corrupt Government could come creeping back under the guise of constitutional rights," one editorial says.

Nothing could be further from the truth. Simply put, the Hatch Act Reform Amendments of 1993 would do three things.

On the job, it would make the Hatch Act tougher than it now is. It retains and strengthens current prohibitions against on-the-job political activity by Government employees. It would beef up penalties for violators. In fact, no political activity of any kind on the job.

No. 2, off the job, it would still, with very major restrictions, allow America's 3 million civil servants to retain their constitutional rights by participating in our Nation's political process voluntarily on their own time as private citizens.

No. 3, it would eliminate and clarify current rules that are confusing, that are nonsensical and contradictory.

Let me go into a little more detail.

In 1993, conditions are much different for Federal employees than they were in 1939 when the Hatch Act was passed. Many of the Hatch Act rules now, as currently written, are arbitrary, capricious, inexplicable, and indefensible, because Federal employees should not be treated like some second-class citizens and be forced to forfeit their constitutional rights when they opt for careers in public service.

If there are restrictions, fine. They accept those. But giving up rights unnecessarily is not what America is all about.

The Hatch Act was passed in 1939 before the development of a professional civil service at a time when Federal jobs were rewarded not on the basis of merit competition, but they were awarded as patronage plums for political contributions. They made no bones of it back in those days. And to protect civil servants in such a climate, it was deemed necessary to bar them from taking part in most political activity. Fine.

But here we are 54 years later and we have a dramatically different situation. We have a well-established, a professional, classified merit-based civil service, which ensures that promotions in the vast majority of Federal jobs goes to those with the best qualifications, not the best political connections.

And we have something else. We have the MSPB, the Merit System Protection Board, to which appeals could be made if an employee feels he or she had been dealt with unfairly.

We have a welter of other laws on the books that further protect Federal employees from political coercion and manipulation.

There are some 2,000 top-level Government officials, of course, who are appointees of each new President and who serve at his pleasure that are not covered by any of these things. They are free to do whatever they want politically.

We also have a number of Hatch Act rules and regulations on the books that make no sense and deprive Federal employees of many basic rights all other Americans take for granted.

So the idea that we are somehow trying to repeal the Hatch Act is the furthest thing from my mind. I favor the Hatch Act. I am not for its repeal.

The House and Senate bills are completely separate with completely different provisions. It is not the House bill that we are talking about. It is not the House bill we are working on. The House bill does some different things. The House bill permits people to go out and ask for contributions from the public, permits people to run for partisan political office. We do not do that in S. 185.

Through the years there have been some 1,500 identified rulings, regulations and interpretations grown up around the Hatch Act which are conflicting and they are unclear. Let me give a couple of examples in this wind-up statement.

To those people who would say that people under the Hatch Act are not permitted political activity, that just is not true. Right now under the Hatch Act, people can give a $1,000 contribution to the candidate of their choice. Anybody, civil service or not, can put signs in their yard; they can put them in the windows of their homes; they can get them all over their car and drive around town; they can go to a political rally. That is permitted right now.

I would not change that at all. But a civil service employee is permitted to contribute up to $1,000 and the next door neighbor, with kids in college and no extra money to spare, is forbidden by law of any in-kind contribution. In other words, you have two civil service neighbors living side by side, one gives $1,000 and the other, just as interested in the candidacy of somebody, wants to go down and stuff envelopes or drive a car during a campaign, they are prohibited by law from doing that. Is that right? I do not think it is.

Here is a good one. A civil service employee can put yard signs all over their yard in support of a particular candidacy. A civil service employee can have them all over their car, as I said a moment ago, but you take that same person down to a political rally and that person walks into that political rally and someone gives them one of those same signs and they are standing in the back of the hall, if they have that sign in their hand, it is against the law. They can technically get fired for that.

Does that make any sense? Well, I do not think it does.

Another one, Federal employees may publicly express their opinions about political candidates but they cannot make a speech on behalf of that candidate. The difference? That is a good question. Is it the difference of whether somebody sticks a microphone in front of you? Is it whether you have a crowd out there? What does comprise a crowd? Two people, three, 500? Is it OK to be interviewed on TV, which goes out to 10 million people, or OK on radio, but it is not OK to talk to a print reporter? Or is it OK to talk to a print reporter but no one else can be listening or it becomes a crowd or it becomes a speech? In other words, this is all very confusing.

The Federal employee can wear a candidate's campaign button on the job but is prohibited from campaigning for or against that candidate. What we do is we prohibit that on the job. You could not even wear a campaign button on the job. You talk about coercion.

Let us say you are being interviewed by some Government official on some subject and he is sitting there with a great big campaign button on his or her lapel. That would give you a little hint. Talk about coercion. We stop all that. We say on the job you cannot do anything, even wear that campaign button. We say that where the current rules are inconsistent, they are confusing, they are desperately in need of

overhaul. We try to do exactly that. We say on the job, no political activity.

But yet under this bill, Federal employees would still be barred from running for partisan political office. The House bill permits such candidacies.

Under this bill, employees would still be barred from soliciting political contributions from the general public. The House bill permits solicitations like that.

Under this bill, coercion of subordinates would not only still be banned but subject to even increased penalties. We increase the penalties up to a $5,000 fine and 3 years in prison. The House bill has far lower penalties.

So just to summarize, on the job we do not permit any political activity, and off the job, away from work on an employee's own time and in ways that will not be unfair, we permit some political activity.

On the job even wearing campaign buttons would not be permitted. No political activity on the job. Zero, even what is permitted under today's Hatch Act. So we make the Hatch Act more restrictive and tougher than it now is on the job, but off the job, after hours, still controls and restrictions would be recognized for just what they are: A basic constitutional right, a crucial ingredient of a free democratic society, of whatever political party.

The year 1939 was a long time ago. Time and circumstances change, and so should the Hatch Act sensibly, and that is what we do.

Mr. President, all this talk—and the words keep popping out regardless of how many times we correct it—the words "repeal of the Hatch Act" keep coming out, and that is not what we do.

The other thing we do not do is change any of the United States Code right now. Eight different provisions of the United States Code right now prevent any misuse of a Federal job or a Federal position to intimidate, threaten, coerce in any way, any shape or form, trying to influence votes in one United States Code citation that I read into the RECORD before.

Another one: To affect the nomination or election of any candidate.

Another one: Promises or pledges of appointment or employment protection against that.

Of any benefits, is another provision in the United States Code.

Another one: To cause any person to make a contribution or a thing of value, including services, or the denial of such services, is prohibited also.

Another one: To solicit contributions or force contributions or solicit contributions because of a position of someone or try and force people into it, knowingly solicit from any other such officer, employee or person.

Another provision of United States Code: It shall be unlawful for any such person to receive any contribution.

Another one: It should be unlawful for any person to intimidate, threaten, command or coerce, or attempt to do so, to engage in or not to engage in any political activity, including but not limited to voting or refusing to vote, and all the other things here.

In other words, all of these provisions of the United States Code remain fully in effect—fully in effect.

Every time Hatch Act reform comes up, opponents argue that this or that group should be exempted from the terms of the reform law—these are reforms, not repeals—should be exempted from the terms of the reform law.

Since I became chairman of the Governmental Affairs Committee, we have defeated numerous amendments in committee to exempt certain groups of employees. It is because we think that those employees should have a right to participate in our political process if they are not misusing their job, not coercing people, not influencing them. Why should they not be permitted to stuff envelopes, say, in a headquarters or something like that?

In 1990, we defeated two amendments on the floor to exempt certain categories of employees. Last Wednesday, Senator DOLE sent a letter to Senator MITCHELL asking that we adopt three amendments and in return we could pass S. 185 the next day. That was the deal that was offered. We had defeated two of the three amendments on Senator DOLE's list in 1990 during floor debate on the Hatch Act reform. We had, I believe, the votes to defeat them once again this year. The other amendment on the list was defeated in committee this year. But I was willing to compromise with my colleagues on the other side of the aisle for the purpose of moving S. 185 through the Senate.

So in a bipartisan agreement, we modified the text of S. 185 in order to schedule a vote for final passage on the bill. As part of the so-called manager's amendment, Senior Executive Service employees, administrative law judges and members of the Board of Contract Appeals are exempted from the provisions of the bill. In other words, 9,000 upper level Government employees will continue to be Hatched under current law.

Then, as part of the so-called manager's amendment, we exempted any employee who works for the Secret Service, the Federal Bureau of Investigation, the Central Intelligence Agency, National Security Council, National Security Agency, Defense Intelligence Agency, Merit Systems Protection Board, Office of Special Counsel, the Office of Criminal Investigations of the Internal Revenue Service, Office of Investigative Programs of the U.S. Customs Service, and the Office of Law Enforcement in the Bureau of Alcohol, Tobacco and Firearms.

Not including the employees working for the CIA, NSA, and DIA, the latter part of the amendment exempts approximately 36,000 Federal law enforcement employees. That was done, as I said, with a view toward trying to move this legislation along, even though we would have had the votes, I believe, as we did before in 1990 to defeat two out of those three amendments.

I am philosophically opposed to exempting certain groups of Federal employees in Hatch Act reform for several reasons. First of all, S. 185 strictly prohibits all Federal employees from soliciting the general public. It is not the House bill in that regard. No one has to worry that a tax auditor or a CIA or FBI agent will come knocking on their door asking for a political contribution. In addition, there are severe penalties for any employee who misuses his or her position for political purposes in S. 185 and in the other legislation I referred to a moment ago.

Finally, as I have said before, the bill does not repeal the Hatch Act. A local FBI agent still cannot run for office. It simply continues the Hatch Act in a way which is more fair to Federal workers.

Now, it was difficult for me to accept the exemptions contained in the so-called managers' amendment, but I was willing to come to a compromise with my colleagues on the other side of the aisle. But that is as far as we can go on that, and I oppose the other amendments obviously and will at the proper time move to table the amendments we have debated this morning.

Mr. President, just one final wrapup comment.

Officials of the OSC told committee staff they saw no conflict problems in their employees being involved in allowed, voluntary political activities on their own time. Their duties are to examine alleged violations of the Hatch Act.

The argument made earlier this morning by my distinguished colleague with regard to that was sort of like saying since shoplifting is illegal, investigators or prosecutors ought not to be allowed to shop. Just as we can count on prosecutors who shop to prosecute shoplifters, we can count on prosecutors who engage in legal political activity off the job to at the same time be responsible for prosecuting violators who engage in illegal political activity on or off the job.

So I would make the same argument with regard to the FBI. But in order to make the time agreement, I agreed to a compromise. Obviously, in my opposition to the amendments that we have debated this morning, I think we have to draw the line.

Mr. President, at the appropriate time, I will yield back my time.

Mr. GRASSLEY. Mr. President, I rise today to speak on the Hatch Act and the legislation we are debating today which repeals many of its provisions.

I am sorry that I was not able to participate in last Wednesday's debate which focused on a number of very important issues. However, due to dire circumstances in my home State, I needed to return to Iowa to spend the day with President Clinton touring areas devastated by the flood.

The Hatch Act was enacted in 1939 to correct political and patronage abuses in the Federal Civil Service and to protect Federal employees from political pressures from their supervisors. It does so by restricting Federal employees from overt political expression and activity. The Hatch Act also guarantees that our Nation's laws and programs are administered by a neutral, nonpartisan Federal work force.

As a strong advocate of public participation in the political process, I sympathize with Federal employees who desire to have a more active role. However, as a Member of Congress, I have the responsibility to ensure that the Federal Government is administered in a nonpartisan, effective manner.

The American public should not have to fear the possibility of politically partisan law enforcement, tax collection, Government contracting, or intelligence gathering. The Supreme Court has even recognized this potential problem by ruling that the Hatch Act is, indeed, constitutional.

I am concerned that the passage of this Hatch Act reform legislation could increase the possibility of political coercion. Having great interest and involvement in whistleblower protection, I learned long ago that, in the Federal bureaucracy, employees are often forced to go along to get along. It seems to me that many Federal employees recognize that if the protections of the Hatch Act are removed, they will be exposed to political pressure as well, and perhaps even abuse. Surveys of Federal employees indicate that most Federal workers support their protections under the Hatch Act. Even mail from my own constituents runs 10 to 1 in favor of preserving the Hatch Act.

The bill we are debating today repeals the very heart of the Hatch Act. This bill would permit Federal employees to engage in all forms of political activity, albeit after hours. They will be permitted to hold office in a political party, distribute campaign literature and solicit votes, publicly endorse candidates, and urge others to do the same. It is naive to think a Federal employee can be a neutral, nonpartisan public servant by day, and a staunch politico by night. The public should not have to question whether a Federal employee's politics plays a role in his or her official decisions. This is precisely what we must seek to avoid.

One of the most significant changes made by this bill relates to the solicitation of campaign funds. This change is significant because under current law Federal employees are prohibited from soliciting campaign donations of any kind. Yet this bill would permit Federal employees to solicit campaign contributions from fellow union members to their union PAC. It is ironic that just a month ago the Senate passed campaign reform legislation outlawing PAC's. This bill dramatically increases the fundraising power of Federal employee and postal unions. As a result of this bill, 1 million more individuals will be able to solicit donations on behalf of these union PAC's. This abrupt change in policy forces many to question whether the intent of this bill is to increase the political rights of Federal workers or the bank accounts of union PAC's.

It is worth noting that employees of the Senate are prohibited from donating to the election campaigns of the Senators who employ them. This law has its origins in a bill passed in 1909. This law was not passed to restrict the rights of an individual to donate to political campaigns. Rather the law was passed to protect Senate employees from the expectation that they should donate to their bosses. Senate employees are free from this expectation and thus removed from undue pressure. It's only right that Federal employees be free from the same kind of undue pressure.

In order to protect these Federal employees from undue pressure, I am a cosponsor of an amendment offered by Senator KASSEBAUM which would maintain the current restrictions against campaign solicitation. This Republican amendment, along with a pair of amendments offered by Senator ROTH, are reasonable attempts to improve this flawed piece of legislation.

The Roth amendments, which I have cosponsored, exempt Federal employees with sensitive positions from the provisions of the bill. These amendments protect the auditors of the IRS and criminal investigators and prosecutors of the Department of Justice from unwanted political pressure and, in turn, protect the public served by these Federal offices.

Some of the provisions of the Hatch Act reform bill may seem reasonable on the surface, but careful study indicates otherwise. The status quo provides the best opportunity to balance the political rights of civil servants with the need for a nonpartisan, effective Federal work force. Today, a Federal employee can brush away political overtures by simply saying "I'm Hatched". All of this will change if this bill is passed. The only way to protect the public and Federal work force from unwanted political influence is to preserve the present framework of the Hatch Act.

Mr. LAUTENBERG. Mr. President, I rise in strong support of the Hatch Act Reform Amendments of 1993. It now appears that after many years of hard work, we will finally have Hatch Act reform enacted into law and Federal employees will have the right to free political expression consistent with their responsibilities as public servants.

In 1939, the Hatch Act was passed in the wake of a scandal in the Works Progress Administration. At the time, the Federal work force was full of patronage workers. But today's Federal work force is nothing like it was in 1939. Today's Federal employees are hard-working, dedicated public servants who are hired through a merit-based system. They serve the public despite pay that is often lower than for similar jobs in the private sectors, often work long hours and some labor in dangerous occupations.

Yet, the current Hatch Act seriously curtails these Federal employees' rights to participate in our democratic process. The Hatch Act Reform bill pending before the Senate gives back some rights to Federal employees that were taken away over 50 years ago. If this bill becomes law, most Federal employees will be able, off duty, to hold office in a political party, run for a nonpartisan office like school board, work on a political campaign, publicly support political candidates and solicit funds from employees in their labor organization.

Even with this bill, Federal employees would not have the same rights as non-Federal employees. They would still be prohibited, off duty, from running for partisan political office, solicit contributions from the general public, or coerce subordinates in any way. On duty, Federal employees could not engage at all in political activity.

While this bill only provides these limited rights, Federal employees understand that when they serve the public they will not be treated the same way as private sector employees. But the legislation before us provides them with the dignity of some free political expression. This legislation is long overdue for our hard working Federal employees and I am proud to have been an original cosponsor of this legislation. I urge my colleagues to support the Hatch Act Reform Amendments of 1993.

Mr. DECONCINI. Mr. President, I rise today in strong support of the Hatch Act Reform Amendments of 1993. I have long supported reform of the Hatch Act and do so again today. This legislation represents yet another opportunity to restore to Federal and postal employees the right to participate in the political process. For over 50 years, Federal and postal employees have been precluded from exercising a most basic and fundamental right of American citizenship. Although well intentioned at the time of its creation, the Hatch Act today is a maze of conflicting and

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confusing regulations born of a bureaucracy which has succeeded in stripping the act of its original objectives. It is clear that the time for Hatch Act reform has long since past. On previous occasions, Hatch Act reform has passed this body only to be forestalled elsewhere. The bill before us is a good one which, when passed, will fulfill the original objectives of the Hatch Act.

While I support the goals and objectives of the Hatch Act, I take exception with the act as applied. The Hatch Act has left Federal employees speculating as to what conduct may or may not be proper. The purpose of any legislation should be to clarify the rights of individuals, not to mislead, confuse, and ultimately disenfranchise entire sections of our population. Yet, the latter has resulted with regard to the Hatch Act. For example the Hatch Act has resulted in ridiculous regulations such as those requiring all campaign signs placed on the cars of Federal employees to be smaller than 15 inches by 30 inches, or that Federal and postal employees may wear a campaign button, but they may not pass them out. I submit that these examples, of which there are many, many more, did not serve as the impetus to drafting the Hatch Act in 1939, but they serve as reminders of how far afield the law has strayed from its original goals. The current application of the law obscures legitimate goals in a sea of pointless rules and regulations and is the very type of bureaucratic idiocy which subverts the American public's confidence in our ability to govern effectively and efficiently. Today we have a chance to regain some of that confidence by reforming the Hatch Act and, for the first time in many years, make the act an effective component of the law.

In order for Hatch Act reform to be of any benefit, it must retain the original goal of protecting Federal employees from political coercion while balancing the rights of Federal and postal employees to participate in the political process away from the workplace. This bill strikes such a balance. As opposed to the present day Hatch Act, this bill affords Federal employees greater protection but does not do so at the expense of their constitutional rights.

This legislation, unlike current law, makes a clear distinction between on-duty and off-duty activity. No one who supports this reform is advocating a position which allows for political activity in the workplace. However, Federal workers who are off duty, on their own time, should and must be afforded the same access to the political process as are citizens who work in the private sector.

Opponents of this legislation would have you believe that it is little more than an open invitation to political coercion in the workplace. However, such a position is unsupportable. First, the possibility of political pressure being used as a weapon against Federal employees, as it may have been in 1939 has been virtually eliminated by the implementation of the impartial system of merit and examination. Second, this bill prohibits an individual from utilizing his or her official authority to gain political advantage. (Section 7323.) Third, the bill eliminates the possibility that conflicts of interest may arise between a Federal employee and the agency for which he or she works. (Section 7324.)

In short, S. 185 is more stringent in its control of political activity in the workplace that is the current law. The prohibition on workplace activity is an absolute prohibition. No longer may Federal employees be allowed, as they are now, to wear campaign buttons in the workplace. The prohibition on running for partisan elected office remains applicable to Federal employees. Federal employees are also prohibited from soliciting political contributions from the general public. The punitive provisions of this bill far exceed those presently in place. Under this bill, any individual engaged in political coercion shall be fined up to $5,000 or face up to 3 years in prison, or both. These restrictions are hardly consistent with a bill which will allegedly promote unchecked politic coercion. On the contrary, this bill and the aforementioned restrictions strengthen and legitimize the regulation of unwarranted political activity in the workplace while restoring to Federal and postal employees their constitutional right to participate in democracy.

To date, the Hatch Act has created a second class of citizens amongst Federal and postal employees. In its simplest terms, the Hatch Act discriminates against Federal and postal employees simply because these people work for the Government. This inherent inequity must be resolved. This bill affords Federal and postal employees the right to voluntarily exercise their first amendment rights and engage in the political process on their own time. The key being that political activity will be voluntary and on their own time. There is no good reason why Federal and postal employees should be denied this most fundamental American right. No one would dare suggest that by electing to work for the Government employees sacrifice their constitutional rights. Yet, the continued application of the present day Hatch Act abrogates the rights of Federal employees without recourse. This practice is discriminatory and it is wrong.

Since my first Senate term, I have been an outspoken proponent of this type of reform. In the past, I have found the lack of action in this area to be both troubling and inexcusable. With the threat of a Presidential veto no longer looming on the horizon, this body has an unprecedented opportunity to restore the rights of over 3 million Federal and postal employees. We must seize the moment and do the right thing. I am proud to be a cosponsor of S. 185. This is a quality piece of legislation, and I commend Chairman GLENN for his leadership on this issue.

The Federal employees of this Nation are a dedicated, hard-working group of individuals who, like all Americans, should be afforded access to the political process. Because this legislation affords that access and at the same time strengthens the prohibitions on political activity in the workplace, this body should pass S. 185 and rectify an injustice which has existed for far too long.

Mr. HATFIELD. Mr. President, for several decades the American Federal work force has been denied our most basic rights guaranteed under the first amendment of the U.S. Constitution. Today, we are considering legislation that will not only restore those rights but also recognize and validate our trust and confidence in the excellent work our Federal work force does for this great Nation.

The idea of limiting political activity for Federal employees has been a topic of debate dating back to 1883 when Congress passed the Civil Service Act, better known as the Pendleton Act. The first rule under the Pendleton Act declares that:

> No person in the public service is for that reason under any obligation to contribute to any political fund, or to render any right to use his official authority or influence to coerce the political action of any person or body.

During the 1938 congressional elections, evidence was uncovered that Federal workers and Government money were used to influence the outcomes of primary campaigns. The discovery of coercion, improper use of official authority, and Government funds in the late 1930's severely eroded the public's confidence in the civil service and resulted in the enactment of the Hatch Act in 1939.

There is no question that the coercion and the improper use of official authority by Federal employees in the 1938 elections necessitated the restrictions contained in the Hatch Act. However, times have changed drastically since 1939 and many of the provisions contained in the Hatch Act have simply outlived their usefulness.

In the 54 years since the enactment of the Hatch Act, we have developed a professional civil service and a system of hiring and promotion based on professional merit rather than patronage, contributions, and favoritism. Furthermore, we have a Merit Systems Protection Board with which our workers can file appeals when they feel they have been dealt with unfairly. We also have a multitude of other laws which protect Federal workers from various types of political manipulation and coercion.

Some of the prohibitions contained in the Hatch Act are still just as important today as they were when it was first passed in 1939. For example, Federal employees should still be protected from political coercion and be barred from political activity when they are on the job, in their uniform, or on Government premises. However, other prohibitions have relegated our civil service employees to a second-class-citizens' status. Federal workers are currently restricted from exercising constitutionally guaranteed rights afforded to the general public like: Free speech, the right to assemble, and the right to petition the Government. These prohibitions prevent Federal employees from engaging in several activities like endorsing candidates in partisan elections, distributing campaign material, participating in political meetings, or simply holding office in a political party.

It is my opinion that by affording these simple rights to our civil service work force, we are modernizing this antiquated law. More importantly, by allowing more citizens to play an active role in the selection of their representatives in Government, we are strengthening the political system of this Nation.

Mr. President, our civil service work force is without question the most professional in the world. Yet, by enforcing some of the outdated provisions of the Hatch Act, we have essentially questioned their professionalism and integrity by denying them some of the most basic rights upon which our country was founded. For this reason among others, I support reforming the Hatch Act and congratulate Senator GLENN for his persistence in bringing this important reform legislation before the Senate. I am pleased to be a cosponsor of S. 185—the vehicle by which we will modernize the Hatch Act.

THE PARTISAN GOOD; NOT THE FEDERAL GOOD

Mr. KEMPTHORNE. Mr. President, I would like to take this opportunity to explain my vote against Hatch Act reform and why I believe that the steps we take today will go a long way to further diminish public trust in the Federal bureaucracy.

When I announced my intention to run for reelection as mayor of Boise City, I called together the Boise City department heads in a conference room in city hall and informed them first. In Idaho, municipal elections are nonpartisan, but that does not mean that there is any less campaigning for the chief executive or city council positions. Factions and the citizenry line up for one candidate or another, generally on political or philosophical lines.

I told the department heads that I did not want them to donate money to my mayoral campaign or to take an active part in my reelection. I asked that they communicate this desire to their employees. I reminded them that several department heads in that very room had campaigned for my opponent in my initial bid as mayor of Boise. As employees-at-will they were not protected by civil service, but I always believed that a person's sincere personal political opinions should not disqualify them for consideration in employment.

There were two good reasons for this request I made to the department heads on that afternoon. First, although I believe in this principle, I could not assure that a successful challenger would hold similar views. Perhaps more importantly, however, we as public servants bear a public trust. Our calling is a higher one. It is a calling to serve the people.

Anything that might compromise the bond between a people and its government must be measured exactingly. The public trust in an impartial government can be irrevocably damaged through the entanglement of Byzantine political currents. There would be little to assure the citizens of this Nation that what is being decided, promoted, or protected through the actions of a Federal employee is for the Federal good and not the partisan good. There would always remain the nagging doubt in the minds of the public that the civil service had been jeopardized by political motivation for personal gain. Better assignments, promotions, or bonuses could indeed provide powerful motivation for those who might find their realization in partisan motives.

I hope that passage of this act will not lead to political coercion in the Federal workplace. Originally enacted in 1939 as a tool to protect against political coercion, the Hatch Act had successfully insulated the Federal service for political influence that would destroy essential political neutrality. It has been successful over the years in guarding civil servants, and the programs they administer, from political exploitation and abuse.

There has been no vast outcry for change from Federal employees who are represented as being those this legislation is supposedly benefiting.

Proponents of this reform believe this bill will draw a bright line between allowed and disallowed acts. They would permit partisan political activity off duty and prohibit such conduct on duty. In United Public Workers versus Mitchell, the Supreme Court said, "The influence of political activity by Government employees, if evil in its effects on the service, the employees or people dealing with them, is hardly less so because that activity takes place after hours."

Mr. President, Thomas Jefferson by Executive order first instructed Federal employees against taking part in the "business of electioneering." I believe the act we have taken today will frustrate the wisdom of this long-standing injunction.

Mr. DURENBERGER. Mr. President, I rise today in support of S. 185, the Hatch Act Reform Amendments of 1993.

When the Hatch Act was enacted in 1939, the civil service was growing rapidly because New Deal programs were expanding the role of Government. People were concerned that this radically expanded civil service work force could be exploited for partisan political ends.

To prevent the potentially coercive effects of a partisan civil service—coercive to both the employees themselves and the public they serve—Congress prohibited civil servants from engaging in political activity. This ban applied—and still applies—whether the workers are on the job or on their own time.

But the fact is, Mr. President, that the prohibitions that might have made sense in 1939 do not make sense in 1993.

We now have a professional civil service work force—nearly 3 million people strong—that is hired and promoted on the basis of merit, not political connections. These Americans serve the public without regard to which party happens to hold political power.

It is no longer necessary that—to serve the public—these civil servants have to trade away their fundamental constructional rights to political expression. I do not believe that in 1993 there is any defensible justification for suppressing the political expression of Federal employees when they are acting in their capacity as private citizens.

My interest in Hatch Act reform dates back to 1967, when I was chief of staff to Gov. Harold LeVander in Minnesota. I knew then, as I know now, that it is appropriate for public servants to be detached from political considerations on the job. But that they can and should be able to experience all rights of citizenship on their own time and in their own communities.

In Minnesota, State employees cannot use government time or government resources for political activity. But the State does not presume to tell them what they can and cannot do on their own time.

Until 1974, however, many employees of the State of Minnesota were subjected to the provisions of the Hatch Act because they worked in programs that administered Federal funds. Because Federal dollars touched their agencies, these workers were denied the same rights to political expression that other State employees—and all private sector employees—enjoyed as private citizens.

In 1974, Congress removed many of these restrictions from State and local employees. Congress did retain prohibitions on running for elective office in a partisan campaign and on the use of

coercion. But since the lifting of most of the restrictions on private political expression, States have not experienced an upsurge of employee misbehavior.

These are between 40,000 and 50,000 Federal workers in Minnesota. Not all of these workers want to get involved in partisan politics. But some of them wish that they could. And all should have the right to make that decision.

In the Twin Cities, for example, there are between 2,000 and 3,000 postal employees. These are well-informed citizens who have to pass civil service exams to get their jobs. They care about their communities, and many of them deserve the opportunity for involvement in politics in their off-duty hours.

They can lobby for postal-related issues at their local party caucuses. But they cannot speak in favor of a candidate, or even wave a sign.

They cannot serve on phone banks or stuff envelopes for a candidate.

When they are asked to serve as delegates to a county convention, they have to say "no," even though they are well-informed and care deeply about the issues.

It is simply ludicrous to believe that these workers are in danger of coercing the public because of the nature of their job. In the Twin Cities, only about 250 postal employees have direct contact with the public at the front desk. Even considering this public contact, does anyone really believe that the service these workers provide to postal customers will be compromised by their political activity in off-duty hours?

One of my constituents, Floyd Johnson, has been employed by the IRS for 33 years. He's served as chapter president of the National Treasury Employees Union, Local Chapter 29, for the last 15 years. And he'll be retiring later this year.

About 7 or 8 years ago, when Floyd's daughter turned 18, she told her father that she wanted to learn more about the political process. Like any good father, he took her to his local precinct caucus in Mahtomedi, MN. Floyd Johnson happens to be a Democrat. And so he took his daughter to the Mahtomedi DFL caucus.

Because he was well known and well respected by his neighbors and colleagues, Floyd was asked his opinion on a number of different issues of the day. He apologized, but told his friends that although he could vote—silently—he could not address the caucus because the Hatch Act restricts the political involvement of Federal employees.

Floyd's daughter was shocked. Her first real experience with the American political process—the most open, democratic system in the world—was one of restrictions, conditions, constraints, qualifications, and limitations. She went to school and told her friends: "Would you believe it, my father works for the U.S. Government and he can't even take part in the democratic process."

Why are we singling out Government employees for the suppression of political expression? These men and women have proved their patriotism by choosing careers in public service. Yet we have rewarded that public-spiritedness by reaching into their private lives and cutting off their right to political participation.

That is why I am supporting Hatch Act reform this year. Indeed, that is why I voted to override President Bush's veto of Hatch Act reform back in 1990.

The bill we are considering today strikes a just balance between protecting the workplace from inappropriate partisanship, and safeguarding the right of workers to participate meaningfully in the political process.

This bill still prohibits on-the-job political activity, and actually strengthens the penalties for violations. It allows off-duty employees to participate in party activities and do volunteer work for political candidates.

To those who are concerned about opening the door to coercion of the public or coercion of employees in the workplace, the Senate bill offers many protections:

Unlike the House bill, the Senate bill would not allow civil service employees to solicit campaign contributions from the public, or to run for partisan elected office.

As amended, the Senate bill keeps certain employees who work in very sensitive government positions under the original provisions of the Hatch Act.

And there are strict penalities—up to 3 years in prison and a $5000 fine—for civil servants who coerce subordinate employees.

The bill makes it absolutely clear that political coercion will not be tolerated. Even after Hatch Act reform is enacted, the basic premise of the Hatch Act will remain—Federal employees will be barred from using their official authority or influence for political coercion of interfering with an election. Period.

Under Hatch Act reform, political activity must be purely voluntary. Hatch Act reform will not require anyone to engage in political activity—it will merely allow a significant number of disenfranchised citizens the right to participate if they choose to do so. If their decision to participate is coerced, that coercion will be met with stiff penalties.

I believe that the Senate bill strikes a better balance between allowing political expression and preventing the possibility of coercion than the House version of Hatch Act reform. I trust that the Senate conferees will fight vigorously for adoption of the Senate version.

Mr. President, this is a bill about political empowerment—the third major piece of legislation we have considered so far this year that enhances the power of citizens in the political process.

With the motor-votor bill, we eliminated barriers to voter registration for citizens across the country. In our discussions of campaign finance reform, we have sought to restore people's confidence in the process that elects their representatives.

It is my hope that in our vote on Hatch Act reform, we will restore the right to political expression to nearly 3 million Americans in public service.

Mr. President, it is to be expected that when this body considers legislation that affects the political process, there will almost certainly be heavy partisan overtones in the debate. When changes are proposed by one party, I can understand why the other party might view the proposals with a certain degree of suspicion.

That is why I find it so encouraging that on motor-voter, campaign finance reform, and Hatch Act reform, both sides have compromised to accommodate concerns raised by the other party. This is a model of how the system should work—political reforms absolutely have to be bipartisan.

This does not mean that everyone will be happy with the result. But in my experience, when the parties are sharply divided on an issue, the truth usually lies somewhere in the middle.

We are making progress on increasing access to the political process for all Americans. That is an accomplishment that should make us proud. But our work must not end here—in fact, this is where the real work begins.

We need to educate Americans about the issues that affect our Nation—so that we have not just more participation in the democratic process but better participation. I look forward to working with my colleagues from both parties to tackle this important task.

Senate Chaplain Richard Halverson was absolutely on target in an opening prayer he delivered last month. As I'm sure you will remember, he reminded us of the words engraved on the Dirksen Building—"The Senate Is a Living Symbol of the Union of the States." And he asked us to remember that when we are united, we can be a truly awesome force for good.

These are words we ought to remember as we reform the political process—and indeed, in all the important work we do for the American people. The Federal workers of Minnesota have been waiting long enough for us to be united on this issue—and they have waited long enough for the right to full participation in the political process.

Mr. COATS. Mr. President, I rise today to state my opposition to S. 185. The practical effect of this legislation is a weakening of the Hatch Act which,

since 1939, has successfully protected civil servants from political exploitation and ensured the integrity of the day-to-day operations of the Federal Government.

S. 185 would remove current restrictions that prohibit Federal workers from engaging in various political activities, including soliciting contributions for political action committees and managing political campaigns. By destroying the neutrality of the Federal work force, this legislation opens the door to ethical conflicts in election campaigns, renders civil servants vulnerable to coercion in the workplace and creates, at the very least, the perception of partisan influence in the administration of Federal programs.

The American people must be confident that the Federal work force is working independently of political agendas and partisan pressures. It is a tragic misreading of our current political situation for Congress to respond, when Americans call for change, by giving bureaucrats more partisan political power.

Mr. WARNER. Mr. President, a little more than 3 years ago, I joined with 10 of my Republican colleagues and voted to override President George Bush's veto of near identical Hatch Act reform legislation. Our votes, together with those of our colleagues across the aisle, fell just short of carrying the day.

We are now presented with a new bill, S. 185, to accomplish these changes, and it appears that our efforts will finally be met with success.

I would like to take just a few moments to register my views on amendments to the bill considered on July 14 when I was necessarily absent from the Senate.

Amendment 563, approved 88 to 7: I heartily concur that an employee should be separated following the first rather than second Hatch Act violation.

Amendment 564, approved by unanimous consent: I would have had no objection to retaining the present Hatch Act protections for employees of the District of Columbia.

Amendment 565, approved 92 to 4: I would have gladly underscored the intent of the Senate to prohibit Federal employees from running for partisan elective office and from directly soliciting members of the public for political contributions.

Amendment 566, tabled 62 to 34: It is likely that I would have been in the minority favoring an exercise in democracy as here described in a Federal employee referendum.

Amendment 567, tabled 62 to 33: I would have joined the majority in opposing the extension of the Hatch Act reform bill to the uniformed services.

Amendment 568, approved by unanimous consent: I would have welcomed this clarification that the uniformed services would not be affected by the separate title in the bill concerning garnishment of civilian employee wages for bad debts.

Mr. President, S. 185 proposes to allow Federal employees, outside the workplace, to participate like their fellow citizens in partisan politics. While restricted from running from partisan elective office itself, Federal employees could hold an office in the local political party of their choice, serve as a precinct captain, or simply be given a voice on local partisan issues.

Admittedly, there have been reservations among the leadership of my party regarding the impact of broader partisan activities among the Nation's 2.9 million Federal civilian employees and postal workers.

I was, therefore, pleased to lend my support to a core package of widely endorsed amendments offered by Senator WILLIAM ROTH, of Delaware, ranking minority member of the Governmental Affairs Committee, and Senator ALAN SIMPSON, of Wyoming, the assistant minority leader.

Under the core package, the majority and minority leadership agreed by unanimous consent to retain present Hatch Act restrictions for Federal employees at such sensitive agencies as the Federal Election Commission, the Federal Bureau of Investigation, the Secret Service, the Central Intelligence Agency, the National Security Counsel, the Merit Systems Protection Board, and others. Career members of the Senior Executive Service will also be exempted to assure the existence of an impartial, nonpartisan buffer zone between the political appointees of the President and the Government's career civil servants. Furthermore, in a successful amendment on the floor of the Senate (56–43), we agreed to the exclusion of the Criminal Division of the U.S. Department of Justice.

Having served in a number of capacities as a Federal employee myself, I believe I bring a unique background of understanding to this legislation. Since my earliest job experiences, it has been my good fortune to work closely with both Federal and postal workers, and I have never failed to be impressed with their sense of dedication and public service.

I have confidence in the shared commitment of the Federal work force to making the long awaited reform of the Hatch Act a positive contribution to our bipartisan political process.

Mr. LEVIN. Mr. President, we are once again considering legislation which seeks to modify the current restrictions on political activity by Federal employees. We were only two votes short of overriding a veto by President Bush of this legislation in the last Congress. This time around, after many years of fighting the good fight to enact legislation which both protects the impartiality of Federal workers while allowing them active participation in the democratic process—it looks as though we will finally succeed.

The legislation we are considering today, S. 185, is the product of a great deal of time and effort on both sides of the aisle to devise a bill which, while prohibiting activities which can lead to unacceptable behavior, does allow Federal employees to engage in appropriate political activities.

The House has already passed its version of Hatch Act reform by an overwhelming margin. It is time for us to do the same. I want to take this opportunity to commend my colleague, Senator GLENN, for his strong leadership in developing this legislation and bringing us to this point.

In the most general terms, the Hatch Act prohibits employees of the executive branch, except for certain top political appointees, from taking "an active part in political management or in political campaigns." The act also prohibits executive branch officers or employees from using their "official authority or influence" to interfere with or affect the result of an election.

Those provisions sound very simple and straightforward. However, there are some 3,000 specific regulations in place under the Hatch Act to implement this law. The specific restrictions laid out by these governing regulations are oftentimes confusing and inconsistent and in some respects needlessly deny political freedoms to millions of U.S. citizens without any offsetting public benefit.

For instance, a Federal employee can put up a sign under certain circumstances, write a letter to the editor under certain circumstances, wear a political button to work under certain circumstances, and can even give a campaign contribution of up to $1,000. But that same Federal employee cannot stuff envelopes or do any other volunteer activity on behalf of a particular campaign or political party during nonworking hours. Moreover, there is a real problem in defining those certain circumstances as the guidelines try to do.

So the Hatch Act has become a Swiss cheese law full of arbitrary and oftentimes unnecessary do's and don'ts. A statute that was aimed at protecting Federal employees from retaliation has become a statute which needlessly discriminates against employees in their most basic rights.

What we need to do now is enact a law which prohibits those activities which can lead to the types of coercive and unacceptable behavior in evidence 50 years ago but allows this Nation's Federal employees to engage in appropriate, noncoercive political activities.

S. 185 achieves that goal. I urge my colleagues to join in support of this important legislation and vote for its passage.

Under the current guidelines, certain activities are permissible depending on

an employee's state of mind, but that same activity can be a violation if it is perceived as being in coordination or in concert with a political campaign. And, for the most part, you cannot get a quick, definitive answer as to whether or not an activity is prohibited. You almost need a court decision on the specifics of each situation.

If I were a Federal employee faced with that kind of advice in terms of what I could and could not legally do, my best option would be to stay away from the process altogether. But that is not what was intended by the Hatch Act, although that is—to a large extent—what has resulted, and it is not fair.

There are those who argue that all political activity by Federal employees should continue to be prohibited due to concerns that the allowance of any such activity would do damage to the public perception of an impartial civil service. I do not believe, for example, that the public cares if a clerk at the VA or a computer operator at the Commerce Department stuffs envelopes for the local mayoral candidate in a partisan election or assists in enhancing the democratic process by participating in get-out-the-vote initiatives for a particular party. In fact, I think many individuals would be surprised to learn that Federal employees are barred from such activities.

However, when money is involved, at a minimum subtle pressure is involved, and I do believe that the American public cares if their local postal carrier comes to the door asking for campaign contributions or their local tax clerk does the same. Federal procurement officers should not solicit funds from Federal contractors, and supervisory personnel should not be able to pressure subordinates to engage in political activity. The American public also cares, and rightly so, that individuals employed by the Federal Government not use their influence as a Federal employee for political ends.

S. 185 retains the restrictions against these types of activities by prohibiting all on-the-job political activities and disallowing any general solicitations of contributions by Federal employees anywhere at anytime.

The prohibition on running for partisan political office is also retained, with one exception; that is, Federal employees would be allowed to run for offices within a party organization and affiliated groups; that is, convention delegate.

The bill maintains restrictions on and penalties for the use of one's official position to influence the course or outcome of an election.

Moreover, S. 185, at the suggestion of OPM Director King, also contains a new provision which puts in place a clear prohibition on the use of political recommendations in hiring and promotion decisions for career civil service employees.

Fifty years ago, the culture in the Federal Government was quite different from the way it is now. There was a substantial increase in the number of Federal agencies and, subsequently, in the number of individuals employed by the Federal Government. The bulk of these new agencies and new employees were not placed under the jurisdiction of the Civil Service Commission and, thus, some 300,000 new Federal employees were not covered by civil service laws and merit hiring practices. As a result, many of the positions were filled with individuals who were essentially rewarded with Federal jobs for their political activities and contributions.

In response to this situation, Senator Hatch introduced S. 1871, a bill to prevent pernicious political activity. This bill was signed into law in August of 1939 and has since become known as the Hatch Act. The Hatch Act was enacted in an attempt to restore public trust in the Federal work force by instituting guidelines to guard against the politicization of that work force and to preserve its impartial character.

A legislative remedy to end that corruption and restore the integrity of the Federal service was appropriate and necessary. The Hatch Act was designed to attain that goal—one with which I wholeheartedly agree. An impartial Federal work force, free from political coercion, is essential to the fair and effective execution of Government programs and policies, but the Hatch Act itself now needs to be refined.

Mr. President, when the Senate last considered Hatch Act reform, I quoted two exchanges I had with Mary Wieseman, then-Special Counsel responsible for overseeing and prosecuting Hatch Act violations, during hearings in the Governmental Affairs Committee on Hatch Act reform.

The first exchange was on February 24, 1988, I was asking Ms. Wieseman to explain the scope of the Hatch Act prohibitions as they applied to specific acts:

Senator LEVIN. Just one question, Mr. Chairman, of Ms. Wieseman.

Can a Federal employee now independently, not in concert with any other organization, distribute his or her own literature?

Ms. WIESEMAN. Campaign literature?

Senator LEVIN. Yes.

Ms. WIESEMAN. I would have to know what literature is being distributed. It specifically says in the regulation, campaign literature may not be distributed. The Federal employee cannot run for office so it could not be his own campaign literature.

Senator LEVIN. No. My question is his or her own designed literature.

Ms. WIESEMAN. His or her own designed campaign literature?

Senator LEVIN. Yes. In other words, I put out a brochure as to why I think a certain candidate is the greatest candidate and I walk up and down my block handing it out.

Ms. WIESEMAN. No. A Federal employee may not do that.

Senator LEVIN. Even though I design my own literature?

Ms. WIESEMAN. That is right. That would be soliciting votes for a partisan—I have to say—if it is a partisan political campaign, of course, then that would be soliciting.

Senator LEVIN. But that is not expression?

Ms. WIESEMAN. That goes over the line from personal expression to campaigning.

Senator LEVIN. So I can put the sign in my yard?

Ms. WIESEMAN. Yes.

Senator LEVIN. That is expression. And I can write the letter to the editor, you say?

Ms. WIESEMAN. Yes.

Senator LEVIN. I can write the letter to the editor but I cannot hand that letter to my neighbor?

Ms. WIESEMAN. Yes, you may hand that letter to your neighbor.

Senator LEVIN. Can I hand it to my block?

Ms. WIESEMAN. That becomes a question of the facts and circumstances surrounding how you are doing it.

Senator LEVIN. I gave you all the facts right then. It is not concerted.

Ms. WIESEMAN. Yes. I think you probably could.

Senator LEVIN. Then I can hand it to my whole area?

Ms. WIESEMAN. That would be a real question of whether you are soliciting votes for a candidate at that time. And if, in your literature——

Senator LEVIN. This is a letter to the editor soliciting votes for a candidate?

Ms. WIESEMAN. Well, Senator, I guess we are getting down to the question we are balancing here. We are balancing private expression——

Senator LEVIN. I just want the answer to the question. I know it is balancing. But, can I write a letter to the editor soliciting votes for a candidate?

Ms. WIESEMAN. You may not solicit votes for a candidate in your letter.

Senator LEVIN. I can say, he or she is the greatest candidate?

Ms. WIESEMAN. Yes.

Senator LEVIN. But I cannot say, vote for him or her?

Ms. WIESEMAN. That is right.

Senator LEVIN. So that you are going to start censoring the content of my letter?

Ms. WIESEMAN. It is not the content. What you are doing with the letter is soliciting votes for a partisan political candidate, and that is prohibited.

Senator LEVIN. I just wrote the letter. I can say, he or she is the greatest candidate; that is okay?

Ms. WIESEMAN. Yes.

Senator LEVIN. I cannot say at the end, so I hope everybody will vote for him or her; is that right?

Ms. WIESEMAN. That would be a question at that point in soliciting votes in your letter.

Senator LEVIN. I am asking you for your answer to the question.

Ms. WIESEMAN. Whether we would prosecute that case or not? That is certainly a different question.

Senator LEVIN. No; whether it is legal or not, not whether you would prosecute. Is it legal?

Ms. WIESEMAN. I think that would—I hate to give opinions here in front of the Senate without the advantage of looking at prior opinions, but in my view that would be going beyond the line to say, I ask your support for the candidate, vote for this candidate, I encourage you to vote for this candidate. That is soliciting support for a partisan political candidate.

The following year, on July 25, 1989, we resumed our discussion:

Why is it okay to go to a rally but not okay to invite your neighbor to go to the rally with you?

Ms. WIESEMAN. You could invite your neighbor to go to a rally with you.

Senator LEVIN. You can? Could you give your neighbor a piece of paper saying there is a rally tomorrow?

Ms. WIESEMAN. Senator, since the last time we had this colloquy at the last hearing, I am sure you are aware that the courts have ruled on some of the issues that we discussed at that time. In our discussions last time, we were talking about the number of letters that might be written to a newspaper, et cetera.

Senator LEVIN. With regard to the rally question, can you give your neighbor a brochure saying there is a rally tomorrow?

Ms. WIESEMAN. What the court said in the *Biller, Blaylock and Sombrotto* case in interpreting the Hatch Act—and, of course, the courts are the ones who make the final interpretation of what the Hatch Act prohibits, we try to give that information to Federal employees but the courts are the ones that make that determination—is that expression by Federal employees of political opinions is unrestricted by the Hatch Act so long as that expression is not in concert with or in connection with or on behalf of partisan candidates of campaigns. That is what the court said, and that is a new interpretation of the Act.

We are in the process of applying those broad principles to particular factual situations. That is our job. We have revised our Hatch Act booklet—it is at the printer—to make those points. So I think it would be——

Senator LEVIN. What is the booklet going to tell us about my question?

Ms. WIESEMAN. Pardon me?

Senator LEVIN. What is that booklet that is at the printer going to answer to my question?

Ms. WIESEMAN. It is going to talk about the broad principles that I just iterated about the in concert——

Senator LEVIN. My fact situation.

Ms. WIESEMAN. If it is in concert with—as the court said—if it is in connection with, on behalf of, or in concert with a political party or campaign, it is prohibited by the Hatch Act. That is the criteria that the courts set up, the 2nd Circuit and the 11th Circuit. That is what we are interpreting.

Senator LEVIN. Now, my question is, I can invite my neighbor to the rally orally but I cannot hand the brochure, or I can hand the brochure?

Ms. WIESEMAN. If it is in concert with, on behalf of or in connection with—that is what the court said—a partisan political campaign or activity, it is prohibited. If it is not, it is permissible.

Senator LEVIN. Either oral or in writing?

Ms. WIESEMAN. Yes.

Senator LEVIN. So that whether I can invite my neighbor, or cannot invite my neighbor orally to that rally may depend upon my intent?

Ms. WIESEMAN. The only thing I can say, Senator, is what the court said. And we are dealing with factual situations every day in this area. We have to tell the employees, you may partake in this activity if you are not doing it in concert with, in connection with, or on behalf of a partisan political campaign or candidate. And those are the court's words and that is what we are interpreting and telling Federal employees currently.

Senator LEVIN. Did the Administration argue against that decision by that court?

Ms. WIESEMAN. The case was argued by the Merit Systems Protection Board. They have litigating authority. It was an action brought by my predecessor, and the Board found that there was a violation of the Hatch Act in the factual circumstance. And the case was argued in the appeals courts by the Merit Systems Protection Board attorneys.

Senator LEVIN. Let me just address, then, the Attorney General's Office, the Department of Justice.

It seems to me what we have done here, basically, is—you used the phrase, I believe, Mr. Dennis, that we need a blanket prohibition. We don't have a blanket prohibition. We have got a piece of Swiss cheese, basically, with the most complicated do's and don'ts that are conceivable.

You can put a bumper sticker on your car but you cannot give a bumper sticker to your neighbor if it is—what are the words?

Ms. WIESEMAN. You can give the bumper sticker unless it is in concert with, in connection with, or——

Senator LEVIN. What was the second word? In concert with or what?

Ms. WIESEMAN. On behalf of.

Senator LEVIN. Behalf of. So——

Ms. WIESEMAN. You cannot campaign for——

Senator LEVIN. I understand.

Ms. WIESEMAN [continuing]. A political party.

Senator LEVIN. I understand. I can put a bumper sticker on my car, wear a button, but I cannot give a bumper sticker to my neighbor if I am doing that on behalf of a campaign. I cannot go and stuff envelopes in a campaign office.

S. 185 corrects the flaws of the Hatch Act in a fair way. We should enact it promptly.

TODAY'S HATCH ACT

Mr. RIEGLE. Mr. President, as a cosponsor of the legislation before us, I would like to add my voice in support of reforming the Hatch Act. As we all know, this is not the first time we have tried to update the Hatch Act. Many of us have spent years supporting the political rights of civil servants, pressing to see this legislation passed into law. After being vetoed twice by Presidents in the recent past, it is heartening to see an administration receptive to this legislation that would grant Federal and postal employees long-deserved political freedoms.

The Hatch Act that we are debating today is not, as some would have you think, a repeal of the original legislation but an overdue revision of laws affecting civil servants. The original Hatch Act, enacted over 50 years ago, was designed to prevent political coercion of Federal employees in the work place. In 1939, the law was necessary to prevent managers and supervisors from exerting undue political influence over their subordinates.

Today, in 1993, many of the provisions of the Hatch Act are still valuable parts of the law. For instance, laws that prohibit civil servants from participating in the political process during their work day are needed to uphold the integrity of the Federal Government.

Although these restrictions are needed, there are many provisions of the original law that are outdated and unnecessary as they apply to today's Federal employees. I would like to take a minute to discuss some of these changes because I have heard from some opponents of the bill who feel strongly that the Hatch Act goes too far in granting political liberties to civil servants.

Unlike the House version of the legislation, the Senate bill does not allow civilian workers to run for partisan elective office at a local level. It also disallows Federal employees from soliciting money from the general public for political purposes. The House provisions raise concerns about the traditional nonpartisan status of employees in sensitive Federal positions at agencies such as the Department of Justice, the Internal Revenue Service, or the Central Intelligence Agency.

I strongly believe that all American citizens should have the right to openly express their political views. There is no reason that Federal employees should be denied the civil liberties of participating in the political process while not on duty in a Federal Government job. The authors of the bill have gone to great lengths to ensure that violators of the Hatch Act are fined and terminated from their positions; strict regulations were created to dissuade officials in positions of authority from improperly wielding political influence over their subordinates.

With these controls in place, I think the time has come to grant civil servants the political freedoms the rest of the American population enjoys. I am pleased to see that these important Hatch Act reforms are well on their way to becoming law and urge my colleagues to support this important piece of legislation.

Mr. ROTH. Mr. President, I yield back the remainder of my time.

Mr. GLENN. Mr. President, I yield back the remainder of my time.

Mr. President, I ask that it now be in order to move to table en bloc amendments 597, 600, 601, and 602 and ask for yeas and nays on final passage of H.R. 20, and that it be in order to request the yeas and nays on motions to table and final passage with one show of hands.

The PRESIDING OFFICER. Is there objection?

Mr. ROTH. Mr. President, reserving the right to object, am I correct in understanding that there will be a separate vote, yeas and nays on each of the four amendments and final passage?

Mr. GLENN. There will be a final vote. I will move to table.

The PRESIDING OFFICER. The Chair will respond, on the unanimous-consent proposal, that the Senator from Delaware is correct in his understanding.

Mr. ROTH. There will be a vote on each.

Mr. GLENN. Yes. They would be separate votes.

Mr. ROTH. What if we win on a motion to table?

The PRESIDING OFFICER. The Chair will say to the Senator from Delaware that if the motion to table is not agreed to, there would be for consideration a vote on passage of the amendment.

Mr. GLENN. But there would not be time for debate on defeat of the motion to table and consideration of the amendment; is that correct?

The PRESIDING OFFICER. The Senator from Ohio is correct.

Mr. ROTH. But there would be a separate vote on the amendment?

Mr. GLENN. There would be a separate vote on the amendment, as I understand.

Mr. ROTH. At that time we could ask for the yeas and nays if we so choose.

The PRESIDING OFFICER. The Senator from Delaware is correct.

Mr. ROTH. I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Without objection, it is so ordered.

Mr. GLENN. Mr. President, I now ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GLENN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is noted.

The clerk will please call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I now wish to use a portion of my leader time for a brief statement and then an announcement with respect to the Senate's schedule later today.

DEATH OF MYRON WALDMAN

Mr. MITCHELL. Mr. President, I rise to express my sorrow at the death of Myron Waldman, known to all of us as Mike Waldman, a long-time congressional reporter who passed away earlier this week.

Mike was the senior congressional correspondent for New York Newsday, having joined that paper 30 years ago. He began his career at Newsday covering politics as the paper's Albany correspondent and as its Nassau County political and government writer.

In 1967, Mike moved to Washington where he covered nearly all aspects of national politics. He served as a White House correspondent, covered every Presidential election since 1964, and served as Newsday's lead reporter during the House Judiciary Committee's impeachment proceedings against President Nixon.

Mike was known for his direct questions and his persistence in tracking down a story. He was never timid about asking a question again and again and again. Mike will be sorely missed by those of us who have the honor to serve in Congress and by the many thousands of readers who learned about our work through his reporting.

On behalf of every Member of the Senate, I extend our condolences and prayers to Mike's wife, Jean, and their three sons.

HATCH ACT REFORM AMENDMENTS

The Senate continued with the consideration of the bill.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, under the order now governing the disposition of the pending bill, there will be a series of votes beginning at 2:15 p.m. It is my understanding that there will be votes on four amendments followed by a vote on final passage of the bill. That means a total of five votes will occur beginning at 2:15 p.m. The first vote will be a regular 15-minute vote with a 5-minute allowance for those Senators who are not present at the end of the 15 minutes. All succeeding votes will be for 10 minutes each.

So Senators should be aware that all of the votes after the first vote will be for just 10 minutes and they should remain in the Chamber if they wish not to miss one of those votes.

I repeat. The second through the fifth votes will be for 10 minutes each. Senators should remain in the Senate Chamber so that we can complete action promptly on that measure.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. MITCHELL. Mr. President, I am advised by the manager, the distinguished Senator from Ohio, that all time has been yielded back. Therefore, I ask unanimous consent that the Senate stand in recess until 2:15 p.m. pursuant to the previous order.

There being no objection, the Senate, at 12:23 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. CONRAD].

HATCH ACT REFORM AMENDMENTS

The Senate continued with the consideration of the bill.

Mr. GLENN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I want to repeat a statement I made earlier today, for the benefit of Senators, dealing with the procedure in the upcoming votes.

There will now be five consecutive votes. The first vote will be under the normal time constraints—a 15-minute vote, with a possible additional 5 minutes for those Senators not present. The succeeding five votes will be 10 minutes each.

In this case, I want to make clear to Senators that 10 minutes means 10 minutes. It does not mean 11 minutes or 10½ minutes. It means 10 minutes. Any Senator not present on the Senate floor at the conclusion of 10 minutes on the second through the fifth vote will miss the vote.

Everybody has had ample notice of this. This is an effort to operate in a constructive and efficient manner. I thank my colleagues for their cooperation.

VOTE ON MOTION TO TABLE AMENDMENT NO. 597

The PRESIDING OFFICER. The question now occurs on the motion to table the Domenici amendment No. 597.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. MURKOWSKI] is necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. MURKOWSKI] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 56, nays 43, as follows:

[Rollcall Vote No. 197 Leg.]

YEAS—56

Akaka	Feinstein	Mikulski
Baucus	Ford	Mitchell
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Boren	Harkin	Murray
Boxer	Heflin	Nunn
Bradley	Hollings	Pell
Breaux	Inouye	Pryor
Bryan	Johnston	Reid
Bumpers	Kennedy	Riegle
Byrd	Kerrey	Robb
Campbell	Kerry	Rockefeller
Conrad	Kohl	Sarbanes
Daschle	Lautenberg	Sasser
DeConcini	Leahy	Shelby
Dodd	Levin	Simon
Dorgan	Lieberman	Wellstone
Exon	Mathews	Wofford
Feingold	Metzenbaum	

NAYS—43

Bennett	Faircloth	McCain
Bond	Gorton	McConnell
Brown	Gramm	Nickles
Burns	Grassley	Packwood
Chafee	Gregg	Pressler
Coats	Hatch	Roth
Cochran	Hatfield	Simpson
Cohen	Helms	Smith
Coverdell	Hutchison	Specter
Craig	Jeffords	Stevens
D'Amato	Kassebaum	Thurmond
Danforth	Kempthorne	Wallop
Dole	Lott	Warner
Domenici	Lugar	
Durenberger	Mack	

NOT VOTING—1

Murkowski

So the motion to lay on the table the amendment (No. 597) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the motion was agreed to.

The PRESIDING OFFICER. Without objection, the motion to lay on the table is agreed to.

Mr. MITCHELL. Mr. President, may we have order?

The PRESIDING OFFICER. May we have order in the Chamber, please?

The question now is on the motion to table the Roth amendment numbered 600.

Mr. MITCHELL. Mr. President, I want to repeat what I have previously stated on several occasions earlier today so there can be no misunderstanding. This vote and the three votes to follow it will be 10 minutes in duration; 10 minutes and 10 minutes only. Any Senator who is not present will miss the vote. I encourage all Senators to remain on the floor.

VOTE ON MOTION TO TABLE AMENDMENT NO. 600

The PRESIDING OFFICER. The question now is on the motion to table the Roth amendment numbered 600. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. MURKOWSKI] is necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. MURKOWSKI] would vote "nay."

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

The result was announced—yeas 50, nays 49, as follows:

[Rollcall Vote No. 198 Leg.]

YEAS—50

Akaka	Glenn	Moseley-Braun
Baucus	Graham	Moynihan
Bradley	Harkin	Murray
Breaux	Hatfield	Nunn
Bryan	Inouye	Pell
Bumpers	Johnston	Pryor
Byrd	Kennedy	Reid
Campbell	Kerrey	Riegle
Conrad	Kohl	Robb
Daschle	Lautenberg	Rockefeller
DeConcini	Leahy	Sarbanes
Dodd	Levin	Sasser
Dorgan	Lieberman	Shelby
Durenberger	Mathews	Simon
Exon	Metzenbaum	Wellstone
Feingold	Mikulski	Wofford
Ford	Mitchell	

NAYS—49

Bennett	Domenici	Lugar
Biden	Faircloth	Mack
Bingaman	Feinstein	McCain
Bond	Gorton	McConnell
Boren	Gramm	Nickles
Boxer	Grassley	Packwood
Brown	Gregg	Pressler
Burns	Hatch	Roth
Chafee	Heflin	Simpson
Coats	Helms	Smith
Cochran	Hollings	Specter
Cohen	Hutchison	Stevens
Coverdell	Jeffords	Thurmond
Craig	Kassebaum	Wallop
D'Amato	Kempthorne	Warner
Danforth	Kerry	
Dole	Lott	

NOT VOTING—1

Murkowski

So the motion to lay on the table the amendment (No. 600) was agreed to.

Mr. GLENN. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

VOTE ON MOTION TO TABLE AMENDMENT NO. 602

The PRESIDING OFFICER. The question now is on agreeing to the motion to table the Roth amendment No. 602. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. MURKOWSKI] is necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. MURKOWSKI], would vote "nay."

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

The result was announced—yeas 43, nays 56, as follows:

[Rollcall Vote No. 199 Leg.]

YEAS—43

Akaka	Graham	Moynihan
Baucus	Harkin	Murray
Boxer	Hatfield	Nunn
Breaux	Inouye	Pell
Bryan	Johnston	Pryor
Bumpers	Kennedy	Riegle
Byrd	Lautenberg	Rockefeller
Campbell	Leahy	Sarbanes
Conrad	Levin	Sasser
Daschle	Lieberman	Shelby
DeConcini	Mathews	Simon
Dodd	Metzenbaum	Wellstone
Dorgan	Mikulski	Wofford
Feingold	Mitchell	
Glenn	Moseley-Braun	

NAYS—56

Bennett	Exon	Lott
Biden	Faircloth	Lugar
Bingaman	Feinstein	Mack
Bond	Ford	McCain
Boren	Gorton	McConnell
Bradley	Gramm	Nickles
Brown	Grassley	Packwood
Burns	Gregg	Pressler
Chafee	Hatch	Reid
Coats	Heflin	Robb
Cochran	Helms	Roth
Cohen	Hollings	Simpson
Coverdell	Hutchison	Smith
Craig	Jeffords	Specter
D'Amato	Kassebaum	Stevens
Danforth	Kempthorne	Thurmond
Dole	Kerrey	Wallop
Domenici	Kerry	Warner
Durenberger	Kohl	

NOT VOTING—1

Murkowski

So the motion to table the amendment (No. 602) was rejected.

Mr. ROTH. Mr. President, I move to reconsider the vote by which the motion to lay on the table was rejected.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question occurs on the Roth amendment (No. 602), as offered. Is there further debate on the amendment?

Without objection, the amendment is agreed to.

Mr. ROTH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON MOTION TO TABLE AMENDMENT NO. 601

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the Kassebaum amendment (No. 601). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The Chair advises the Senate that this will be a 10-minute rollcall vote.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. MURKOWSKI] is necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. MURKOWSKI] would vote "nay."

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

The result was announced—yeas 58, nays 41, as follows:

[Rollcall Vote No. 200 Leg.]

YEAS—58

Akaka	Ford	Mitchell
Baucus	Glenn	Moseley-Braun
Biden	Graham	Moynihan
Bingaman	Harkin	Murray
Boxer	Heflin	Nunn
Bradley	Hollings	Pell
Breaux	Inouye	Pryor
Bryan	Jeffords	Reid
Bumpers	Johnston	Riegle
Byrd	Kennedy	Robb
Campbell	Kerrey	Rockefeller
Conrad	Kerry	Sarbanes
Daschle	Kohl	Sasser
DeConcini	Lautenberg	Shelby
Dodd	Leahy	Simon
Dorgan	Levin	Stevens
Durenberger	Lieberman	Wellstone
Exon	Mathews	Wofford
Feingold	Metzenbaum	
Feinstein	Mikulski	

NAYS—41

Bennett	Craig	Hatch
Bond	D'Amato	Hatfield
Boren	Danforth	Helms
Brown	Dole	Hutchison
Burns	Domenici	Kassebaum
Chafee	Faircloth	Kempthorne
Coats	Gorton	Lott
Cochran	Gramm	Lugar
Cohen	Grassley	Mack
Coverdell	Gregg	McCain

McConnell	Roth	Thurmond
Nickles	Simpson	Wallop
Packwood	Smith	Warner
Pressler	Specter	

NOT VOTING—1

Murkowski

So the motion to lay on the table the amendment (No. 601) was agreed to.

Mr. GLENN. Mr. President, I move to reconsider the vote.

Mr. ROTH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Pursuant to the order, the Senate bill is considered read a third time, and the clerk will report the House companion bill.

The legislative clerk read as follows:

A bill (H.R. 20) to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

VOTE ON H.R. 20, AS AMENDED

The PRESIDING OFFICER. Pursuant to the order, the text of S. 185, as amended, is substituted for the text of H.R. 20, and the bill is considered read a third time.

The question is on passage of H.R. 20, as amended.

The yeas and nays are ordered.

The clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. MURKOWSKI] is necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. MURKOWSKI] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 68, nays 31, as follows:

[Rollcall Vote No. 201 Leg.]

YEAS—68

Akaka	Ford	Mikulski
Baucus	Glenn	Mitchell
Biden	Gorton	Moseley-Braun
Bingaman	Graham	Moynihan
Boxer	Harkin	Murray
Bradley	Hatfield	Nunn
Breaux	Heflin	Packwood
Bryan	Hollings	Pell
Bumpers	Inouye	Pryor
Byrd	Jeffords	Reid
Campbell	Johnston	Riegle
Chafee	Kassebaum	Robb
Conrad	Kennedy	Rockefeller
Craig	Kerrey	Sarbanes
D'Amato	Kerry	Sasser
Daschle	Kohl	Shelby
DeConcini	Lautenberg	Simon
Dodd	Leahy	Specter
Dorgan	Levin	Stevens
Durenberger	Lieberman	Warner
Exon	Mathews	Wellstone
Feingold	McCain	Wofford
Feinstein	Metzenbaum	

NAYS—31

Bennett	Cochran	Faircloth
Bond	Cohen	Gramm
Boren	Coverdell	Grassley
Brown	Danforth	Gregg
Burns	Dole	Hatch
Coats	Domenici	Helms
Hutchison	McConnell	Smith
Kempthorne	Nickles	Thurmond
Lott	Pressler	Wallop
Lugar	Roth	
Mack	Simpson	

NOT VOTING—1

Murkowski

So the bill (H.R. 20), as amended, was passed.

Mr. GLENN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine, the majority leader.

Mr. MITCHELL. Mr. President, I now ask unanimous consent that the Senate insist on its amendment, request a conference with the House on disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees.

The PRESIDING OFFICER. Is there objection?

Mr. ROTH. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MITCHELL. Mr. President, I would like to inquire of the distinguished Senator from Delaware, who has just made the objection, what the reason is for the objection?

Mr. ROTH. I would say to our distinguished leader that I have the right to object, and at this time we are not ready to go to conference.

Mr. MITCHELL. Mr. President, the Senator does have a right to object. He does not have to give a reason if he does not want to. But I was inquiring whether he could, as a matter of courtesy, tell us what the reason is so that we could then attempt to address it.

Mr. ROTH. I say to the leader, at this time, we would prefer to see what action the House takes.

Mr. MITCHELL. Mr. President, I simply say to my colleagues that the Senate rules do require consent to proceed to the appointment of conferees.

Mr. ROTH. The last time, in 1990, the House did accept the Senate bill.

Mr. MITCHELL. Mr. President, the Senate rules do require unanimous consent to proceed to the appointment of conferees or, in the absence of unanimous consent, the making of a motion and the filing of cloture on that motion.

It has been a regular accommodation, whoever has been in the majority, to permit the Senate to proceed to appoint conferees.

If we are now to be confronted with a situation where we have to file a motion and file cloture and have a filibuster on a motion to appoint conferees, I will say to my colleagues I have to take that into account and the Senate is going to be in for some very long days, nights, and weekends if we have to do this.

Mr. President, objection has been made. I will now have to consult with the distinguished chairman and our colleagues to determine the appropriate course of action.

I, therefore, suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. MOSELEY-BRAUN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MOSELEY-BRAUN. Mr. President, I ask unanimous consent to proceed in morning business for a period not to exceed 4 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Illinois is recognized.

Ms. MOSELEY-BRAUN. Thank you very much, Mr. President.

NOMINATION OF DR. JOYCELYN ELDERS TO BE SURGEON GENERAL

Ms. MOSELEY-BRAUN. Mr. President, I am here today during this lull in the legislative deliberations to speak in support of the nomination of Dr. Joycelyn Elders for the post of U.S. Surgeon General. I have made it a practice to refrain from passing judgment or speaking publicly on nominees who come before the Judiciary Committee, a committee of which I am a member. To me that would be similar to a judge deciding in favor of the plaintiff or defendant prior to the trial. This nominee, however, will receive her hearing before the Labor and Human Resources Committee, a committee for which I have no direct responsibility, and I do not feel so constrained.

Some have chosen to attack Dr. Elders' character and disparage her accomplishments. If one reviews the facts, however, her record is clear and exemplary. Dr. Elders has always championed children's health and advocated preventive health care and early, aggressive intervention. During her tenure as director of health for the State of Arkansas, the State has almost doubled the number of children receiving immunizations and the number of pregnant women and children receiving food assistance. In addition, she was instrumental in luring a significant number of physicians to rural community health centers so that those areas would no longer be underserved.

And we all know, Mr. President, how difficult rural areas find it to attract qualified physicians to provide for the needs of these people. This was an objective that Dr. Elders sought out and achieved.

As part of her commitment to early preventive health care, she also improved and expanded prenatal care, early childhood screening, HIV prevention, and cancer prevention programs for the citizens of Arkansas. Further, she established a sickle cell screening program and created a division of adolescent and school health within the health department. Prior to becoming the director of health, Dr. Elders established a successful clinical practice and research career in pediatric endocrinology at the University of Arkansas.

Dr. Elders' record of public service is second to none. She is universally admired and respected by her peers as evidenced by endorsements from nearly 150 national organizations including the American Medical Association, the NAACP, and the National Organization for Women. She is a role model of the highest caliber and her accomplishments are irrefutable. Her commitment and dedication to providing the best health services and information possible to the citizens of Arkansas, and hopefully this Nation, should not be overshadowed by fabricated accusations that are misleading and untrue.

I would like to take a few moments to dispel a couple of the rumors and myths that have been floating around regarding the views of Dr. Elders and positions she has taken in the past:

Myth 1: Dr. Elders supports giving condoms and other contraception to teenagers indiscriminately.

Reality: The truth is, Dr. Elders supports comprehensive school based clinics that provide varied services from acute care to job or sports physicals. Clinics only dispense contraceptives if the local school board—and I underscore local school board—approves such activities, and if the student receives parental permission.

Parents and elected officials are the ones making the decisions to dispense contraceptives. That is an important point. While Dr. Elders may believe in appropriate sex education, as many of us do, those with the authority to determine what is available, to whom, and how, are parents and local elected officials.

Myth 2: Dr. Elders believes sex education should start in kindergarten. The reality—the truth is the K–12 program that Dr. Elders supports incorporates lessons on hygiene, substance abuse, self-esteem, and human sexuality. Her emphasis is on comprehensive age-appropriate health education for all students.

Dr. Elders has also been criticized for her so-called pro-abortion views. The rumor that Dr. Elders is out there promoting abortion is just plain untrue. Dr. Elders' message is not about abortion—it is about preventing unwanted pregnancies.

Dr. Elders' views on these subjects are not shocking, and she is not the first person to espouse them. Let me for a moment offer some statements by a past Surgeon General whose tenure was revered by many: "If sexuality is taught gently and gradually at an early age, it is a part of your life and it doesn't come as such a shock" and "If you want to get rid of abortions, you'd better get rid of the reasons for them. The reasons are unwanted pregnancies, you have to educate people in a way we have never done. * * * That, of course, moves into teaching contraception." The Surgeon General who made those statements was C. Everett Koop, a conservative and a member of the past conservative administration who distinguished himself.

Dr. Koop was widely lauded as making the Office of the Surgeon General one that had real meaning. He was not afraid to speak publicly on controversial issues and he was one of the few Reagan administration officials to be frank and open about AIDS prevention. One of the reasons he was universally admired and respected was because he was honest with the American people and he spoke his mind. Dr. Elders on the other hand, has been slandered for the exact same candor. I believe she deserves the same dignity and respect.

She has been painted as a radical and denounced as unqualified to preserve and protect the health of this Nation's citizens. I believe, however, it is the small minority who are unable to acknowledge her strength and commitment who are the real radicals. They are unable to grasp the necessity of educating our youth about real life. Real life includes AIDS and other sexually transmitted diseases. Real life includes unwanted pregnancies. And, yes, real life sometimes includes children having sex. This is shocking even to me, Mr. President, but I will share the statistic with you. The 1991 Youth Risk Behavior Survey conducted by the Centers for Disease Control, which you know is an internationally recognized medical institution, revealed that 54 percent of our teens in high school have had sex at least once and over 34 percent have had 2 or more partners.

I daresay, the generation of which you and I are part would be stunned by those figures. But that is the reality of what young people face today. And it is that reality that Dr. Elders is trying to address.

Abstinence is an important concept and no one argues that it should not be taught to our children. Abstinence is an absolute, however, and as we can see from the CDC statistics it is difficult to live by absolutes. Therefore, can we as a nation support ignorance in our children to preserve their so-called innocence? The answer can only be no. Sound public health policy demands that our young people also have access to appropriate age-related information regarding sex. Sex education is a public health issue, pure and simple.

The radical minority disagrees with Dr. Elders' commitment to educate our youth. Since that tactic did not derail her prospects, they have now taken issue and raised another red herring of compensation during her vacation from the University of Arkansas and a previously settled lawsuit. It appears that those allegations are as equally unfounded as the earlier accusations, but they will of course be reviewed thoroughly. The radical minority is seeking to deny her the right to serve her country through false rumor and disparaging innuendo. They are trying to kill her nomination as part of a larger agenda which is to deny President Clinton the opportunity to put together a Cabinet and administration that is based on a commitment to both diversity and excellence. They had their chance to run the country for 12 years. They failed. It is now time for a new more positive and realistic era. A time where Government officials are not afraid to face difficult issues and propose real solutions.

Good health is not a partisan issue. Picking a Surgeon General who can use the bully pulpit of that position as a stage from which to encourage healthy habits is what we need. Joycelyn Elders is that Surgeon General. I wholeheartedly endorse her nomination and encourage the rest of the Members of this body to do so as well.

Mr. President, I yield the floor and suggest the absence of a quorum.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

DR. ELDERS

Mr. BOREN. Mr. President, I just want to compliment my colleague from Illinois on the remarks she has just made. I first became aware of the work of Dr. Elders several years ago, living in a neighboring State. I also had the opportunity to watch a television documentary about her work several years ago, and then later, as a trustee of Yale University, I had an opportunity to further study her record as she was granted an honorary degree by that university.

I appreciate the fact that my colleague has taken time on the Senate floor today to correct the record, or to state the record and state the facts, because there have been many reports that I think have not fairly presented the record, the work, and the philosophy of Dr. Elders.

She is a person who sincerely wants to help young people. If there is any single message that comes through in her career, it is that she is concerned about young people, about their future, and about trying to counsel them and lead them in the right direction and to avoid serious health problems for this country. So I think there are many parts of her career that are to be admired.

We have an obligation, of course, in this body to look into any allegations

that have been raised. I am sure we will do that. I am sure we will do that with thoroughness. But at the same time, we should always bear in mind we are here dealing with the record and reputation of an individual American who has made remarkable and positive contributions in her own State and who desires to render that kind of service to the Nation.

So I think another part of Dr. Elders' record that is very clear is her commitment to local control of education. In her position in Arkansas, she never attempted to force something down the throats of local school districts. She has always been very sensitive to the values and to the views of those at the local level. And she has also understood that there may need to be varying approaches in varying areas. What works in one school district may not work in another, as you deal with people with different experiences, different backgrounds, different income levels, and different attitudes.

So I appreciate the fact that my colleague from Illinois has taken the floor to, I think, state the record very, very well on behalf of Dr. Elders. I hope all of our colleagues will take the time to read and to study seriously about this outstanding American before jumping to any conclusions about her. I think when they take that time, they will find many parts of her record to admire and to respect.

Mr. KENNEDY. Will the Senator yield?

The PRESIDING OFFICER. The Senator from Massachusetts.

DR. ELDERS

Mr. KENNEDY. Mr. President, I, too, want to congratulate the Senator from Illinois for making a very eloquent supportive statement about Dr. Elders. Our Human Resources Committee is intending to have a hearing on her nomination on Friday and we will have an opportunity to listen to a very eloquent voice that is a plain-spoken voice, and really speaks truth to power.

Perhaps there are people in this country who feel that it is not advantageous to have someone who is frank and truthful and who is willing to speak about the realities that exist in many of our inner cities and rural communities, and the state of our public health, whether it is on the issues of teenage pregnancies or immunizations or childhood diseases or low-birthweight babies, or a wide range of different public health issues and questions.

I am enormously impressed by a number of factors about Dr. Elders, not the least of which is that she is really a Horatio Alger story. Rarely during the times of her early years or into her teens, did she begin her education until mid-November, until after the crops were in. When she was a young girl, she worked out in the fields all day long for her family's farm. And then, even as a teenager, she did the same. And after all the crops were in, in early November or mid-November, then she would go to school.

We have heard the stories about how she read in the night under the sheets and the blankets because her parents wanted her to get a good night's sleep. She was the second black woman to graduate from the Arkansas Medical School and the first black woman to serve as chief resident of pediatrics at the hospital of the University of Arkansas. She toiled hours in the cafeteria and at other odd jobs in order to be able to receive an education. In spite of all of these kinds of distractions, she made an extraordinary academic record and achievement. She never lost touch with where she came from and she was able to inspire people and I think become one of the great teachers, and thinkers about the problems of public health, in particular, as they relate to children.

I just underline what Senator BOREN has mentioned about local control. I have read a good deal in many of the newspapers about her positions related to some of the thorniest, hot-button political questions that are before the country today. I think when we have a real opportunity to listen to her talk about how she is strongly committed in terms of local control, the development of school-based clinics, which just about every public health official would say was a great need. Under the leadership of Governor Clinton and Dr. Elders in Arkansas, I believe there are now 24 communities with school-based clinics and there are another 22 communities on the waiting list wanting those school-based clinics, in each instance leaving it up to the local school boards as to whether they are going to have the clinic, and if so, whether they will have health education or sex education. Any school board that does not want it, they do not get it. If they do, they do permit it, and the curriculum is decided by the Arkansas Legislature, not known as being a flaming leftist kind of organization. They ensure that any parent who does not want an individual child to participate will be excluded from such program.

There is enormous sensitivity on this. Mr. President, I am not going to take the time of the Senate on Dr. Joycelyn Elders this afternoon. I want to say I commend the Senator for bringing the subject of her nomination before the Senate today. As a matter of comity, Senator KASSEBAUM and I had jointly agreed to delay from last week to this Friday the hearing so there could be a full response on some of the issues that were raised. I am sure the responses are going to be satisfactory to the members of the committee.

I commend the Senator from Illinois.

I thank the Senate for being able to address this issue because I do think it is important.

Ms. MOSELEY-BRAUN. Mr. President, I thank the Senator from Oklahoma and the Senator from Massachusetts for their kind words.

I yield the floor.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader.

HATCH ACT REFORM AMENDMENTS

Mr. MITCHELL. Mr. President, I think it is important for all Senators to understand what has occurred here today with respect to the bill upon which the Senate has completed action.

We have had Republican filibusters this year on an effort to begin consideration of a bill. We have had Republican filibusters on efforts to complete consideration of a bill. But this is the first time this year we have had a filibuster threatened on the naming of conferees after a bill has been passed by the Senate.

There is no doubt that the rules of the Senate permit a single Senator, or a group of Senators, even though a minority, to delay and obstruct, to prevent action, to take a lot longer to do things than would otherwise be the case. It is also true that measures can be undertaken to overcome such obstruction and delay.

But every Senator should understand that if that is necessary, it means a drastic change in the Senate schedule. I have attempted, since becoming majority leader, to construct the schedule in a way that accommodates the travel and other schedules of Senators, but that, obviously, requires accommodation. If we are now going to be confronted with a filibuster on a motion to name conferees after a bill has been passed and passed, I might add, with the votes of 68 Senators, then it is obvious that I, and every Senator, will have to reconsider how we proceed when we are in session and the circumstances under which the operations of the Senate will be conducted.

Senate rules do permit any Senator to delay and obstruct. That there can be no doubt. Senate rules also permit the majority leader to take action to overcome such delay and such obstruction. That is almost invariably extremely inconvenient for all Senators, but I simply want to state that I will have no hesitation about taking such action if it is necessary.

We have just had a bill that has been on the floor for several days. We had an overwhelming vote to pass it. Sixty-eight Senators voted to pass it, and now what is as routine a request as there can be in the Senate, simply to name Senators to meet with House Colleagues to work on a conference on the

bill, we have a filibuster, or a threat of a filibuster, that prevents us from taking action unless we now drop everything else, file a motion to end the filibuster and spend a few more days on a bill which we have already debated and discussed at length and just voted for by an overwhelming margin.

I am certain that any American watching this who may be unfamiliar with the Senate rules—it confirms their impression of gridlock and what is wrong in the Senate and in the Congress and in the Government that we cannot take even the most routine and simple actions without encountering this type of delay and obstruction.

I regret that. It is made possible by the Senate rules which are intended to achieve a certain result, but not, I believe, this one.

So we have no choice now but not to proceed to the naming of the conferees. When the matter comes back from the House, if it is going to be necessary to file a motion to end a filibuster, I just want to say to Senators, when that happens, if it happens, then we are going to be in for a substantial period of time, including weekends, possibly the recess if this is what we have to do. I have already altered the Senate's schedule significantly this year because of the increasing delays and obstruction that have been presented, and we will simply have to take this further action into consideration as we decide how best to proceed in the coming days and weeks.

So, Mr. President, I think this is a most significant action which has occurred today, a most regrettable action, and I simply want to note for Senators that if there are going to be additional changes forthcoming in the schedule, they understand why it has become necessary.

The PRESIDING OFFICER. Pursuant to the previous order, consideration of S. 185 is indefinitely postponed.

NATIONAL AND COMMUNITY SERVICE TRUST ACT OF 1993

The PRESIDING OFFICER. Under the previous order, the clerk will report Senate bill 919.

The assistant legislative clerk read as follows:

A bill (S. 919) to amend the National and Community Service Act of 1990 to establish a Corporation for National Service, enhance opportunities for national service, and provide national service educational awards to persons participating in such service, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Human Resources with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "National and Community Service Trust Act of 1993".

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

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purpose.

TITLE I—PROGRAMS AND RELATED PROVISIONS

Subtitle A—Programs

Sec. 101. Federal investment in support of national service.
Sec. 102. National Service Trust and provision of national service educational awards.
Sec. 103. School-based and community-based service-learning programs.
Sec. 104. Quality and innovation activities.

Subtitle B—Related Provisions

Sec. 111. Definitions.
Sec. 112. Authority to make State grants.
Sec. 113. Family and medical leave.
Sec. 114. Reports.
Sec. 115. Nondiscrimination.
Sec. 116. Notice, hearing, and grievance procedures.
Sec. 117. Nondisplacement.
Sec. 118. Evaluation.
Sec. 119. Engagement of participants.
Sec. 120. Contingent extension.
Sec. 121. Audits.
Sec. 122. Repeals.

TITLE II—ORGANIZATION

Sec. 201. State Commissions on National and Community Service.
Sec. 202. Interim authorities of the Corporation for National and Community Service and ACTION Agency.
Sec. 203. Final authorities of the Corporation for National and Community Service.

TITLE III—REAUTHORIZATION

Subtitle A—National and Community Service Act of 1990

Sec. 301. Authorization of appropriations.

Subtitle B—Domestic Volunteer Service Act of 1973

Sec. 311. Short title; references.

CHAPTER 1—VISTA AND OTHER ANTI-POVERTY PROGRAMS

Sec. 321. Purpose of the VISTA program.
Sec. 322. Selection and assignment of VISTA volunteers.
Sec. 323. Terms and periods of service.
Sec. 324. Support for VISTA volunteers.
Sec. 325. Participation of younger and older persons.
Sec. 326. Literacy activities.
Sec. 327. Applications for assistance.
Sec. 328. Repeal of authority for student community service programs.
Sec. 329. University year for VISTA.
Sec. 330. Authority to establish and operate special volunteer and demonstration programs.
Sec. 331. Technical and financial assistance.
Sec. 332. Elimination of separate authority for drug abuse programs.

CHAPTER 2—NATIONAL SENIOR VOLUNTEER CORPS

Sec. 341. National Senior Volunteer Corps.
Sec. 342. The Retired and Senior Volunteer Program.
Sec. 343. Operation of the Retired and Senior Volunteer Program.
Sec. 344. Services under the Foster Grandparent Program.
Sec. 345. Stipends for low-income volunteers.
Sec. 346. Participation of non-low-income persons under parts B and C.
Sec. 347. Conditions of grants and contracts.
Sec. 348. Evaluation of the Senior Companion Program.
Sec. 349. Agreements with other Federal agencies.
Sec. 350. Programs of national significance.
Sec. 351. Adjustments to Federal financial assistance.
Sec. 352. Demonstration programs.

CHAPTER 3—ADMINISTRATION

Sec. 361. Purpose of agency.
Sec. 362. Authority of the Director.
Sec. 363. Compensation for volunteers.
Sec. 364. Repeal of report.
Sec. 365. Application of Federal law.
Sec. 366. Evaluation of programs.
Sec. 367. Nondiscrimination provisions.
Sec. 368. Elimination of separate requirements for setting regulations.
Sec. 369. Clarification of role of Inspector General.
Sec. 370. Copyright protection.
Sec. 371. Center for research and training.
Sec. 372. Deposit requirement credit for service as a volunteer.

CHAPTER 4—AUTHORIZATION OF APPROPRIATIONS AND OTHER AMENDMENTS

Sec. 381. Authorization of appropriations for title I.
Sec. 382. Authorization of appropriations for title II.
Sec. 383. Authorization of appropriations for title IV.
Sec. 384. Conforming amendments; compensation for VISTA FECA claimants.
Sec. 385. Repeal of authority.

CHAPTER 5—GENERAL PROVISIONS

Sec. 391. Technical and conforming amendments.
Sec. 392. Effective date.

Subtitle C—Youth Conservation Corps Act of 1970

Sec. 399. Public Lands Corps.

TITLE IV—TECHNICAL AND CONFORMING AMENDMENTS

Sec. 401. Definition of Director.
Sec. 402. References to ACTION and the ACTION Agency.
Sec. 403. Definitions.
Sec. 404. References to the Commission on National and Community Service.
Sec. 405. References to Directors of the Commission on National and Community Service.
Sec. 406. Effective date.

SEC. 2. FINDINGS AND PURPOSE.

(a) IN GENERAL.—Section 2 of the National and Community Service Act of 1990 (42 U.S.C. 12501) is amended to read as follows:

"SEC. 2. FINDINGS AND PURPOSE.

"(a) FINDINGS.—The Congress finds the following:

"(1) Throughout the United States, there are pressing unmet human, educational, environmental, and public safety needs.

"(2) Americans desire to affirm common responsibilities and shared values, and join together in positive experiences, that transcend race, religion, gender, age, disability, region, income, and education.

"(3) The rising costs of postsecondary education are putting higher education out of reach for an increasing number of citizens.

"(4) Americans of all ages can improve their communities and become better citizens through service to the United States.

"(5) Nonprofit organizations, local governments, States, and the Federal Government are already supporting a wide variety of national service programs that deliver needed services in a cost-effective manner.

"(6) Residents of low-income communities, especially youth and young adults, can be empowered through their service, and can help provide future community leadership.

"(b) PURPOSES.—It is the purpose of this Act to—

"(1) meet the unmet human, educational, environmental, and public safety needs of the United States, without displacing existing workers;

"(2) renew the ethic of civic responsibility and the spirit of community throughout the United States;

"(3) expand educational opportunity by rewarding individuals who participate in national service with an increased ability to pursue higher education or job training;

"(4) encourage citizens of the United States, regardless of race, religion, gender, age, disability, region, income, or education, to engage in full-time or part-time national service;

"(5) reinvent government to eliminate duplication in national service programs, support locally established service initiatives, encourage private sector investment and involvement in national service programs, and require measurable goals for performance in such programs and offer flexibility in meeting those goals;

"(6) empower residents of low-income communities, especially youth and young adults, through their service, and help provide future community leadership;

"(7) build on the existing organizational service infrastructure of Federal, State, and local programs and agencies to expand full-time and part-time service opportunities for all citizens;

"(8) provide tangible benefits to the communities in which national service is performed;

"(9) build ties among Americans that transcend race, religion, gender, age, disability, region, income, and education;

"(10) encourage educational reform by introducing service-learning into curricula in elementary schools, secondary schools, and institutions of higher education; and

"(11) enable service participants to gain personal, academic, and occupational skills through service-learning experiences.".

(b) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101–610; 104 Stat. 3127) is amended by striking the item relating to section 2 and inserting the following new item:

"Sec. 2. Findings and purpose.".

TITLE I—PROGRAMS AND RELATED PROVISIONS

Subtitle A—Programs

SEC. 101. FEDERAL INVESTMENT IN SUPPORT OF NATIONAL SERVICE.

(a) ASSISTANCE PROGRAM AUTHORIZED.—Subtitle C of title I of the National and Community Service Act of 1990 (42 U.S.C. 12541 et seq.) is amended to read as follows:

"Subtitle C—National Service Trust Program

"PART I—INVESTMENT IN NATIONAL SERVICE

"SEC. 121. AUTHORITY TO PROVIDE ASSISTANCE AND APPROVED NATIONAL SERVICE POSITIONS.

"(a) PROVISION OF ASSISTANCE.—The Corporation for National and Community Service may make grants to States, subdivisions of States, Indian tribes, public and private not-for-profit organizations (including labor organizations and community action agencies), and institutions of higher education for the purpose of assisting the recipients of the grants by paying for the Federal share of—

"(1) carrying out full- or part-time national service programs, including summer programs, described in section 122(a); and

"(2) making grants in support of other national service programs described in section 122(a) that are carried out by other entities.

"(b) AGREEMENTS WITH FEDERAL AGENCIES.—

"(1) IN GENERAL.—The Corporation may enter into a contract or cooperative agreement with another Federal agency to support a national service program carried out by the agency. The support provided by the Corporation pursuant to the contract or cooperative agreement may include the transfer to the Federal agency of funds available to the Corporation under this subtitle.

"(2) NONDUPLICATION.—A Federal agency that enters into a contract or cooperative agreement under paragraph (1) to support a national service program within a State—

"(A) shall consult with the State Commission serving the State to avoid duplication with any service program that is in existence in the State as of the date of the contract or cooperative agreement; and

"(B) shall, in an appropriate case, enter into a contract or cooperative agreement with an entity that is carrying out a service program described in subparagraph (A) that is of high quality, in order to support the national service program.

"(3) APPLICATION OF REQUIREMENTS.—A Federal agency receiving assistance under this subsection shall comply with the Federal share requirements of section 129(d)(2)(B). The supplementation requirements specified in section 173 shall apply with respect to the Federal national service programs supported with such assistance.

"(c) PROVISION OF APPROVED NATIONAL SERVICE POSITIONS.—As part of the provision of assistance under subsections (a) and (b), the Corporation shall—

"(1) approve the provision of national service educational awards described in subtitle D for the participants who serve in national service programs carried out using such assistance; and

"(2) deposit in the National Service Trust established in section 145(a) an amount equal to the product of—

"(A) the value of a national service educational award under section 147; and

"(B) the total number of approved national service positions to be provided.

"(d) FIVE PERCENT LIMITATION ON ADMINISTRATIVE COSTS.—

"(1) LIMITATION.—Not more than 5 percent of the amount of assistance provided to the original recipient of a grant or transfer of assistance under subsection (a) or (b) for a fiscal year may be used to pay for administrative costs (including indirect costs) incurred by—

"(A) the recipient of the assistance; and

"(B) national service programs carried out or supported with the assistance.

"(2) RULES ON USE.—The Corporation may by rule prescribe the manner and extent to which—

"(A) assistance provided under subsection (a) or (b) may be used to cover administrative costs; and

"(B) that portion of the assistance available to cover administrative costs should be distributed between—

"(i) the original recipient of the grant or transfer of assistance under such subsection; and

"(ii) national service programs carried out or supported with the assistance.

"(e) MATCHING FUNDS REQUIREMENTS.—

"(1) REQUIREMENTS.—Except as provided in sections 129(d)(2)(B) and 140, the Federal share of the cost of carrying out a national service program that receives the assistance under subsection (a), whether the assistance is provided directly or as a subgrant from the original recipient of the assistance, may not exceed 75 percent of such cost.

"(2) CALCULATION.—In providing for the remaining share of the cost of carrying out a national service program, the program—

"(A) shall provide for such share through a payment in cash or in kind, fairly evaluated, including facilities, equipment, or services; and

"(B) may provide for such share through State sources, local sources, or other Federal sources (other than the use of funds made available under the national service laws).

"(3) WAIVER.—The Corporation may waive in whole or in part the requirements of paragraph (1) with respect to a national service program in any fiscal year if the Corporation determines that such a waiver would be equitable due to a lack of available financial resources at the local level.

"SEC. 122. TYPES OF NATIONAL SERVICE PROGRAMS ELIGIBLE FOR PROGRAM ASSISTANCE.

"(a) ELIGIBLE NATIONAL SERVICE PROGRAMS.—The recipient of a grant under section 121(a) and each Federal agency receiving assistance under section 121(b) shall use the assistance, directly or through subgrants to other entities, to carry out full- or part-time national service programs, including summer programs, that address unmet human, educational, environmental, or public safety needs. Subject to subsection (b)(1), these national service programs may include the following types of national service programs:

"(1) A community corps program that meets unmet human, educational, environmental, or public safety needs and promotes greater community unity through the use of organized teams of participants of varied social and economic backgrounds, skill levels, capabilities, ages, ethnic backgrounds, or genders.

"(2) A full-time youth corps program, carried out during the summer or throughout the full calendar year, such as a conservation corps or youth service corps (including a conservation corps or youth service corps that performs service on Federal or other public lands or on Indian lands), that—

"(A) undertakes meaningful service projects with visible benefits to a community, including natural resource, urban renovation, rural development, or human services projects;

"(B) includes as participants youths and young adults between the ages of 16 and 25, inclusive, including out-of-school youths, other economically disadvantaged youths, and individuals with disabilities, who are between those ages; and

"(C) provides those participants who are youths and young adults with—

"(i) crew-based, highly structured, and adult-supervised work experience, life skills, education, career guidance and counseling, employment training, and support services; and

"(ii) the opportunity to develop citizenship values and skills through service to their community and the United States.

"(3) A program that provides specialized training to individuals in service-learning and places the individuals after such training in positions, including positions as service-learning coordinators, to facilitate service-learning in programs eligible for funding under part I subtitle B.

"(4) A service program that is targeted at specific unmet human, educational, environmental, or public safety needs and that—

"(A) recruits individuals with special skills or provides specialized preservice training to enable participants to be placed individually or in teams in positions in which the participants can meet such unmet needs; and

"(B) brings participants together for additional training and other activities designed to foster civic responsibility, increase the skills of participants, and improve the quality of the service provided.

"(5) An individualized placement program that includes regular group activities, such as leadership training and special service projects.

"(6) A campus-based program that is designed to provide substantial service in a community

during the school term and during summer or other vacation periods through the use of—

"(A) students who are attending an institution of higher education, including students participating in a work-study program assisted under part C of title IV of the Higher Education Act of 1965 (42 U.S.C. 2751 et seq.);

"(B) teams composed of such students; or

"(C) teams composed of a combination of such students and community residents.

"(7) A preprofessional training program in which students enrolled in an institution of higher education—

"(A) receive training in specified fields, which may include classes containing service-learning;

"(B) perform service related to such training outside the classroom during the school term and during summer or other vacation periods; and

"(C) agree to provide service upon graduation to meet unmet human, educational, environmental, or public safety needs related to such training.

"(8) A professional corps program that recruits and places qualified participants in positions—

"(A) as teachers, nurses and other health care providers, police officers, early childhood development staff, or other professionals providing service to meet educational, human, environmental, or public safety needs in communities with an inadequate number of such professionals;

"(B) that may include a salary in excess of the maximum living allowance authorized in subsection (a)(3) of section 140, as provided in subsection (c) of such section; and

"(C) that are sponsored by public or private not-for-profit employers who agree to pay 100 percent of the salaries and benefits (other than any national service educational award under subtitle D) of the participants.

"(9) A program in which economically disadvantaged individuals who are between the ages of 16 and 24 years of age, inclusive, are provided with opportunities to perform service that, while enabling such individuals to obtain the education and employment skills necessary to achieve economic self-sufficiency, will help their communities meet—

"(A) the housing needs of low-income families and the homeless; and

"(B) the need for community facilities in low-income areas.

"(10) A national service entrepreneur program that identifies, recruits, and trains gifted young adults of all backgrounds and assists such adults in designing solutions to community problems.

"(11) An intergenerational program that combines students, out-of-school youths, and older adults as participants to provide needed community services, including an intergenerational component of a national service program described in any of paragraphs (1) through (10), or in paragraph (12) or (13).

"(12) A program, to be known as a 'Communities in Action program', carried out by not-for-profit organizations, including community action agencies or combinations of such agencies, to provide opportunities for individuals or teams of individuals to engage in local community projects that meet important unaddressed community and individual needs in low-income areas served by such a not-for-profit organization, including service projects to meet the unaddressed needs of economically disadvantaged youth age 18 and younger (including providing safe locations for after-school programs that provide opportunities for learning and recreation).

"(13) Such other national service programs addressing unmet human, educational, environmental, or public safety needs as the Corporation may designate.

"(b) QUALIFICATION CRITERIA TO DETERMINE ELIGIBILITY.—

"(1) ESTABLISHMENT BY CORPORATION.—The Corporation shall establish qualification criteria for different types of national service programs for the purpose of determining whether a particular national service program should be considered to be a national service program eligible to receive assistance or approved national service positions under this subtitle.

"(2) CONSULTATION.—In establishing qualification criteria under paragraph (1), the Corporation shall consult with organizations and individuals that have extensive experience in developing and administering effective national service programs.

"(3) APPLICATION TO SUBGRANTS.—The qualification criteria established by the Corporation under paragraph (1) shall also be used by each recipient of assistance under section 121(a) that uses any portion of the assistance to conduct a grant program to support other national service programs.

"(4) ENCOURAGEMENT OF INTERGENERATIONAL COMPONENTS OF PROGRAMS.—The Corporation shall encourage national service programs eligible to receive assistance or approved national service positions under this subtitle to establish, if consistent with the purposes of the program, an intergenerational component of the program that combines students, out-of-school youths, and older adults as participants to provide services to address unmet human, education, environmental, or public safety needs.

"(c) NATIONAL SERVICE PRIORITIES.—

"(1) ESTABLISHMENT BY CORPORATION.—In order to concentrate national efforts on meeting certain unmet human, educational, environmental, or public safety needs and to achieve the other purposes of this Act, the Corporation, after consultation with the State Commissions, may establish, and periodically alter, priorities regarding the types of national service programs to be assisted under section 121 and the purposes for which such assistance may be used.

"(2) NOTICE TO APPLICANTS.—

"(A) IN GENERAL.—The Corporation shall provide to potential applicants advance notice of any national service priorities to be in effect under this subsection for a fiscal year.

"(B) CONTENTS.—The notice shall specifically include—

"(i) a description of any alteration made in the priorities since the previous notice; and

"(ii) a description of the national service programs that are designated by the Corporation under section 133(d)(2) as eligible for priority consideration in the next competitive distribution of assistance under section 121(a).

"(C) REGULATIONS.—The Corporation shall by regulation establish procedures to ensure the equitable treatment of national service programs that—

"(i) receive funding under this subtitle for multiple years; and

"(ii) would be adversely affected by annual revisions in such national service priorities.

"(3) APPLICATION TO SUBGRANTS.—Any recipient of funds under section 121(a) that uses any portion of the assistance to conduct a grant program to support other national service programs shall, in conducting such a grant program, make reasonable efforts to use any national service priorities established by the Corporation under this subsection.

"SEC. 123. TYPES OF NATIONAL SERVICE POSITIONS ELIGIBLE FOR APPROVAL FOR NATIONAL SERVICE EDUCATIONAL AWARDS.

"The Corporation may approve of any of the following service positions as an approved national service position that includes the national service educational award described in subtitle D as one of the benefits to be provided for successful service in the position:

"(1) A position for a participant in a national service program described in section 122(a) that receives assistance under subsection (a) or (b) of section 121.

"(2) A position for a participant in a program that—

"(A) is carried out by a State, a subdivision of a State, an Indian tribe, a public or private not-for-profit organization (including a community action agency), an institution of higher education, or a Federal agency; and

"(B) would be eligible to receive assistance under section 121(a), based on criteria established by the Corporation, but has not applied for such assistance.

"(3) A position involving service as a VISTA volunteer under title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.).

"(4) A position facilitating service-learning in a program described in section 122(a)(3) that is eligible for assistance under part I of subtitle B.

"(5) A position for a participant in the Civilian Community Corps under subtitle E.

"(6) A position involving service as a crew leader in a youth corps program or a similar position supporting a national service program that receives an approved national service position.

"(7) Such other national service positions as the Corporation considers to be appropriate.

"SEC. 124. TYPES OF PROGRAM ASSISTANCE.

"(a) PLANNING ASSISTANCE.—The Corporation may provide assistance under section 121 to a qualified applicant that submits an application under section 130 for the planning of a national service program. Assistance provided in accordance with this subsection may cover a period of not more than 1 year.

"(b) OPERATIONAL ASSISTANCE.—The Corporation may provide assistance under section 121 to a qualified applicant that submits an application under section 130 for the establishment, operation, or expansion of a national service program. Assistance provided in accordance with this subsection may cover a period of not more than 3 years, but may be renewed by the Corporation upon consideration of a new application under section 130.

"(c) REPLICATION ASSISTANCE.—The Corporation may provide assistance under section 121 to a qualified applicant that submits an application under section 130 for the expansion of a proven national service program to another geographical location. Assistance provided in accordance with this subsection may cover a period of not more than 3 years, but may be renewed by the Corporation upon consideration of a new application under section 130.

"(d) APPLICATION TO SUBGRANTS.—The requirements of this section shall apply to any State or other applicant receiving assistance under section 121 that proposes to conduct a grant program using the assistance to support other national service programs.

"SEC. 125. TRAINING AND TECHNICAL ASSISTANCE.

"(a) TRAINING PROGRAMS.—The Corporation may conduct, directly or by grant or contract, appropriate training programs regarding national service in order to—

"(1) improve the ability of national service programs assisted under section 121 to meet human, educational, environmental, or public safety needs in communities—

"(A) where services are needed most; and

"(B) where programs do not exist, or are too limited to meet community needs, as of the date on which the Corporation makes the grant or enters into the contract;

"(2) promote leadership development in such programs;

"(3) improve the instructional and programmatic quality of such programs to build an ethic of civic responsibility;

"(4) develop the management and budgetary skills of program operators; and

"(5) provide for or improve the training provided to the participants in such programs.

"(b) TECHNICAL ASSISTANCE.—The Corporation shall, where necessary, make appropriate technical assistance available to States, Indian tribes, labor organizations, organizations operated by young adults, organizations serving economically disadvantaged individuals, and other entities described in section 121 that desire—

"(1) to develop national service programs; or

"(2) to apply for assistance under such section or under a grant program conducted using assistance provided under such section.

"SEC. 126. OTHER SPECIAL ASSISTANCE.

"(a) SUPPORT FOR STATE COMMISSIONS.—

"(1) ASSISTANCE AUTHORIZED.—The Corporation may make assistance available to assist a State to establish or operate the State Commission on National and Community Service required to be established by the State under section 178.

"(2) AMOUNT OF ASSISTANCE.—The amount of assistance that may be provided to a State Commission under this subsection, together with other Federal funds available to establish or operate the State Commission, may not exceed—

"(A) 85 percent of the total cost to establish or operate the State Commission for the first year for which the State Commission receives assistance under this subsection; and

"(B) such smaller percentage of such cost as the Corporation may establish for the second, third, and fourth years of such assistance in order to ensure that the Federal share does not exceed 50 percent of such costs for the fifth year, and any subsequent year, for which the State Commission receives assistance under this subsection.

"(b) DISASTER SERVICE.—The Corporation may undertake activities, including activities carried out through part A of title I of the Domestic Volunteer Service Act of 1973, to involve in disaster relief efforts youth corps programs described in section 122(a)(2) and other programs that receive assistance under the national service laws.

"(c) CHALLENGE GRANTS FOR NATIONAL SERVICE PROGRAMS.—

"(1) ASSISTANCE AUTHORIZED.—

"(A) IN GENERAL.—The Corporation may make challenge grants under this subsection to national service programs that receive assistance under section 121.

"(B) CRITERIA.—The Corporation shall develop criteria for the selection of recipients of such challenge grants, so as to make the grants widely available to a variety of programs that—

"(i) are high-quality national service programs; and

"(ii) are carried out by entities with demonstrated experience in establishing and implementing projects that provide benefits to participants and communities.

"(2) AMOUNT OF ASSISTANCE.—A challenge grant under this subsection may provide not more than $1 of assistance under this subsection for each $1 in cash raised by the national service program from private sources in excess of amounts required to be provided by the program to satisfy matching funds requirements under section 121(e). The Corporation shall establish a ceiling on the amount of assistance that may be provided to a national service program under this subsection.

"PART II—APPLICATION AND APPROVAL PROCESS

"SEC. 129. PROVISION OF ASSISTANCE AND APPROVED NATIONAL SERVICE POSITIONS BY COMPETITIVE AND OTHER MEANS.

"(a) ALLOTMENTS OF ASSISTANCE AND APPROVED POSITIONS TO STATES AND INDIAN TRIBES.—

"(1) 33⅓ PERCENT ALLOTMENT OF ASSISTANCE.—Of the funds allocated by the Corporation for provision of assistance under subsections (a) and (b) of section 121 for a fiscal year, the Corporation shall make a grant under section 121(a) (and a corresponding allotment of approved national service positions) to each of the several States (through the State Commission of the State), the District of Columbia, and the Commonwealth of Puerto Rico that has an application approved by the Corporation under section 133. The amount allotted as a grant to each such State under this paragraph for a fiscal year shall be equal to the amount that bears the same ratio to 33⅓ percent of the allocated funds for that fiscal year as the population of the State bears to the total population of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(2) ONE PERCENT ALLOTMENT OF ASSISTANCE.—Of the funds allocated by the Corporation for provision of assistance under subsections (a) and (b) of section 121 for a fiscal year, the Corporation shall reserve 1 percent of the allocated funds for grants under section 121(a) to Indian tribes, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, to be allotted by the Corporation on a competitive basis in accordance with their respective needs. Palau shall also be eligible for a grant under this paragraph from the 1 percent allotment until such time as the Compact of Free Association with Palau is ratified.

"(3) EFFECT OF FAILURE TO APPLY.—If a State or Indian tribe fails to apply for, or fails to give notice to the Corporation of its intent to apply for, an allotment under this subsection, the Corporation shall use the amount that would have been allotted under this subsection to the State or Indian tribe—

"(A) to make grants (and provide approved national service positions in connection with such grants) to other eligible entities under section 121 that propose to carry out national service programs in the State or on behalf of the Indian tribe; and

"(B) after making grants under paragraph (1), to make a reallotment to other States and Indian tribes with approved applications under section 130.

"(b) RESERVATION OF APPROVED POSITIONS.—

"(1) NUMBER RESERVED.—Except as provided in paragraph (2), the Corporation shall ensure that each individual selected during a fiscal year for assignment as a VISTA volunteer under title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.) or as a participant in the Civilian Community Corps Demonstration Program under subtitle E shall receive the national service educational award described in subtitle D if the individual satisfies the eligibility requirements for the award. Funds for approved national service positions required by this paragraph for a fiscal year shall be deducted from the total funding for approved national service positions to be available for distribution under subsections (a) and (d) for that fiscal year.

"(2) TRANSITION.—The Corporation shall determine an equitable procedure for providing post-service educational awards to individuals who are selected for assignment as described in paragraph (1) after the date of enactment of this subtitle and before the effective date of section 203(c)(2) of the National and Community Service Trust Act of 1993.

"(c) RESERVATION FOR SPECIAL ASSISTANCE.—Subject to section 501(a)(1), of the funds allocated by the Corporation for provision of assistance under subsections (a) and (b) of section 121 for a fiscal year, the Corporation may reserve such amount as the Corporation considers to be appropriate for the purpose of making assistance available under sections 125 and 126. The Corporation may not reserve more than $10,000,000 for a fiscal year for challenge grants under section 126(c).

"(d) COMPETITIVE DISTRIBUTION OF REMAINING FUNDS AND APPROVED POSITIONS.—

"(1) STATE COMPETITION.—Of the funds allocated by the Corporation for provision of assistance under subsections (a) and (b) of section 121 for a fiscal year, the Corporation shall use not less than 33⅓ percent of the allocated funds to make grants to States (through the State Commissions) on a competitive basis under section 121(a).

"(2) FEDERAL AGENCIES AND OTHER APPLICANTS.—

"(A) IN GENERAL.—The Corporation shall distribute on a competitive basis to subdivisions of States (through the State Commissions), Indian tribes, public and private not-for-profit organizations (including labor organizations and community action agencies), institutions of higher education, and Federal agencies the remainder of the funds allocated by the Corporation for provision of assistance under section 121 for a fiscal year, after operation of paragraph (1) and subsections (a) and (c).

"(B) FEDERAL SHARE.—Notwithstanding section 121(e), if a Federal agency proposes to carry out a national service program using funds made available under subparagraph (A), and the Federal agency is authorized to use funds made available under Federal law (other than the national service laws) to carry out such a program, the Federal share attributable to this paragraph of the cost of carrying out the national service program shall be 50 percent of such cost. The President may by regulation specify the sources that may be used by the Federal agency to provide for the remaining share of such cost.

"(C) FEDERAL AGENCIES.—The Corporation may not distribute more than 30 percent of such remainder to Federal agencies for a fiscal year under subparagraph (A).

"(D) LIMITATIONS.—The Corporation may limit the categories of eligible applicants for assistance under this paragraph consistent with the priorities established by the Corporation under section 133(d)(2).

"(3) PRIORITY.—In distributing the funds allocated by the Corporation for provision of assistance under section 121 for a fiscal year, after operation of subsections (a) and (c) and after using 33⅓ percent of such funds to make grants under paragraph (1), in determining whether to—

"(A) use an additional portion of the funds to make a grant under paragraph (1) to a State applicant; or

"(B) distribute the portion of the funds to an applicant that is a private not-for-profit organization under paragraph (2),

the Corporation shall give preference to the private not-for-profit organization in any case in which the Corporation determines that the applicants have submitted applications of equal quality under section 130.

"(e) APPLICATION REQUIRED.—The allotment of assistance and approved national service positions to a State or Indian tribe under subsection (a), and the competitive distribution of assistance and approved national service positions under subsection (d), shall be made by the Corporation only pursuant to an application submitted by a State or other applicant under section 130 and approved by the Corporation under section 133.

"(f) DISTRIBUTION OF APPROVED POSITIONS SUBJECT TO AVAILABLE FUNDS.—The Corporation may not distribute approved national service positions under this section for a fiscal year in excess of the number of such positions for which the Corporation has sufficient available

funds in the National Service Trust for that fiscal year to satisfy the maximum possible obligations to be incurred by the United States to provide the national service educational award corresponding to service in these positions.

"(g) SPONSORSHIP OF APPROVED NATIONAL SERVICE POSITIONS.—

"(1) SPONSORSHIP AUTHORIZED.—The Corporation may enter into agreements with persons or entities who offer to sponsor national service positions for which the person or entity will be responsible for supplying the funds necessary to provide a national service educational award. The distribution of these approved national service positions shall be made pursuant to the agreement, and the creation of these positions shall not be taken into consideration in determining the number of approved national service positions to be available for distribution under this section.

"(2) DEPOSIT OF CONTRIBUTION.—Funds provided pursuant to an agreement under paragraph (1) and any other funds contributed to the Corporation to support the activities of the Corporation under the national service laws shall be deposited in the National Service Trust established in section 145 until such time as the funds are needed.

"SEC. 130. APPLICATION FOR ASSISTANCE AND APPROVED NATIONAL SERVICE POSITIONS.

"(a) TIME, MANNER, AND CONTENT OF APPLICATION.—To be eligible to receive assistance under section 121 and approved national service positions for participants who serve in the national service programs to be carried out using the assistance, a State, subdivision of a State, Indian tribe, public or private not-for-profit organization (including a community action agency), institution of higher education, or Federal agency shall prepare and submit to the Corporation an application at such time, in such manner, and containing such information as the Corporation may reasonably require.

"(b) TYPES OF APPLICATION INFORMATION.—In order to have adequate information upon which to consider an application under section 133, the Corporation may require the following information to be provided in an application submitted under subsection (a):

"(1) A description of the national service programs proposed to be carried out directly by the applicant using assistance provided under section 121.

"(2) A description of the national service programs that are selected by the applicant to receive a grant from assistance requested under section 121 and a description of the process and criteria by which the programs were selected.

"(3) A description of other funding sources to be used, or sought to be used, for the national service programs referred to in paragraphs (1) and (2), and, if the application is submitted for the purpose of seeking a renewal of assistance, a description of the success of the programs in reducing their reliance on Federal funds.

"(4) A description of the extent to which the projects to be conducted using the assistance will address unmet human, educational, environmental, or public safety needs and produce a direct benefit for the community in which the projects are performed.

"(5) A description of the plan to be used to recruit participants, including economically disadvantaged youth, for the national service programs referred to in paragraphs (1) and (2).

"(6) A description of the manner in which the national service programs referred to in paragraphs (1) and (2) build on existing programs, including Federal programs.

"(7) A description of the manner in which the national service programs referred to in paragraphs (1) and (2) will involve participants—

"(A) in projects that build an ethic of civic responsibility and produce a positive change in the lives of participants through training and participation in meaningful service experiences and opportunities for reflection on such experiences; and

"(B) in leadership positions in implementing and evaluating the program.

"(8) Measurable goals for the national service programs referred to in paragraphs (1) and (2), and a strategy to achieve such goals, in terms of—

"(A) the impact to be made in meeting unmet human, educational, environmental, or public safety needs; and

"(B) the service experience to be provided to participants in the programs.

"(9) A description of the manner and extent to which the national service programs referred to in paragraphs (1) and (2) conform to the national service priorities established by the Corporation under section 122(c).

"(10) A description of the past experience of the applicant in operating a comparable program or in conducting a grant program in support of other comparable programs.

"(11) A description of the type and number of proposed service positions in which participants will receive the national service educational award described in subtitle D and a description of the manner in which approved national service positions will be apportioned by the applicant.

"(12) A description of the manner and extent to which participants, representatives of the community served, community-based agencies with a demonstrated record of experience in providing services, and labor organizations contributed to the development of the national service programs referred to in paragraphs (1) and (2), including the identity of the individual representing the labor organization who was consulted and the nature of the consultation.

"(13) A description of a plan to be used to encourage women to participate in programs referred to in paragraphs (1) and (2).

"(14) Such other information as the Corporation may reasonably require.

"(c) APPLICATION TO RECEIVE ONLY APPROVED NATIONAL SERVICE POSITIONS.—

"(1) APPLICABILITY OF SUBSECTION.—This subsection shall apply in the case of an application in which—

"(A) the applicant is not seeking assistance under subsection (a) or (b) of section 121, but requests national service educational awards for individuals serving in service positions described in section 123; or

"(B) the applicant requests national service educational awards for service positions described in section 123, but the positions are not positions in a national service program described in section 122(a) for which assistance may be provided under subsection (a) or (b) of section 121.

"(2) SPECIAL APPLICATION REQUIREMENTS.—For the applications described in paragraph (1), the Corporation shall establish special application requirements in order to determine—

"(A) whether the service positions meet unmet human, educational, environmental, or public safety needs and meet the criteria for assistance under this subtitle; and

"(B) whether the Corporation should approve the positions as approved national service positions that include the national service educational award described in subtitle D as one of the benefits to be provided for successful service in the position.

"(d) SPECIAL RULE FOR STATE APPLICANTS.—

"(1) SUBMISSION BY STATE COMMISSION.—The application of a State for approved national service positions or for a grant under section 121(a) shall be submitted by the State Commission.

"(2) COMPETITIVE SELECTION.—The application of a State shall contain an assurance that all assistance provided under section 121(a) to the State will be used to support national service programs that were selected by the State on a competitive basis.

"(3) ASSISTANCE TO NONSTATE ENTITIES.—The application of a State shall also contain an assurance that not less than 60 percent of the assistance will be used to make grants in support of national service programs other than national service programs carried out by a State agency. The Corporation may permit a State to deviate from the percentage specified by this subsection if the State has not received a sufficient number of acceptable applications to comply with the percentage.

"(e) SPECIAL RULE FOR CERTAIN SERVICE SPONSORS.—In the case of a program applicant that proposes to serve as the service sponsor, the application shall include the written concurrence of any local labor organization representing employees of the applicant who are engaged in the same or substantially similar work as that proposed to be carried out.

"(f) LIMITATION ON SAME PROJECT IN MULTIPLE APPLICATIONS.—No applicant shall submit an application under this section, and the Corporation shall reject an application that is submitted under this section, if the application describes a project proposed to be conducted using assistance requested by the applicant and the project is already described in another application pending before the Corporation.

"SEC. 131. NATIONAL SERVICE PROGRAM ASSISTANCE REQUIREMENTS.

"(a) IMPACT ON COMMUNITIES.—An application submitted under section 130 shall include an assurance by the applicant that any national service program carried out by the applicant using assistance provided under section 121 and any national service program supported by a grant made by the applicant using such assistance will—

"(1) address unmet human, educational, environmental, or public safety needs through services that provide a direct benefit to the community in which the service is performed; and

"(2) comply with the nonduplication and nondisplacement requirements of section 177.

"(b) IMPACT ON PARTICIPANTS.—An application submitted under section 130 shall also include an assurance by the applicant that any national service program carried out by the applicant using assistance provided under section 121 and any national service program supported by a grant made by the applicant using such assistance will—

"(1) provide participants in the national service program with the training, skills, and knowledge necessary for the projects that participants are called upon to perform;

"(2) provide support services to participants, such as the provision of appropriate information and support—

"(A) to those participants who are completing a term of service and making the transition to other educational and career opportunities; and

"(B) to those participants who are school dropouts in order to assist those participants in earning the equivalent of a high school diploma; and

"(3) provide structured opportunities for participants to reflect on their service experiences.

"(c) CONSULTATION.—An application submitted under section 130 shall also include an assurance by the applicant that any national service program carried out by the applicant using assistance provided under section 121 and any national service program supported by a grant made by the applicant using such assistance will—

"(1) provide in the design, recruitment, and operation of the program for broad-based input from the community served, individuals eligible

to serve as participants in the program, community-based agencies (including community action agencies) with a demonstrated record of experience in providing services, and local labor organizations representing employees of service sponsors;

"(2) prior to the placement of participants, 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 to ensure compliance with the nondisplacement requirements specified in section 177; and

"(3) in the case of a program that is not funded through a State, consult with and coordinate activities with the State Commission for the State in which the program operates.

"(d) EVALUATION AND PERFORMANCE GOALS.—

"(1) IN GENERAL.—An application submitted under section 130 shall also include an assurance by the applicant that the applicant will—

"(A)(i) arrange for an independent evaluation of any national service program carried out using assistance provided to the applicant under section 121; or

"(ii) with the approval of the Corporation, conduct an internal evaluation of the program;

"(B) develop measurable performance goals and evaluation methods (such as the use of surveys of participants and persons served), which are to be used as part of such evaluation to determine the impact of the program—

"(i) on communities and persons served by the projects performed by the program;

"(ii) on participants who take part in the projects; and

"(iii) in such other areas as the Corporation may require; and

"(C) cooperate with any evaluation activities undertaken by the Corporation.

"(2) ALTERNATIVE EVALUATION REQUIREMENTS.—The Corporation may establish alternative evaluation requirements for national service programs based upon the amount of assistance received under section 121 or received by a grant made by a recipient of assistance under such section. The determination of whether a national service program is covered by this paragraph shall be made in such manner as the Corporation may prescribe.

"(e) LIVING ALLOWANCES AND OTHER INSERVICE BENEFITS.—Except as provided in section 140(c), an application submitted under section 130 shall also include an assurance by the applicant that the applicant will—

"(1) provide a living allowance and other benefits specified in section 140 to participants in any national service program carried out by the applicant using assistance provided under section 121; and

"(2) require that each national service program that receives a grant from the applicant using such assistance will also provide a living allowance and other benefits specified in section 140 to participants in the program.

"(f) SELECTION OF PARTICIPANTS FROM INDIVIDUALS RECRUITED BY CORPORATION OR STATE COMMISSIONS.—The Corporation may also require an assurance by the applicant that any national service program carried out by the applicant using assistance provided under section 121 and any national service program supported by a grant made by the applicant using such assistance will select a portion of the participants for the program from among prospective participants recruited by the Corporation or State Commissions under section 138(d). The Corporation may specify a minimum percentage of participants to be selected from the national leadership pool established under section 138(e) and may vary the percentage for different types of national service programs.

"SEC. 132. INELIGIBLE SERVICE CATEGORIES.

"An application submitted to the Corporation under section 130 shall include an assurance by the applicant that any national service program carried out using assistance provided under section 121 and any approved national service position provided to an applicant will not be used to perform service that provides a direct benefit to any—

"(1) business organized for profit;

"(2) labor union;

"(3) partisan political organization; or

"(4) organization engaged in religious activities, unless such service does not involve the use of assistance provided under section 121 or participants to give religious instruction, conduct worship services, or engage in any form of proselytization.

"SEC. 133. CONSIDERATION OF APPLICATIONS.

"(a) CORPORATION CONSIDERATION OF CERTAIN CRITERIA.—The Corporation shall apply the criteria described in subsections (c) and (d) in determining whether—

"(1) to approve an application submitted under section 130 and provide assistance under section 121 to the applicant; and

"(2) to approve service positions described in the application as national service positions that include the national service educational award described in subtitle D and provide such approved national service positions to the applicant.

"(b) APPLICATION TO SUBGRANTS.—A State or other entity that uses assistance provided under section 121(a) to support national service programs selected on a competitive basis to receive a share of the assistance shall use the criteria described in subsections (c) and (d) when considering an application submitted by a national service program to receive a portion of such assistance or an approved national service position. The application of the State or other entity under section 130 shall contain a certification that the State or other entity complied with these criteria in the selection of national service programs to receive assistance.

"(c) ASSISTANCE CRITERIA.—The criteria required to be applied in evaluating applications submitted under section 130 are as follows:

"(1) The quality of the national service program proposed to be carried out directly by the applicant or supported by a grant from the applicant.

"(2) The innovative aspects of the national service program, and the feasibility of replicating the program.

"(3) The sustainability of the national service program, based on evidence such as the existence—

"(A) of strong and broad-based community support for the program; and

"(B) of multiple funding sources or private funding for the program.

"(4) The quality of the leadership of the national service program, the past performance of the program, and the extent to which the program builds on existing programs.

"(5) The extent to which participants of the national service program are recruited from among residents of the communities in which projects are to be conducted, and the extent to which participants and community residents are involved in the design, leadership, and operation of the program.

"(6) The extent to which projects would be conducted in areas where such projects are needed most, such as—

"(A) communities designated as enterprise zones or redevelopment areas, targeted for special economic incentives, or otherwise identifiable as having high percentages or concentrations of low-income individuals;

"(B) areas that are environmentally distressed;

"(C) areas adversely affected by reductions in defense spending or the closure or realignment of military installations; and

"(D) areas—

"(i) that have experienced a substantial reduction in population, as determined by the Corporation; and

"(ii) with high numbers or percentages of economically disadvantaged older adults.

"(7) In the case of applicants other than States, the extent to which the application is consistent with the application under section 130 of the State in which the projects would be conducted.

"(8) Such other criteria as the Corporation considers to be appropriate.

"(d) OTHER CONSIDERATIONS.—

"(1) GEOGRAPHIC DIVERSITY.—The Corporation shall ensure that recipients of assistance provided under section 121 are geographically diverse and include projects to be conducted in those urban and rural areas in a State with the highest rates of poverty.

"(2) PRIORITIES.—

"(A) IN GENERAL.—The Corporation may designate, under such criteria as may be established by the Corporation, certain national service programs or types of national service programs described in section 122(a) for priority consideration in the competitive distribution of funds under section 129(d)(2).

"(B) PROGRAMS DESIGNATED TO RECEIVE PRIORITY.—In designating national service programs to receive priority, the Corporation may include—

"(i) national service programs carried out by another Federal agency;

"(ii) national service programs that conform to the national service priorities in effect under section 122(c);

"(iii) innovative national service programs;

"(iv) national service programs that are well established in one or more States at the time of the application and are proposed to be expanded to additional States using assistance provided under section 121;

"(v) grant programs in support of other national service programs if the grant programs are to be conducted by not-for-profit organizations (including community action agencies) with a demonstrated and extensive expertise in the provision of services to meet human, educational, environmental, or public safety needs; and

"(vi) professional corps programs described in section 122(a)(8).

"(C) EXCEPTION.—In making a competitive distribution of funds under section 129(d)(2), the President may give priority consideration to a national service program that is—

"(i) proposed in an application submitted by a State Commission; and

"(ii) not one of the types of programs described in clauses (i) through (vi) of subparagraph (B),

if the State Commission provides an adequate explanation of the reasons why it should not be a priority of such State to carry out any of such types of programs in the State.

"(3) REVIEW PANEL.—The President shall—

"(A) establish panels of experts for the purpose of securing recommendations on applications submitted under section 130 for more than $100,000 in assistance, or for national service positions that would require more than $100,000 in national service educational awards; and

"(B) consider the opinions of such panels prior to making such determinations.

"(e) EMPHASIS ON AREAS MOST IN NEED.—In making assistance available under section 121 and in providing approved national service positions under section 123, the Corporation shall ensure that not less than 50 percent of the total amount of assistance to be distributed to States under subsections (a) and (d)(1) of section 129 for a fiscal year is provided to carry out or support national service programs and projects that—

"(1) are conducted in areas described in any of subparagraphs (A) through (D) of subsection (c)(6) or on Federal or other public lands, to address unmet human, educational, environmental, or public safety needs in such areas or on such lands; and

"(2) place a priority on the recruitment of participants who are residents of areas described in any of subparagraphs (A) through (D) of subsection (c)(6) or Federal or other public lands.

"(f) REJECTION OF STATE APPLICATIONS.—

"(1) NOTIFICATION OF STATE APPLICANTS.—If the Corporation rejects an application submitted by a State Commission under section 130 for funds described in section 129(a)(1), the Corporation shall promptly notify the State Commission of the reasons for the rejection of the application.

"(2) RESUBMISSION AND RECONSIDERATION.—The Corporation shall provide a State Commission notified under paragraph (1) with a reasonable opportunity to revise and resubmit the application. At the request of the State Commission, the Corporation shall provide technical assistance to the State Commission as part of the resubmission process. The Corporation shall promptly reconsider an application resubmitted under this paragraph.

"(3) REALLOTMENT.—The amount of any State's allotment under section 129(a) for a fiscal year that the Corporation determines will not be provided for that fiscal year shall be available for distribution by the Corporation as provided in paragraph (3) of such subsection.

"PART III—NATIONAL SERVICE PARTICIPANTS

"SEC. 137. DESCRIPTION OF PARTICIPANTS.

"(a) IN GENERAL.—For purposes of this subtitle, an individual shall be considered to be a participant in a national service program carried out using assistance provided under section 121 if the individual—

"(1) meets such eligibility requirements as may be established by the program;

"(2) is selected by the program to serve in a position with the program;

"(3) will serve in the program for a term of service specified in section 139 to be performed before, during, or after attendance at an institution of higher education;

"(4) is 17 years of age or older at the time the individual begins the term of service;

"(5)(A)(i) has received a high school diploma or its equivalent; or

"(ii) agrees to obtain a high school diploma or its equivalent and the individual did not drop out of an elementary or secondary school to enroll in the program; or

"(B)(i) is enrolled at an institution of higher education on the basis of meeting the standard described in paragraph (1) or (2) of section 484(d) of the Higher Education Act of 1965 (20 U.S.C. 1091(d)); and

"(ii) meets the requirements of section 484(a) of such Act; and

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

"(b) SPECIAL RULES FOR CERTAIN YOUTH PROGRAMS.—An individual shall be considered to be a participant in a youth corps program described in section 122(a)(2) or a program described in section 122(a)(9) that is carried out with assistance provided under section 121(a) if the individual—

"(1) satisfies the requirements specified in subsection (a), except paragraph (4) of such subsection; and

"(2) is between the ages of 16 and 25, inclusive, at the time the individual begins the term of service.

"(c) WAIVER.—The Corporation may waive the requirements of subsection (a)(5)(A) with respect to an individual if the program in which the individual seeks to become a participant conducts an independent evaluation demonstrating that the individual is incapable of obtaining a high school diploma or its equivalent.

"SEC. 138. SELECTION OF NATIONAL SERVICE PARTICIPANTS.

"(a) SELECTION PROCESS.—Subject to subsections (b) and (c) and section 131(f), the actual recruitment and selection of an individual to serve in a national service program receiving assistance under section 121 or to fill an approved national service position shall be conducted by the State, subdivision of a State, Indian tribe, public or private not-for-profit organization, institution of higher education, Federal agency, or other entity to which the assistance and approved national service positions are provided.

"(b) NONDISCRIMINATION AND NONPOLITICAL SELECTION OF PARTICIPANTS.—The recruitment and selection of individuals to serve in national service programs receiving assistance under section 121 or to fill approved national service positions shall be consistent with the requirements of section 175.

"(c) SECOND TERM.—Acceptance into a national service program to serve a second term of service under section 139 shall only be available to individuals who perform satisfactorily in their first term of service.

"(d) RECRUITMENT AND PLACEMENT.—The Corporation and each State Commission shall establish a system to recruit individuals who desire to perform national service and to assist the placement of these individuals in approved national service positions, including positions available under title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951). The Corporation and State Commissions shall disseminate information regarding available approved national service positions through cooperation with secondary schools, institutions of higher education, employment service offices, State vocational rehabilitation agencies within the meaning of the Rehabilitation Act of 1973 and other State agencies that primarily serve individuals with disabilities, and other appropriate entities, particularly those organizations that provide outreach to economically disadvantaged youths or youths who are individuals with disabilities.

"(e) NATIONAL LEADERSHIP POOL.—

"(1) SELECTION AND TRAINING.—From among individuals recruited under subsection (d), the Corporation may select individuals with significant leadership potential, as determined by the Corporation, to receive special training to enhance their leadership ability. The leadership training shall be provided by the Corporation directly or through a grant or contract.

"(2) EMPHASIS ON CERTAIN INDIVIDUALS.—In selecting individuals to receive leadership training under this subsection, the Corporation shall make special efforts to select individuals who have served—

"(A) in the Peace Corps;

"(B) as VISTA volunteers;

"(C) as participants in national service programs receiving assistance under section 121; or

"(D) as participants in programs receiving assistance under subtitle D of the National and Community Service Act of 1990, as in effect on the day before the date of enactment of this subtitle.

"(3) ASSIGNMENT.—At the request of a program that receives assistance under the national service laws, the Corporation may assign an individual who receives leadership training under paragraph (1) to work with the program in a leadership position and carry out assignments not otherwise performed by regular participants. An individual assigned to a program shall be considered to be a participant of the program.

"SEC. 139. TERMS OF SERVICE.

"(a) IN GENERAL.—As a condition of receiving a national service education award under subtitle D, a participant in an approved national service position shall be required to perform full- or part-time national service for at least one term of service specified in subsection (b).

"(b) TERM OF SERVICE.—

"(1) FULL-TIME SERVICE.—An individual performing full-time national service in an approved national service position shall agree to participate in the program sponsoring the position for not less than 1,700 hours during a period of not less than 9 months and not more than 1 year.

"(2) PART-TIME SERVICE.—Except as provided in paragraph (3), an individual performing part-time national service in an approved national service position shall agree to participate in the program sponsoring the position for not less than 1,700 hours during a period of—

"(A) not less than 1 year and not more than 2 years; or

"(B) not less than 1 year and not more than 3 years if the individual is enrolled in an institution of higher education while performing all or a majority of the hours of such service.

"(3) REDUCTION IN HOURS OF PART-TIME SERVICE.—The Corporation may reduce the number of hours required to be served to successfully complete part-time national service to a level determined by the Corporation, except that any reduction in the required term of service shall include a corresponding reduction in the amount of any national service educational award that may be available under subtitle D with regard to that service.

"(c) RELEASE FROM COMPLETING TERM OF SERVICE.—

"(1) RELEASE AUTHORIZED.—A recipient of assistance under section 121 or a program sponsoring an approved national service position may release a participant from completing a term of service in the position—

"(A) for compelling personal circumstances as demonstrated by the participant; or

"(B) for cause.

"(2) EFFECT OF RELEASE.—If the released participant was serving in an approved national service position, the participant may receive a portion of the national service educational award corresponding to that service in the manner provided in section 147(b), except that a participant released for cause may not receive any portion of the national service educational award.

"SEC. 140. LIVING ALLOWANCES FOR NATIONAL SERVICE PARTICIPANTS.

"(a) PROVISION OF LIVING ALLOWANCE.—

"(1) LIVING ALLOWANCE PERMITTED.—Subject to paragraph (3), a national service program carried out using assistance provided under section 121 shall provide to each participant in the program a living allowance in such an amount as may be established by the program.

"(2) LIMITATION ON FEDERAL SHARE.—The amount of the annual living allowance provided under paragraph (1) that may be paid using assistance provided under section 121 and using any other Federal funds shall not exceed the lesser of—

"(A) 85 percent of the total average annual subsistence allowance provided to VISTA volunteers under section 105 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4955); and

"(B) 85 percent of the annual living allowance established by the national service program involved.

"(3) MAXIMUM LIVING ALLOWANCE.—Except as provided in subsection (c), the total amount of an annual living allowance that may be provided to a participant in a national service program shall not exceed 200 percent of the average annual subsistence allowance provided to

VISTA volunteers under section 105 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4955).

"(4) PRORATION OF LIVING ALLOWANCE.—The amount provided as a living allowance under this subsection shall be prorated in the case of a participant who is authorized to serve a reduced term of service under section 139(b)(3).

"(b) COVERAGE OF CERTAIN EMPLOYMENT-RELATED TAXES.—To the extent a national service program that receives assistance under section 121 is subject, with respect to the participants in the program, to the taxes imposed on an employer under sections 3111 and 3301 of the Internal Revenue Code of 1986 (26 U.S.C. 3111, 3301) and taxes imposed on an employer under a workmen's compensation act, the assistance provided to the program under section 121 shall include an amount sufficient to cover 85 percent of such taxes based upon the lesser of—

"(1) the total average annual subsistence allowance provided to VISTA volunteers under section 105 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4955); and

"(2) the annual living allowance established by the program.

"(c) EXCEPTION FROM MAXIMUM LIVING ALLOWANCE FOR CERTAIN ASSISTANCE.—A professional corps program described in section 122(a)(8) that desires to provide a living allowance in excess of the maximum allowance authorized in subsection (a)(3) may still apply for such assistance, except that—

"(1) any assistance provided to the applicant under section 121 may not be used to pay for any portion of the allowance;

"(2) the applicant shall apply for such assistance only by submitting an application to the Corporation for assistance on a competitive basis; and

"(3) the national service program shall be operated directly by the applicant and shall meet urgent, unmet human, educational, environmental, or public safety needs, as determined by the Corporation.

"(d) HEALTH INSURANCE.—A State or other recipient of assistance under section 121 shall provide a basic health care policy for each full-time participant in a national service program carried out or supported using the assistance if the participant is not otherwise covered by a health care policy. Not more than 85 percent of the cost of a premium shall be provided by the Corporation, with the remaining cost paid by the entity receiving assistance under section 121. The Corporation shall establish minimum standards that all plans shall meet in order to qualify for payment under this part, any circumstances in which an alternative health care policy may be substituted for the basic health care policy, and mechanisms to prohibit participants from dropping existing coverage.

"(e) CHILD CARE.—

"(1) AVAILABILITY.—A State or other recipient of assistance under section 121 shall—

"(A) make child care available for children of each full-time participant who serves in a national service program carried out or supported by the recipient using the assistance, including individuals who need such child care in order to participate in the program; or

"(B) provide a child care allowance to each full-time participant in a national service program who needs such assistance in order to participate in the program.

"(2) GUIDELINES.—The Corporation shall establish guidelines regarding the circumstances under which child care shall be made available under this subsection and the value of any allowance to be provided.

"(f) WAIVER OF LIMITATION ON FEDERAL SHARE.—The Corporation may waive in whole or in part the limitation on the Federal share specified in this section with respect to a particular national service program in any fiscal year if the Corporation determines that such a waiver would be equitable due to a lack of available financial resources at the local level.

"SEC. 141. NATIONAL SERVICE EDUCATIONAL AWARDS.

"(a) ELIGIBILITY GENERALLY.—A participant in a national service program carried out using assistance provided to an applicant under section 121 shall be eligible for the national service educational award described in subtitle D if the participant—

"(1) serves in an approved national service position; and

"(2) satisfies the eligibility requirements specified in section 146 with respect to service in that approved national service position.

"(b) SPECIAL RULE FOR VISTA VOLUNTEERS.—A VISTA volunteer who serves in an approved national service position shall be ineligible for a national service educational award if the VISTA volunteer accepts the stipend authorized under section 105(a)(1) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4955(a)(1)).".

(b) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101–610; 104 Stat. 3127) is amended by striking the items relating to subtitle C of title I of such Act and inserting the following new items:

"Subtitle C—National Service Trust Program

"PART I—INVESTMENT IN NATIONAL SERVICE

"Sec. 121. Authority to provide assistance and approved national service positions.
"Sec. 122. Types of national service programs eligible for program assistance.
"Sec. 123. Types of national service positions eligible for approval for national service educational awards.
"Sec. 124. Types of program assistance.
"Sec. 125. Training and technical assistance.
"Sec. 126. Other special assistance.

"PART II—APPLICATION AND APPROVAL PROCESS

"Sec. 129. Provision of assistance and approved national service positions by competitive and other means.
"Sec. 130. Application for assistance and approved national service positions.
"Sec. 131. National service program assistance requirements.
"Sec. 132. Ineligible service categories.
"Sec. 133. Consideration of applications.

"PART III—NATIONAL SERVICE PARTICIPANTS

"Sec. 137. Description of participants.
"Sec. 138. Selection of national service participants.
"Sec. 139. Terms of service.
"Sec. 140. Living allowances for national service participants.
"Sec. 141. National service educational awards.".

SEC. 102. NATIONAL SERVICE TRUST AND PROVISION OF NATIONAL SERVICE EDUCATIONAL AWARDS.

(a) ESTABLISHMENT OF TRUST; PROVISION OF AWARDS.—Subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.) is amended to read as follows:

"Subtitle D—National Service Trust and Provision of National Service Educational Awards

"SEC. 145. ESTABLISHMENT OF THE NATIONAL SERVICE TRUST.

"(a) ESTABLISHMENT.—There is established in the Treasury of the United States an account to be known as the National Service Trust. The Trust shall consist of—

"(1) from the amounts appropriated to the Corporation and made available to carry out this subtitle pursuant to section 501(a)(1), such amounts as the Corporation may designate to be available for the payment of—

"(A) national service educational awards; and

"(B) interest expenses pursuant to subsection 148(e);

"(2) any amounts received by the Corporation as gifts, bequests, devise, or otherwise pursuant to section 196(a)(2); and

"(3) the interest on, and proceeds from the sale or redemption of, any obligations held by the Trust.

"(b) INVESTMENT OF TRUST.—It shall be the duty of the Secretary of the Treasury to invest in full the amounts appropriated to the Trust. Except as otherwise expressly provided in instruments concerning a gift, bequest, devise, or other donation and agreed to by the Corporation, such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the marketplace. Any obligation acquired by the Trust may be sold by the Secretary at the market price.

"(c) EXPENDITURES FROM TRUST.—Amounts in the Trust shall be available for payments of national service educational awards in accordance with section 148.

"(d) REPORTS TO CONGRESS ON RECEIPTS AND EXPENDITURES.—The Corporation shall submit an annual report to the Congress on the financial status of the Trust. Such report shall—

"(1) specify the amount deposited to the Trust from the most recent appropriation to the Corporation, the amount received by the Corporation as gifts or bequest during the period covered by the report, and any amounts obtained by the Trust pursuant to subsection (a)(3);

"(2) identify the number of individuals who are currently performing service to qualify, or have qualified, for national service educational awards;

"(3) identify the number of individuals whose ability to claim national service educational awards during the period covered by the report—

"(A) has been reduced pursuant to section 147(b); or

"(B) has lapsed pursuant to section 146(d); and

"(4) estimate the number of additional approved national service positions which the Corporation will be able to make available under subtitle C on the basis of any accumulated surplus in the Trust above the amount required to provide national service educational awards to individuals identified under paragraph (2), including any amounts available as a result of the circumstances referred to in paragraph (3).

"SEC. 146. INDIVIDUALS ELIGIBLE TO RECEIVE A NATIONAL SERVICE EDUCATIONAL AWARD FROM THE TRUST.

"(a) ELIGIBLE INDIVIDUALS.—An individual shall be eligible to receive a national service educational award from the National Service Trust if the individual—

"(1) successfully completes the required term of service described in subsection (b) in an approved national service position;

"(2) was 17 years of age or older at the time the individual began serving in the approved national service position or was an out-of-school youth serving in an approved national service position with a youth corps program described in section 122(a)(2) or a program described in section 122(a)(9);

"(3) at the time the individual uses the national service educational award—

"(A) has received a high school diploma, or the equivalent of such diploma;

"(B)(i) is enrolled at an institution of higher education on the basis of meeting the standard described in paragraph (1) or (2) of section 484(d) of the Higher Education Act of 1965 (20 U.S.C. 1091(d)); and

"(ii) meets the requirements of section 484(a) of such Act; or

"(C) has received a waiver described in section 137(c); and

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

"(b) TERM OF SERVICE.—The term of service for an approved national service position shall not be less than the full- or part-time term of service specified in section 139(b).

"(c) LIMITATION ON NUMBER OF TERMS OF SERVICE FOR AWARDS.—Although an individual may serve more than 2 terms of service described in subsection (b) in an approved national service position, the individual shall receive a national service educational award from the National Service Trust only on the basis of the first and second of such terms of service.

"(d) TIME FOR USE OF EDUCATIONAL AWARD.—

"(1) FIVE-YEAR REQUIREMENT.—An individual eligible to receive a national service educational award under this section may not use such award after the end of the 5-year period beginning on the date the individual completes the term of service in an approved national service position that is the basis of the award.

"(2) EXCEPTION.—The Corporation may extend the period within which an individual may use a national service educational award if the Corporation determines that the individual—

"(A) was unavoidably prevented from using the national service educational award during the original 5-year period; or

"(B) performed another term of service in an approved national service position during that period.

"SEC. 147. DETERMINATION OF THE AMOUNT OF THE NATIONAL SERVICE EDUCATIONAL AWARD.

"(a) AMOUNT GENERALLY.—Except as provided in subsection (b), an individual described in section 146(a) who successfully completes a required term of service in an approved national service position shall receive a national service educational award having a value equal to $5,000 for each of not more than 2 of such terms of service.

"(b) AWARD FOR PARTIAL COMPLETION OF SERVICE.—If an individual serving in an approved national service position is released in accordance with section 139(c)(1)(A) from completing the term of service agreed to by the individual, the Corporation may provide the individual with that portion of the national service educational award approved for the individual that corresponds to the quantity of the term of service actually completed by the individual.

"SEC. 148. DISBURSEMENT OF NATIONAL SERVICE EDUCATIONAL AWARDS.

"(a) IN GENERAL.—Amounts in the Trust shall be available—

"(1) to repay student loans in accordance with subsection (b);

"(2) to pay all or part of the cost of attendance at an institution of higher education in accordance with subsection (c);

"(3) to pay expenses incurred in participating in an approved school-to-work program in accordance with subsection (d); and

"(4) to pay interest expenses in accordance with regulations prescribed pursuant to subsection (e).

"(b) USE OF EDUCATIONAL AWARD TO REPAY OUTSTANDING STUDENT LOANS.—

"(1) APPLICATION BY ELIGIBLE INDIVIDUALS.—An eligible individual under section 146 who desires to apply the national service educational award of the individual to the repayment of qualified student loans shall submit, in a manner prescribed by the Corporation, an application to the Corporation that—

"(A) identifies, or permits the Corporation to identify readily, the holder or holders of such loans;

"(B) indicates, or permits the Corporation to determine readily, the amounts of principal and interest outstanding on the loans;

"(C) specifies the qualified student loan to which the individual desires to apply the national service educational award, in any case in which the total of the amounts described in subparagraph (B) is greater than the amount of the national service educational award to which the individual is entitled; and

"(D) contains or is accompanied by such other information as the Corporation may require.

"(2) DISBURSEMENT OF REPAYMENTS.—Upon receipt of an application from an eligible individual of an application that complies with paragraph (1), the Corporation shall, as promptly as practicable consistent with paragraph (5), disburse the amount of the national service educational award to which the eligible individual is entitled. Such disbursement shall be made by check or other means that is payable to the holder of the loan and requires the endorsement or other certification by the eligible individual.

"(3) APPLICATION OF DISBURSED AMOUNTS.—If the amount disbursed under paragraph (2) is less than the principal and accrued interest on any qualified student loan, such amount shall first be applied to the repayment of principal. In a case described in paragraph (1)(C), such amount shall be applied to the loan described in paragraph (1)(C).

"(4) REPORTS BY HOLDERS.—Any holder receiving a loan payment pursuant to this subsection shall submit to the Corporation such information as the Corporation may require to verify that such payment was applied in accordance with this subsection and any regulations prescribed to carry out this subsection.

"(5) AUTHORITY TO AGGREGATE PAYMENTS.—The Corporation may, by regulation, provide for the aggregation of payments to holders under this subsection.

"(6) NOTIFICATION.—On disbursing a national service educational award to which an individual is entitled under paragraph (2) and applying the award to a loan, the Corporation shall notify the individual of the amount disbursed for each such loan and the date of the disbursal.

"(7) DEFINITIONS.—As used in this subsection:

"(A) QUALIFIED STUDENT LOAN.—The term 'qualified student loan' means—

"(i) any loan made, insured, or guaranteed pursuant to title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.), other than a loan to a parent of a student pursuant to section 428B of such Act (20 U.S.C. 1078–2); and

"(ii) any loan made pursuant to title VII or VIII of the Public Health Service Act (42 U.S.C. 292a et seq.).

"(B) HOLDER.—The term 'holder' with respect to any eligible loan means the original lender or, if the loan is subsequently sold, transferred, or assigned to some other person, and such other person acquires a legally enforceable right to receive payments from the borrower, such other person.

"(c) USE OF EDUCATIONAL AWARDS TO PAY CURRENT EDUCATIONAL EXPENSES.—

"(1) APPLICATION BY ELIGIBLE INDIVIDUAL.—An eligible individual under section 146 who desires to apply the national service educational award of the individual to the payment of full-time or part-time educational expenses, that have been incurred by the individual prior to the service of the individual under subtitle C, shall, on a form prescribed by the Corporation, submit an application to the institution of higher education in which the student will be enrolled that contains such information as the Corporation may require to verify the individual's eligibility.

"(2) SUBMISSION OF REQUESTS FOR PAYMENT BY INSTITUTIONS.—An institution of higher education that receives one or more applications that comply with paragraph (1) shall submit to the Corporation a statement, in a manner prescribed by the Corporation, that—

"(A) identifies each eligible individual filing an application under paragraph (1) for a disbursement of the individual's national service educational award under this subsection;

"(B) specifies the amounts for which such eligible individuals are, consistent with paragraph (6), qualified for disbursement under this subsection;

"(C) certifies that—

"(i) the institution of higher education has in effect a program participation agreement under section 487 of the Higher Education Act of 1965 (20 U.S.C. 1094); and

"(ii) the institution's eligibility to participate in any of the programs under title IV of such Act (20 U.S.C. 1070 et seq.) has not been limited, suspended, or terminated; and

"(D) contains such provisions concerning financial compliance as the Corporation may require.

"(3) DISBURSEMENT OF PAYMENTS.—Upon receipt of a statement from an institution of higher education that complies with paragraph (2), the Corporation shall, subject to paragraph (4), disburse the total amount of the national service educational awards for which eligible individuals who have submitted applications to that institution under paragraph (1) are qualified. Such disbursement shall be made by check or other means that is payable to the institution and requires the endorsement or other certification by the eligible individual.

"(4) MULTIPLE DISBURSEMENTS REQUIRED.—The total amount required to be disbursed to an institution of higher education under paragraph (3) for any period of enrollment shall be disbursed by the Corporation in 2 or more installments, none of which exceeds ½ of such total amount. The interval between the first and second such installment shall not be less than ½ of such period of enrollment, except as necessary to permit the second installment to be paid at the beginning of the second semester, quarter, or similar division of such period of enrollment.

"(5) REFUND RULES.—The Corporation shall, by regulation, provide for the refund to the Corporation (and the crediting to the national service educational award of an eligible individual) of amounts disbursed to institutions for the benefit of eligible individuals who withdraw or otherwise fail to complete the period of enrollment for which the assistance was provided. Such regulations shall be consistent with the fair and equitable refund policies required of institutions pursuant to section 484B of the Higher Education Act of 1965 (20 U.S.C. 1091b). Amounts refunded to the Trust pursuant to this paragraph may be used by the Corporation to fund additional approved national service positions under subtitle C.

"(6) MAXIMUM AWARD.—The portion of an eligible individual's total available national service educational award that may be disbursed under this subsection for any period of enrollment shall not exceed the difference between—

"(A) the eligible individual's cost of attendance for such period of enrollment, determined in accordance with section 472 of the Higher Education Act of 1965 (20 U.S.C. 1087ll); and

"(B) the sum of—

"(i) the student's estimated financial assistance for such period under part A of title IV of such Act (20 U.S.C. 1070 et seq.); and

"(ii) the student's veterans' education benefits, determined in accordance with section 480(c) of such Act (20 U.S.C. 1087vv(c)).

"(d) USE OF EDUCATIONAL AWARD TO PARTICIPATE IN APPROVED SCHOOL-TO-WORK PROGRAMS.—The Corporation shall by regulation provide for the payment of national service educational awards to permit eligible individuals to

participate in school-to-work programs approved by the Secretaries of Labor and Education.

"(e) INTEREST PAYMENTS DURING FORBEARANCE ON LOAN REPAYMENT.—The Corporation may provide by regulation for the payment on behalf of an eligible individual of interest that accrues during a period for which such individual has obtained forbearance in the repayment of a qualified student loan (as defined in subsection (b)(7)), if the eligible individual successfully completes the required term of service (as determined under section 146(b)) of the individual. Such regulations shall be prescribed after consultation with the Secretary of Education.

"(f) EXCEPTION.—

"(1) OPTION.—With the approval of the President, a national service program that receives assistance under section 121 may offer to each participant in the program the option of—

"(A) waiving the right of the participant to receive a national service education award; and

"(B) receiving an alternative post-service benefit.

"(2) SOURCES OF FUNDING.—In providing for the alternative post-service benefit, the program may not use funds made available under this Act or any other Federal law.

"(g) DEFINITION OF INSTITUTION OF HIGHER EDUCATION.—Notwithstanding section 101 of this Act, for purposes of this section the term 'institution of higher education' has the meaning provided by section 481(a) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)).".

(b) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101–610; 104 Stat. 3127) is amended by striking the items relating to subtitle D of title I of such Act and inserting the following new items:

"Subtitle D—National Service Trust and Provision of National Service Educational Awards

"Sec. 145. Establishment of the National Service Trust.

"Sec. 146. Individuals eligible to receive a national service educational award from the Trust.

"Sec. 147. Determination of the amount of the national service educational award.

"Sec. 148. Disbursement of national service educational awards.".

(c) CONFORMING AMENDMENTS.—

(1) ELIGIBILITY FOR SUBSIDIZED STAFFORD LOANS.—Section 428(a)(2)(C)(i) of the Higher Education Act of 1965 (20 U.S.C. 1078(a)(2)(C)(i)) is amended by inserting "any national service educational award such student will receive under subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12751 et seq.)," after "parts C and E of this title,".

(2) FORBEARANCE IN THE COLLECTION OF STAFFORD LOANS.—Section 428 of the Higher Education Act of 1965 is amended—

(A) in subsection (b)(1)—

(i) by redesignating subparagraphs (W), (X), and (Y) as subparagraphs (X), (Y), and (Z), respectively; and

(ii) by inserting after subparagraph (V) the following new subparagraph:

"(W)(i) provides that, upon written request, a lender shall grant a borrower forbearance on such terms as are otherwise consistent with the regulations of the Secretary, during periods in which the borrower is serving in a national service position, for which the borrower receives a national service educational award under the National and Community Service Trust Act of 1993;

"(ii) provides that clauses (iii) and (iv) of subparagraph (V) shall also apply to a forbearance granted under this subparagraph; and

"(iii) provides that interest shall continue to accrue on a loan for which a borrower receives forbearance under this subparagraph and shall be capitalized or paid by the borrower;"; and

(B) in subsection (c)(3)(A), by striking "subsection (b)(1)(V)" and inserting "subparagraphs (V) and (W) of subsection (b)(1)".

(3) ELIGIBILITY FOR STAFFORD LOAN FORGIVENESS.—Section 428J of the Higher Education Act of 1965 (20 U.S.C. 1078–10) is amended—

(A) in subsection (b)(1), is amended by striking "October 1, 1992" and inserting "October 1, 1989"; and

(B) in subsection (c), by adding at the end the following new paragraph:

"(5) INELIGIBILITY OF NATIONAL SERVICE EDUCATIONAL AWARD RECIPIENTS.—No student borrower may, for the same volunteer service, receive a benefit under both this section and subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12751 et seq.).".

(4) ELIGIBILITY FOR PERKINS LOAN FORGIVENESS.—Section 465(a) of the Higher Education Act of 1965 (20 U.S.C. 1087ee(a)) is amended by adding at the end the following new paragraph:

"(6) No borrower may, for the same volunteer service, receive a benefit under both this section and subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12751 et seq.).".

(5) IMPACT ON GENERAL NEEDS ANALYSIS.—Section 480(j) of such Act (20 U.S.C. 1087vv(j)) is amended by adding at the end the following new paragraph:

"(3) Notwithstanding paragraph (1), any national service educational award such student will receive under subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12751 et seq.) shall not be taken into account in determining estimated financial assistance not received under this title.".

SEC. 103. SCHOOL-BASED AND COMMUNITY-BASED SERVICE-LEARNING PROGRAMS.

(a) AMENDMENTS TO SERVE-AMERICA PROGRAMS.—

(1) PURPOSE.—The purpose of this subsection is to improve the Serve-America programs established under part I of subtitle B of the National and Community Service Act of 1990, and to enable the Corporation for National and Community Service, and the entities receiving financial assistance under such part, to—

(A) work with teachers in elementary schools and secondary schools within a community, and with community-based agencies, to create and offer service-learning opportunities for all school-age youth;

(B) educate teachers, and faculty providing teacher training and retraining, about service-learning, and incorporate service-learning opportunities into classroom teaching to strengthen academic learning;

(C) coordinate the work of adult volunteers who work with elementary and secondary schools as part of their community service activities; and

(D) work with employers in the communities to ensure that projects introduce the students to various careers and expose the students to needed further education and training.

(2) PROGRAMS.—Subtitle B of title I of the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.) is amended by striking the subtitle heading and all that follows through the end of part I and inserting the following:

"Subtitle B—School-Based and Community-Based Service-Learning Programs

"PART I—SERVE-AMERICA PROGRAMS

"Subpart A—School-Based Programs for Students

"SEC. 111. AUTHORITY TO ASSIST STATES AND INDIAN TRIBES.

"(a) USE OF FUNDS.—The Corporation, in consultation with the Secretary of Education, may make grants under section 112(b)(1), and allotments under subsections (a) and (b)(2) of section 112, to States (through State educational agencies), and to Indian tribes, to pay for the Federal share of—

"(1) planning and building the capacity of the States or Indian tribes (which may be accomplished through grants or contracts with qualified organizations) to implement school-based service-learning programs, including—

"(A) providing training for teachers, supervisors, personnel from community-based agencies (particularly with regard to the utilization of participants), and trainers, to be conducted by qualified individuals or organizations that have experience with service-learning;

"(B) developing service-learning curricula to be integrated into academic programs, including the age-appropriate learning component described in section 114(d)(5)(B);

"(C) forming local partnerships described in paragraph (2) or (4) to develop school-based service-learning programs in accordance with this subpart;

"(D) devising appropriate methods for research and evaluation of the educational value of service-learning and the effect of service-learning activities on communities; and

"(E) establishing effective outreach and dissemination of information to ensure the broadest possible involvement of community-based agencies with demonstrated effectiveness in working with school-age youth in their communities;

"(2) implementing, operating, or expanding school-based service-learning programs, which may include paying for the cost of the recruitment, training, supervision, placement, salaries, and benefits of service-learning coordinators, through State distribution of Federal funds made available under this subpart to projects operated by local partnerships among—

"(A) local educational agencies; and

"(B) one or more community partners that—

"(i) shall include a public or private not-for-profit organization that—

"(I) has demonstrated expertise in the provision of services to meet human, educational, environmental, or public safety needs;

"(II) was in existence 1 year before the date on which the organization submitted an application under section 114; and

"(III) will make projects available for participants, who shall be students; and

"(ii) may include a private for-profit business or private elementary or secondary school;

"(3) planning of school-based service-learning programs through State distribution of Federal funds made available under this subpart to local educational agencies, which planning may include paying for the cost of—

"(A) the salaries and benefits of service-learning coordinators; or

"(B) the recruitment, training, supervision, and placement of service-learning coordinators who are participants in a program under subtitle C or receive a national service educational award under subtitle D,

who will identify the community partners described in paragraph (2)(B) and assist in the design and implementation of a program described in paragraph (2); and

"(4) implementing, operating, or expanding school-based service-learning programs involving adult volunteers to utilize service-learning to improve the education of students through State distribution of Federal funds made available under this part to local partnerships among—

"(A) local educational agencies; and

"(B) one or more—

"(i) public or private not-for-profit organizations;

"(ii) other educational agencies; or

"(iii) private for-profit businesses,

that coordinate and operate projects for participants, who shall be students.

"(b) DUTIES OF SERVICE-LEARNING COORDINATOR.—A service-learning coordinator referred to in paragraph (2) or (3) of subsection (a) shall provide services to a local educational agency by—

"(1) expanding the awareness of teachers of the potential of service-learning in strengthening the educational achievement, leadership development, and substantive learning, of students;

"(2) providing technical assistance and information to, and facilitating the training of, teachers who want to use service-learning in their classrooms;

"(3) assisting local partnerships described in subsection (a) in the planning, development, and execution of service-learning projects;

"(4) recruiting and supervising adult volunteers, or individuals who are participants in a program under subtitle C or receive a national service educational award under subtitle D, to expand service-learning opportunities; and

"(5) coordinating the activities of the service-learning coordinator with the activities of the committee described in section 114(d)(1), and, where appropriate, assisting the committee.

"(c) RELATED EXPENSES.—A partnership, local educational agency, or other qualified organization that receives financial assistance under this subpart may, in carrying out the activities described in subsection (a), use such assistance to pay for the Federal share of reasonable costs related to the supervision of participants, program administration, transportation, insurance, evaluations, and for other reasonable expenses related to the activities.

"SEC. 111A. AUTHORITY TO ASSIST LOCAL APPLICANTS IN NONPARTICIPATING STATES.

"In any fiscal year in which a State does not submit an application under section 113, for an allotment under subsection (a) or (b)(2) of section 112, that meets the requirements of section 113 and such other requirements as the President may determine to be appropriate, the Corporation may use the allotment of that State to make direct grants to pay for the Federal share of the cost of—

"(1) carrying out the activities described in paragraph (2) or (4) of section 111(a), to a local partnership described in such paragraph; or

"(2) carrying out the activities described in paragraph (3) of such section, to an agency described in such paragraph,

that is located in the State.

"SEC. 111B. AUTHORITY TO ASSIST PUBLIC OR PRIVATE NOT-FOR-PROFIT ORGANIZATIONS.

"(a) IN GENERAL.—The Corporation may make a grant under section 112(b)(1) to a public or private not-for-profit organization that—

"(1) has experience with service-learning;

"(2) was in existence 1 year before the date on which the organization submitted an application under section 114(a); and

"(3) meets such other criteria as the President may establish.

"(b) USE OF FUNDS.—Such an organization may use a grant made under subsection (a) to make grants to partnerships described in paragraph (2) or (4) of section 111(a) to implement, operate, or expand school-based service-learning programs as described in such section and provide technical assistance and training to appropriate persons.

"SEC. 112. GRANTS AND ALLOTMENTS.

"(a) INDIAN TRIBES AND TERRITORIES.—Of the amounts appropriated to carry out this subpart for any fiscal year, the Corporation shall reserve an amount of not more than 1 percent for payments to Indian tribes, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, to be allotted in accordance with their respective needs. The Corporation may also make payments from such amount to Palau, in accordance with its needs, until such time as the Compact of Free Association with Palau is ratified.

"(b) GRANTS AND ALLOTMENTS THROUGH STATES.—The Corporation shall use the remainder of the funds appropriated to carry out this subpart for any fiscal year as follows:

"(1) GRANTS.—Except as provided in paragraph (3), from 25 percent of such funds, the Corporation may make grants, on a competitive basis, to—

"(A) States and Indian tribes; or

"(B) as described in section 111B, to grantmaking entities.

"(2) ALLOTMENTS.—

"(A) SCHOOL-AGE YOUTH.—Except as provided in paragraph (3), from 37.5 percent of such funds, the Corporation shall allot to each State an amount that bears the same ratio to 37.5 percent of such funds as the number of school-age youth in the State bears to the total number of school-age youth of all States.

"(B) ALLOCATION UNDER ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—Except as provided in paragraph (3), from 37.5 percent of such funds, the Corporation shall allot to each State an amount that bears the same ratio to 37.5 percent of such funds as the allocation to the State for the previous fiscal year under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711 et seq.) bears to such allocations to all States.

"(3) MINIMUM AMOUNT.—No State shall receive, under paragraph (2), an allotment that is less than the allotment such State received for fiscal year 1993 under section 112(b) of this Act, as in effect on the day before the date of enactment of this part. If the amount of funds made available in a fiscal year to carry out paragraph (2) is insufficient to make such allotments, the Corporation shall make available sums from the 25 percent described in paragraph (1) for such fiscal year to make such allotments.

"(4) DEFINITION.—Notwithstanding section 101(27), for purposes of this subsection, the term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, and an Indian tribe.

"(c) REALLOTMENT.—If the Corporation determines that the allotment of a State or Indian tribe under this section will not be required for a fiscal year because the State or Indian tribe does not submit an application for the allotment under section 113 that meets the requirements of such section and such other requirements as the President may determine to be appropriate, the Corporation shall, after making any grants under section 111A to a partnership or agency described in such section, make any remainder of such allotment available for reallotment to such other States, and Indian tribes, with approved applications submitted under section 113, as the Corporation may determine to be appropriate.

"(d) EXCEPTION.—Notwithstanding subsections (a) and (b), if less than $20,000,000 is appropriated for any fiscal year to carry out this subpart, the Corporation shall award grants to States and Indian tribes, from the amount so appropriated, on a competitive basis to pay for the Federal share of the activities described in section 111.

"SEC. 113. STATE OR TRIBAL APPLICATIONS.

"(a) SUBMISSION.—To be eligible to receive a grant under section 112(b)(1), an allotment under subsection (a) or (b)(2) of section 112, a reallotment under section 112(c), or a grant under section 112(d), a State, acting through the State educational agency, or an Indian tribe, shall prepare, submit to the Corporation, and obtain approval of, an application at such time and in such manner as the President may reasonably require.

"(b) CONTENTS.—An application that is submitted under subsection (a) with respect to service-learning programs described in section 111 shall include—

"(1) a 3-year strategic plan, or a revision of a previously approved 3-year strategic plan, for promoting service-learning through the programs, which plan shall contain such information as the President may reasonably require, such as—

"(A) a description of the goals to be attained in promoting service-learning through such programs;

"(B) a description of the resources and organization needed to achieve the goals of such programs within elementary schools and secondary schools; and

"(C) a description of the manner in which—

"(i) such programs and the activities to be carried out under such programs relate to the goals described in subparagraph (A);

"(ii) the applicant will evaluate the success of the programs and the extent of community involvement in the programs, and measure the extent to which the programs meet the goals described in subparagraph (A);

"(iii) in reviewing applications that are submitted under section 114(c), the applicant will rank the applications according to the criteria described in section 115(b), will consider the factors described in section 115(a), and will review the applications in a manner that ensures the equitable treatment of all such applications;

"(iv) the programs will be coordinated with—

"(I) the education reform efforts of the applicant;

"(II) other efforts to meet the National Education Goals;

"(III) other service activities in the State or serving the Indian tribe; and

"(IV) other education programs, training programs, social service programs, and appropriate programs that serve school-age youth, that are authorized under Federal law;

"(v) the applicant will disseminate information, conduct outreach, and take other measures, to encourage cooperative efforts among the local educational agencies, local government agencies, community-based agencies, State agencies, and private for-profit businesses that will carry out the service-learning programs proposed by the applicant, to develop and provide projects, including those that involve the participation of urban, suburban, and rural students working together;

"(vi) the applicant will promote appropriate projects in such programs for economically disadvantaged students, students with limited basic skills, students in foster care who are becoming too old for foster care, students of limited-English proficiency, homeless students, and students who are individuals with disabilities;

"(vii) service-learning training and technical assistance will be provided through the programs—

"(I) to State and local educational agency personnel, federally assisted education specialists in the State or serving the Indian tribe, and local recipients of grants under this subpart, to raise the awareness of service-learning among such personnel, specialists, and recipients; and

"(II) by qualified and experienced individuals employed by the State or Indian tribe or through grants or contracts with such individuals;

"(viii) a service-learning network will be established for the State or Indian tribe, comprised of expert teachers and administrators who have carried out successful service-learning activities within the State or serving the Indian tribe; and

"(ix) the applicant will use payments from sources described in section 116(a)(2)(B) to expand projects for students through the programs proposed by the applicant;

"(2) assurances that—

"(A) the applicant will keep such records and provide such information to the Corporation with respect to the programs as may be required for fiscal audits and program evaluation; and

"(B) the applicant will comply with the nonduplication and nondisplacement requirements of section 177 and the grievance procedure requirements of section 176(f); and

"(3) such additional information as the President may reasonably require.

"SEC. 114. LOCAL APPLICATIONS.

"(a) APPLICATION TO CORPORATION TO MAKE GRANTS FOR SCHOOL-BASED SERVICE-LEARNING PROGRAMS.—

"(1) IN GENERAL.—To be eligible to receive a grant in accordance with section 111B(a) to make grants relating to school-based service-learning programs described in section 111(a)(2), a grantmaking entity shall prepare, submit to the Corporation, and obtain approval of, an application.

"(2) SUBMISSION.—Such application shall be submitted at such time and in such manner, and shall contain such information, as the President may reasonably require.

"(b) DIRECT APPLICATION TO CORPORATION TO CARRY OUT SCHOOL-BASED SERVICE-LEARNING PROGRAMS IN NONPARTICIPATING STATES.—To be eligible to receive a grant from the Corporation in the circumstances described in section 111A to carry out an activity described in such section, a partnership or agency described in such section shall prepare, submit to the Corporation, and obtain approval of, an application. Such application shall be submitted at such time and in such manner, and shall contain such information, as the President may reasonably require.

"(c) APPLICATION TO STATE OR INDIAN TRIBE TO RECEIVE ASSISTANCE TO CARRY OUT SCHOOL-BASED SERVICE-LEARNING PROGRAMS.—

"(1) IN GENERAL.—Any—

"(A) qualified organization that desires to receive financial assistance under this subpart from a State or Indian tribe for an activity described in section 111(a)(1);

"(B) partnership described in section 111(a)(2) that desires to receive such assistance from a State, Indian tribe, or grantmaking entity for an activity described in section 111(a)(2);

"(C) agency described in section 111(a)(3) that desires to receive such assistance from a State or Indian tribe for an activity described in such section; or

"(D) partnership described in section 111(a)(4) that desires to receive such assistance from a State or Indian tribe for an activity described in such section,

to be carried out through a service-learning program described in section 111, shall prepare, submit to the State educational agency, Indian tribe, or grantmaking entity, and obtain approval of, an application for the program.

"(2) SUBMISSION.—Such application shall be submitted at such time and in such manner, and shall contain such information, as the agency, tribe, or entity may reasonably require.

"(d) CONTENTS OF APPLICATION.—An application that is submitted under subsection (a), (b), or (c) with respect to a service-learning program described in section 111 shall, at a minimum, contain a proposal that includes—

"(1) information specifying the membership and role of an established advisory committee, consisting of representatives of community-based agencies including service recipients, students, parents, teachers, administrators, representatives of agencies that serve school-age youth or older adults, school board members, representatives of local labor organizations, and representatives of business, that will provide advice with respect to the program;

"(2) a description of—

"(A) the goals of the program which shall include goals that are quantifiable and demonstrate any benefits from the program to participants and the community;

"(B) service-learning projects to be provided under the program, and evidence that participants will make a sustained commitment to service in the projects;

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

"(D) training for supervisors, teachers, service sponsors, and participants in the program;

"(E) the manner in which exemplary service will be recognized under the program; and

"(F) any resources that will permit continuation of the program, if needed, after the assistance received under this subpart for the program has ended;

"(3) information that shall include—

"(A) a disclosure of whether or not the participants will receive academic credit for participation in the program;

"(B) the expected number of participants in the program and the hours of service that such participants will provide individually and as a group;

"(C) the proportion of expected participants in the program who are economically disadvantaged, including participants who are individuals with disabilities; and

"(D) any role of adult volunteers in implementing the program, and the manner in which such volunteers will be recruited;

"(4) in the case of an application submitted by a local partnership, a written agreement, between the members of the local partnership, stating that the program was jointly developed by the members and that the program will be jointly executed by the members;

"(5) assurances that—

"(A) prior to the placement of a participant, the entity carrying out 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, to prevent the displacement and protect the rights of such employees;

"(B) the entity carrying out the program will develop an age-appropriate learning component for participants in the program that shall include a chance for participants to analyze and apply their service experiences; and

"(C) the entity carrying out the program will comply with the nonduplication and nondisplacement requirements of section 177 and the grievance procedure requirements of section 176(f); and

"(6) in the case of an application submitted by a grantmaking entity, information demonstrating that the entity will make grants for a program to—

"(A) carry out activities described in section 111B(b) in two or more States, under circumstances in which the activities carried out under such program can be carried out more efficiently through one program than through two or more programs; and

"(B) carry out the same activities, such as training activities or activities related to exchanging information on service experiences, through each of the projects assisted through the program.

"(e) LIMITATION ON SAME PROJECT IN MULTIPLE APPLICATIONS.—No applicant shall submit an application under section 113 or this section, and the Corporation shall reject an application that is submitted under section 113 or this section, if the application describes a project proposed to be conducted using assistance requested by the applicant and the project is already described in another application pending before the Corporation.

"SEC. 115. CONSIDERATION OF APPLICATIONS.

"(a) CRITERIA FOR APPLICATIONS.—In approving applications for financial assistance under subsection (a), (b), (c), or (d) of section 112, the Corporation shall consider such criteria with respect to sustainability, replicability, innovation, and quality of programs under this subpart as the President may by regulation specify. In providing assistance under this subpart, a State educational agency, Indian tribe, or grantmaking entity shall consider such criteria.

"(b) PRIORITY FOR LOCAL APPLICATIONS.—

"(1) IN GENERAL.—In providing assistance under this subpart, a State educational agency or Indian tribe, or the Corporation if section 111A or 111B applies, shall give priority to entities that submit applications under section 114 with respect to service-learning programs described in section 111 that—

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

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

"(C) involve—

"(i) students from public elementary or secondary schools, and students from private elementary or secondary schools, serving together; or

"(ii) students of different ages, races, sexes, ethnic groups, disabilities, or economic backgrounds, serving together; or

"(D) are integrated into the academic program of the participants.

"(c) REJECTION OF APPLICATIONS.—If the Corporation rejects an application submitted by a State under section 113 for an allotment under subsection (b)(2) of section 112, the Corporation shall promptly notify the State of the reasons for the rejection of the application. The Corporation shall provide the State with a reasonable opportunity to revise and resubmit the application and shall provide technical assistance, if needed, to the State as part of the resubmission process. The Corporation shall promptly reconsider such resubmitted application.

"SEC. 115A. PARTICIPATION OF STUDENTS AND TEACHERS FROM PRIVATE SCHOOLS.

"(a) IN GENERAL.—To the extent consistent with the number of students in the State or Indian tribe or in the school district of the local educational agency involved who are enrolled in private not-for-profit elementary and secondary schools, such State, Indian tribe, or agency shall (after consultation with appropriate private school representatives) make provision—

"(1) for the inclusion of services and arrangements for the benefit of such students so as to allow for the equitable participation of such students in the programs implemented to carry out the objectives and provide the benefits described in this subpart; and

"(2) for the training of the teachers of such students so as to allow for the equitable participation of such teachers in the programs implemented to carry out the objectives and provide the benefits described in this subpart.

"(b) WAIVER.—If a State, Indian tribe, or local educational agency is prohibited by law from providing for the participation of students or teachers from private not-for-profit schools as required by subsection (a), or if the Corporation determines that a State, Indian tribe, or local educational agency substantially fails or is unwilling to provide for such participation on an equitable basis, the President shall waive such requirements and shall arrange for the provision of services to such students and teachers. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with paragraphs (3) and

(4) of section 1017(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2727(b)).

"SEC. 116. FEDERAL, STATE, AND LOCAL CONTRIBUTIONS.

"(a) SHARE.—

"(1) IN GENERAL.—The Federal share attributable to this subpart of the cost of carrying out a program for which a grant or allotment is made under this subpart may not exceed—

"(A) 90 percent of the total cost of the program for the first year for which the program receives assistance under this subpart;

"(B) 80 percent of the total cost of the program for the second year for which the program receives assistance under this subpart;

"(C) 70 percent of the total cost of the program for the third year for which the program receives assistance under this subpart; and

"(D) 50 percent of the total cost of the program for the fourth year, and for any subsequent year, for which the program receives assistance under this subpart.

"(2) CALCULATION.—In providing for the remaining share of the cost of carrying out such a program, each recipient of assistance under this subpart—

"(A) shall provide for such share through a payment in cash or in kind, fairly evaluated, including facilities, equipment, or services; and

"(B) may provide for such share through State sources, local sources, or Federal sources (other than funds made available under the national service laws).

"(b) WAIVER.—The President may waive the requirements of subsection (a) in whole or in part with respect to any such program in any fiscal year if the Corporation determines that such a waiver would be equitable due to a lack of available financial resources at the local level.

"SEC. 116A. LIMITATIONS ON USES OF FUNDS.

"(a) ADMINISTRATIVE COSTS.—

"(1) LIMITATION.—Not more than 5 percent of the amount of assistance provided to a State educational agency, Indian tribe, or grantmaking entity that is the original recipient of a grant or allotment under subsection (a), (b), (c), or (d) of section 112 for a fiscal year may be used to pay for administrative costs incurred by—

"(A) the original recipient; or

"(B) the entity carrying out the service-learning programs supported with the assistance.

"(2) RULES ON USE.—The President may by rule prescribe the manner and extent to which—

"(A) such assistance may be used to cover administrative costs; and

"(B) that portion of the assistance available to cover administrative costs should be distributed between—

"(i) the original recipient; and

"(ii) the entity carrying out the service-learning programs supported with the assistance.

"(b) CAPACITY-BUILDING ACTIVITIES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), not less than 10 percent and not more than 15 percent of the amount of assistance provided to a State educational agency or Indian tribe that is the original recipient of a grant or allotment under subsection (a), (b), (c), or (d) of section 112 for a fiscal year may be used to build capacity through training, technical assistance, curriculum development, and coordination activities, described in section 111(a)(1).

"(2) WAIVER.—The President may waive the requirements of paragraph (1) in order to permit an agency or a tribe to use not less than 10 percent and not more than 25 percent of such amount to build capacity as provided in paragraph (1). To be eligible to receive such a waiver such an agency or tribe shall submit an application to the President at such time, in such manner, and containing such information as the President may require.

"(c) LOCAL USES OF FUNDS.—Funds made available under this subpart may not be used to pay any stipend, allowance, or other financial support to any student who is a participant under this subtitle, except reimbursement for transportation, meals, and other reasonable out-of-pocket expenses directly related to participation in a program assisted under this subpart.

"SEC. 116B. DEFINITIONS.

"As used in this subpart:

"(1) GRANTMAKING ENTITY.—The term 'grantmaking entity' means an organization described in section 111B(a).

"(2) SCHOOL-BASED.—The term 'school-based' means based in an elementary school or a secondary school.

"(3) STUDENT.—Notwithstanding section 101(30), the term 'student' means an individual who is enrolled in an elementary or secondary school on a full- or part-time basis.

"Subpart B—Community-Based Service Programs for School-Age Youth

"SEC. 117. DEFINITIONS.

"As used in this subpart:

"(1) COMMUNITY-BASED SERVICE PROGRAM.—The term 'community-based service program' means a program described in section 117A(b)(1)(A).

"(2) GRANTMAKING ENTITY.—The term 'grantmaking entity' means a qualified organization that—

"(A) submits an application under section 117C(a) to make grants to qualified organizations;

"(B) was in existence 1 year before the date on which the organization submitted the application;

"(C) has experience with service-learning; and

"(D) meets such other criteria as the President shall establish.

"(3) QUALIFIED ORGANIZATION.—The term 'qualified organization' means a public or private not-for-profit organization with experience working with school-age youth that meets such criteria as the President may establish.

"SEC. 117A. GENERAL AUTHORITY.

"(a) GRANTS.—From the funds appropriated to carry out this subpart for a fiscal year, the Corporation may make grants to State Commissions, grantmaking entities, and qualified organizations to pay for the Federal share of the implementation, operation, expansion, or replication of community-based service programs.

"(b) USE OF FUNDS.—

"(1) STATE COMMISSIONS AND GRANTMAKING ENTITIES.—A State Commission or grantmaking entity may use a grant made under subsection (a)—

"(A) to make a grant to a qualified organization to implement, operate, expand, or replicate a community-based service program that provides for meaningful human, educational, environmental, or public safety service by participants, who shall be school-age youth; or

"(B) to provide training and technical assistance to such an organization.

"(2) QUALIFIED ORGANIZATIONS.—A qualified organization, other than a grantmaking entity, may use a grant made under subsection (a) to implement, operate, expand, or replicate a program described in paragraph (1)(A).

"SEC. 117B. STATE APPLICATIONS.

"(a) IN GENERAL.—To be eligible to receive a grant under section 117A(a), a State Commission shall prepare, submit to the Corporation, and obtain approval of, an application.

"(b) SUBMISSION.—Such application shall be submitted to the Corporation at such time and in such manner, and shall contain such information, as the President may reasonably require.

"(c) CONTENTS.—Such an application shall include, at a minimum, a State plan that contains the descriptions, proposals, and assurance described in section 117C(d) with respect to each community-based service program proposed to be carried out through funding distributed by the State Commission under this subpart.

"SEC. 117C. LOCAL APPLICATIONS.

"(a) APPLICATION TO CORPORATION TO MAKE GRANTS FOR COMMUNITY-BASED SERVICE PROGRAMS.—To be eligible to receive a grant from the Corporation under section 117A(a) to make grants under section 117A(b)(1), a grantmaking entity shall prepare, submit to the Corporation, and obtain approval of, an application that proposes a community-based service program to be carried out through grants made to qualified organizations. Such application shall be submitted at such time and in such manner, and shall contain such information, as the President may reasonably require.

"(b) DIRECT APPLICATION TO CORPORATION TO CARRY OUT COMMUNITY-BASED SERVICE PROGRAMS.—To be eligible to receive a grant from the Corporation under section 117A(a) to implement, operate, expand, or replicate a community service program, a qualified organization shall prepare, submit to the Corporation, and obtain approval of, an application that proposes a community-based service program to be carried out at multiple sites, or that proposes a model or an innovative community-based service program. Such application shall be submitted at such time and in such manner, and shall contain such information, as the President may reasonably require.

"(c) APPLICATION TO STATE COMMISSION OR GRANTMAKING ENTITY TO RECEIVE GRANTS TO CARRY OUT COMMUNITY-BASED SERVICE PROGRAMS.—To be eligible to receive a grant from a State Commission or grantmaking entity under section 117A(b)(1), a qualified organization shall prepare, submit to the Commission or entity, and obtain approval of, an application. Such application shall be submitted at such time and in such manner, and shall contain such information, as the Commission or entity may reasonably require.

"(d) REQUIREMENTS OF APPLICATION.—An application submitted under subsection (a), (b), or (c) shall, at a minimum, contain—

"(1) a description of any community-based service program proposed to be implemented, operated, expanded, or replicated directly by the applicant using assistance provided under this subpart;

"(2) a description of any grant program proposed to be conducted by the applicant with assistance provided under this subpart to support a community-based service program;

"(3) a proposal for carrying out the community-based service program that describes the manner in which the entity carrying out the program will—

"(A) provide preservice and inservice training, for supervisors and participants, that will be conducted by qualified individuals, or qualified organizations, that have experience in community-based service programs;

"(B) include economically disadvantaged individuals as participants in the program proposed by the applicant;

"(C) provide an age-appropriate service-learning component described in section 114(d)(5)(B);

"(D) conduct an appropriate evaluation of the program;

"(E) provide for appropriate community involvement in the program;

"(F) provide service experiences that promote leadership abilities among participants in the program, including experiences that involve such participants in program design;

"(G) involve participants in projects approved by community-based agencies;

"(H) establish and measure progress toward the goals of the program; and

"(I) if appropriate, organize participants in the program into teams, with team leaders who may be participants in a program under subtitle C or individuals who receive a national service educational award under subtitle D;

"(4) an assurance that the entity carrying out the program proposed by the applicant will comply with the nonduplication and nondisplacement provisions of section 177 and the grievance procedure requirements of section 176(f);

"(5) an assurance that the entity carrying out the program will, prior to placing a participant in the program, consult with any local labor organization representing employees in the area in which the program will be carried out that are engaged in the same or similar work as the work proposed to be carried out by the program, to prevent the displacement of such employees; and

"(6) in the case of an application submitted by a grantmaking entity, information demonstrating that the entity will make grants for a program to—

"(A) carry out activities described in section 117A(b)(1) in two or more States, under circumstances in which the activities carried out under such program can be carried out more efficiently through one program than through two or more programs; and

"(B) carry out the same activities, such as training activities or activities related to exchanging information on service experiences, through each of the projects assisted through the program.

"(e) LIMITATION ON SAME PROJECT IN MULTIPLE APPLICATIONS.—No applicant shall submit an application under section 117B or this section, and the Corporation shall reject an application that is submitted under section 117B or this section, if the application describes a project proposed to be conducted using assistance requested by the applicant and the project is already described in another application pending before the Corporation.

"SEC. 117D. CONSIDERATION OF APPLICATIONS.

"(a) APPLICATION OF CRITERIA.—The Corporation shall apply the criteria described in subsection (b) in determining whether to approve an application submitted under section 117B or under subsection (a) or (b) of section 117C and to provide assistance under section 117A to the applicant on the basis of the application.

"(b) ASSISTANCE CRITERIA.—In evaluating such an application with respect to a program under this subpart, the Corporation shall consider the criteria established for national service programs under section 133(c).

"(c) APPLICATION TO SUBGRANTS.—A State Commission or grantmaking entity shall apply the criteria described in subsection (b) in determining whether to approve an application under section 117C(c) and to make a grant under section 117A(b)(1) to the applicant on the basis of the application.

"SEC. 117E. FEDERAL, STATE, AND LOCAL CONTRIBUTIONS.

"(a) FEDERAL SHARE.—

"(1) IN GENERAL.—The Federal share attributable to this subpart of the cost of carrying out a program for which a grant is made under this subpart may not exceed the percentage specified in subparagraph (A), (B), (C), or (D) of section 116(a)(1), as appropriate.

"(2) CALCULATION.—Each recipient of assistance under this subpart shall comply with section 116(a)(2).

"(b) WAIVER.—The President may waive the requirements of subsection (a), in whole or in part, as provided in section 116(b).

"SEC. 117F. LIMITATIONS ON USES OF FUNDS.

"(a) ADMINISTRATIVE COSTS.—Not more than 5 percent of the amount of assistance provided to a State Commission, grantmaking entity, or qualified organization that is the original recipient of a grant under section 117A(a) for a fiscal year may be used to pay for administrative costs incurred by—

"(1) the original recipient; or

"(2) the entity carrying out the community-based service programs supported with the assistance.

"(b) RULES ON USE.—The President may by rule prescribe the manner and extent to which—

"(1) such assistance may be used to cover administrative costs; and

"(2) that portion of the assistance available to cover administrative costs should be distributed between—

"(A) the original recipient; and

"(B) the entity carrying out the community-based service programs supported with the assistance.

"Subpart C—Clearinghouse

"SEC. 118. SERVICE-LEARNING CLEARINGHOUSE.

"(a) IN GENERAL.—The Corporation shall provide financial assistance, from funds appropriated to carry out subtitle H, to agencies described in subsection (b) to establish a clearinghouse, which shall carry out activities, either directly or by arrangement with another such entity, with respect to information about service-learning.

"(b) PUBLIC AND PRIVATE NOT-FOR-PROFIT AGENCIES.—Public and private not-for-profit agencies that have extensive experience with service-learning, including use of adult volunteers to foster service-learning, shall be eligible to receive assistance under subsection (a).

"(c) FUNCTION OF CLEARINGHOUSE.—An entity that receives assistance under subsection (a) may—

"(1) assist entities carrying out State or local service-learning programs with needs assessments and planning;

"(2) conduct research and evaluations concerning service-learning;

"(3)(A) provide leadership development and training to State and local service-learning program administrators, supervisors, service sponsors, and participants; and

"(B) provide training to persons who can provide the leadership development and training described in subparagraph (A);

"(4) facilitate communication among entities carrying out service-learning programs and participants in such programs;

"(5) provide information, curriculum materials, and technical assistance relating to planning and operation of service-learning programs, to States and local entities eligible to receive financial assistance under this title;

"(6)(A) gather and disseminate information on successful service-learning programs, components of such successful programs, innovative youth skills curricula related to service-learning, and service-learning projects; and

"(B) coordinate the activities of the Clearinghouse with appropriate entities to avoid duplication of effort;

"(7) make recommendations to State and local entities on quality controls to improve the quality of service-learning programs;

"(8) assist organizations in recruiting, screening, and placing service-learning coordinators; and

"(9) carry out such other activities as the President determines to be appropriate.".

(b) HIGHER EDUCATION INNOVATIVE PROJECTS.—Subtitle B of title I of the National and Community Service Act of 1990 (42 U.S.C. 12531 et seq.) is amended by striking part II and inserting the following:

"PART II—HIGHER EDUCATION INNOVATIVE PROGRAMS FOR COMMUNITY SERVICE

"SEC. 119. HIGHER EDUCATION INNOVATIVE PROGRAMS FOR COMMUNITY SERVICE.

"(a) PURPOSE.—It is the purpose of this part to expand participation in community service by supporting innovative community service programs carried out through institutions of higher education, acting as civic institutions to meet the human, educational, environmental, or public safety needs of neighboring communities.

"(b) GENERAL AUTHORITY.—The Corporation, in consultation with the Secretary of Education, is authorized to make grants to, and enter into contracts with, institutions of higher education (including a combination of such institutions), and partnerships comprised of such institutions and of other public agencies or not-for-profit private organizations, to pay for the Federal share of the cost of—

"(1) enabling such an institution or partnership to create or expand an organized community service program that—

"(A) engenders a sense of social responsibility and commitment to the community in which the institution is located; and

"(B) provides projects for participants, who shall be students, faculty, administration, or staff of the institution, or residents of the community;

"(2) supporting student-initiated and student-designed community service projects through the program;

"(3) strengthening the leadership and instructional capacity of teachers at the elementary, secondary, and post secondary levels, with respect to service-learning, by—

"(A) including service-learning as a key component of the preservice teacher education of the institution; and

"(B) encouraging the faculty of the institution to use service-learning methods throughout their curriculum;

"(4) facilitating the integration of community service carried out under the program into academic curricula, including integration of clinical programs into the curriculum for students in professional schools, so that students can obtain credit for their community service projects;

"(5) supplementing the funds available to carry out work-study programs under part C of title IV of the Higher Education Act of 1965 (42 U.S.C. 2751 et seq.) to support service-learning and community service through the community service program;

"(6) strengthening the service infrastructure within institutions of higher education in the United States through the program; and

"(7) providing for the training of teachers, prospective teachers, related education personnel, and community leaders in the skills necessary to develop, supervise, and organize service-learning.

"(c) FEDERAL SHARE.—

"(1) SHARE.—

"(A) IN GENERAL.—The Federal share of the cost of carrying out a community service project for which a grant or contract is awarded under this part may not exceed 50 percent.

"(B) CALCULATION.—Each recipient of assistance under this part shall comply with section 116(a)(2).

"(2) WAIVER.—The President may waive the requirements of paragraph (1), in whole or in part, as provided in section 116(b).

"(d) APPLICATION FOR GRANT.—

"(1) SUBMISSION.—To receive a grant or enter into a contract under this part, an institution or partnership described in subsection (b) shall prepare, submit to the Corporation, and obtain approval of, an application at such time and in such manner as the President may reasonably require.

"(2) CONTENTS.—An application submitted under paragraph (1) shall contain—

"(A) such information as the President may reasonably require, such as a description of—

"(i) the proposed program to be established with assistance provided under the grant or contract;

"(ii) the human, educational, environmental, or public safety service that participants will perform and the community need that will be addressed under such program;

"(iii) whether or not students will receive academic credit for community service projects under the program;

"(iv) the procedure for training supervisors and participants and for supervising and organizing participants in such program;

"(v) the procedures to ensure that the program provides an opportunity for participants to reflect on their service experiences and includes the age-appropriate learning component described in section 114(d)(5)(B);

"(vi) the roles played by students and community members, including service recipients, in the design and implementation of the program; and

"(vii) the budget for the program;

"(B) assurances that—

"(i) prior to the placement of a participant, the applicant 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, to prevent the displacement and protect the rights of such employees; and

"(ii) the applicant will comply with the nonduplication and nondisplacement provisions of section 177 and the grievance procedure requirements of section 176(f); and

"(C) such other assurances as the President may reasonably require.

"(e) PRIORITY.—

"(1) IN GENERAL.—In making grants and entering into contracts under subsection (b), the Corporation shall give priority to applicants that submit applications containing proposals that—

"(A) demonstrate the commitment of the institution of higher education, other than by demonstrating the commitment of the students, to supporting the community service projects carried out under the program;

"(B) specify the manner in which the institution will promote faculty, administration, and staff participation in the community service projects;

"(C) specify the manner in which the institution will provide service to the community through organized programs, including, where appropriate, clinical programs for students in professional schools;

"(D) describe any partnership that will participate in the community service projects, such as a partnership comprised of—

"(i) the institution;

"(ii)(I) a community-based agency;

"(II) a local government agency; or

"(III) a not-for-profit entity that serves or involves school-age youth or older adults; and

"(iii) a student organization;

"(E) demonstrate community involvement in the development of the proposal;

"(F) specify that the institution will use such assistance to strengthen the service infrastructure in institutions of higher education; or

"(G) with respect to projects involving delivery of service, specify projects that involve leadership development of school-age youth.

"(2) DETERMINATION.—In giving priority to applicants under paragraph (1), the Corporation shall give increased priority to such an applicant for each characteristic described in subparagraphs (A) through (G) of paragraph (1) that is reflected in the application submitted by the applicant.

"(f) NATIONAL SERVICE EDUCATIONAL AWARD.—A participant in a program funded under this part shall be eligible for the national service educational award described in subtitle D, if the participant served in an approved national service position.

"(g) DEFINITION.—Notwithstanding section 101(30), as used in this part, the term 'student' means an individual who is enrolled in an institution of higher education on a full- or part-time basis.

"PART III—GENERAL PROVISIONS

"SEC. 120. AVAILABILITY OF APPROPRIATIONS.

"Of the aggregate amount appropriated to carry out this subtitle for each fiscal year—

"(1) a sum equal to 75 percent of such aggregate amount shall be available to carry out part I, of which—

"(A) 85 percent of such sum shall be available to carry out subpart A; and

"(B) 15 percent of such sum shall be available to carry out subpart B; and

"(2) a sum equal to 25 percent of such aggregate amount shall be available to carry out part II.".

(c) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101-610; 104 Stat. 3127) is amended by striking the items relating to subtitle B of title I of such Act and inserting the following:

"Subtitle B—School-Based and Community-Based Service-Learning Programs

"PART I—SERVE-AMERICA PROGRAMS

"SUBPART A—SCHOOL-BASED PROGRAMS FOR STUDENTS

"Sec. 111. Authority to assist States and Indian tribes.
"Sec. 111A. Authority to assist local applicants in nonparticipating States.
"Sec. 111B. Authority to assist public or private not-for-profit organizations.
"Sec. 112. Grants and allotments.
"Sec. 113. State or tribal applications.
"Sec. 114. Local applications.
"Sec. 115. Consideration of applications.
"Sec. 115A. Participation of students and teachers from private schools.
"Sec. 116. Federal, State, and local contributions.
"Sec. 116A. Limitations on uses of funds.
"Sec. 116B. Definitions.

"SUBPART B—COMMUNITY-BASED SERVICE PROGRAMS FOR SCHOOL-AGE YOUTH

"Sec. 117. Definitions.
"Sec. 117A. General authority.
"Sec. 117B. State applications.
"Sec. 117C. Local applications.
"Sec. 117D. Consideration of applications.
"Sec. 117E. Federal, State, and local contributions.
"Sec. 117F. Limitations on uses of funds.

"SUBPART C—CLEARINGHOUSE

"Sec. 118. Service-learning clearinghouse.

"PART II—HIGHER EDUCATION INNOVATIVE PROGRAMS FOR COMMUNITY SERVICE

"Sec. 119. Higher education innovative programs for community service.

"PART III—GENERAL PROVISIONS

"Sec. 120. Availability of appropriations.".

SEC. 104. QUALITY AND INNOVATION ACTIVITIES.

(a) REPEAL.—Subtitle E of title I of the National and Community Service Act of 1990 (42 U.S.C. 12591 et seq.) is repealed.

(b) TRANSFER.—Title I of the National and Community Service Act of 1990 is amended—

(1) by redesignating subtitle H (42 U.S.C. 12653 et seq.) as subtitle E;

(2) by inserting subtitle E (as redesignated by paragraph (1) of this subsection) after subtitle D; and

(3) by redesignating sections 195 through 195O as sections 151 through 166, respectively.

(c) INVESTMENT FOR QUALITY AND INNOVATION.—Title I of the National and Community Service Act of 1990 (as amended by subsection (b) of this section) is amended by adding at the end the following new subtitle:

"Subtitle H—Investment for Quality and Innovation

"SEC. 198. ADDITIONAL CORPORATION ACTIVITIES TO SUPPORT NATIONAL SERVICE.

"(a) METHODS OF CONDUCTING ACTIVITIES.—The Corporation may carry out this section directly or through grants, contracts, and cooperative agreements with other entities.

"(b) INNOVATION AND QUALITY IMPROVEMENT.—

"(1) ACTIVITIES.—The Corporation may undertake activities to improve the quality of national service programs and to support innovative and model programs, including—

"(A) programs, including programs for rural youth, under subtitle B or C;

"(B) employer-based retiree programs;

"(C) intergenerational programs;

"(D) programs involving individuals with disabilities as participants providing service; and

"(E) programs sponsored by Governors.

"(2) INTERGENERATIONAL PROGRAM.—An intergenerational program referred to in paragraph (1)(C) may include a program in which older adults provide services to children who participate in Head Start programs.

"(c) SUMMER PROGRAMS.—The Corporation may support service programs intended to be carried out between May 1 and October 1, except that such a program may also include a year-round component.

"(d) COMMUNITY-BASED AGENCIES.—The Corporation may provide training and technical assistance and other assistance to service sponsors and other community-based agencies that provide volunteer placements in order to improve the ability of such agencies to use participants and other volunteers in a manner that results in high-quality service and a positive service experience for the participants and volunteers.

"(e) IMPROVE ABILITY TO APPLY FOR ASSISTANCE.—The Corporation shall provide training and technical assistance, where necessary, to individuals, programs, local labor organizations, State educational agencies, State Commissions, local educational agencies, local governments, community-based agencies, and other entities to enable them to apply for funding under one of the national service laws, to conduct high-quality programs, to evaluate such programs, and for other purposes.

"(f) NATIONAL SERVICE FELLOWSHIPS.—The Corporation may award national service fellowships.

"(g) CONFERENCES AND MATERIALS.—The Corporation may organize and hold conferences, and prepare and publish materials, to disseminate information and promote the sharing of information among programs for the purpose of improving the quality of programs and projects.

"(h) PEACE CORPS AND VISTA TRAINING.—The Corporation may provide training assistance to selected individuals who volunteer to serve in the Peace Corps or a program authorized under title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.). The training shall be provided as part of the course of study of the individual at an institution of higher education, shall involve service-learning, and shall cover appropriate skills that the individual will use in the Peace Corps or VISTA.

"(i) PROMOTION AND RECRUITMENT.—The Corporation may conduct a campaign to solicit funds for the National Service Trust and other programs and activities authorized under the national service laws and to promote and recruit participants for programs that receive assistance under the national service laws.

"(j) TRAINING.—The Corporation may support national and regional participant and supervisor training, including leadership training and training in specific types of service and in building the ethic of civic responsibility.

"(k) RESEARCH.—The Corporation may support research on national service, including service-learning.

"(l) INTERGENERATIONAL SUPPORT.—The Corporation may assist programs in developing a service component that combines students, out-of-school youths, and older adults as participants to provide needed community services.

"(m) PLANNING COORDINATION.—The Corporation may coordinate community-wide planning among programs and projects.

"(n) YOUTH LEADERSHIP.—The Corporation may support activities to enhance the ability of youth and young adults to play leadership roles in national service.

"(o) NATIONAL PROGRAM IDENTITY.—The Corporation may support the development and dissemination of materials, including training materials, and arrange for uniforms and insignia, designed to promote unity and shared features among programs that receive assistance under the national service laws.

"(p) SERVICE-LEARNING.—The Corporation shall support innovative programs and activities that promote service-learning.

"(q) NATIONAL YOUTH SERVICE DAY.—

"(1) DESIGNATION.—April 19, 1994, and April 18, 1995 are each designated as 'National Youth Service Day'. The President of the United States is authorized and directed to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

"(2) FEDERAL ACTIVITIES.—In order to observe National Youth Service Day at the Federal level, the Corporation may organize and carry out appropriate ceremonies and activities.

"(3) ACTIVITIES.—The Corporation may make grants to not-for-profit organizations with demonstrated ability to carry out appropriate activities, in order to support such activities on National Youth Service Day.

"SEC. 198A. CLEARINGHOUSES.

"(a) ASSISTANCE.—The Corporation shall provide assistance to appropriate entities to establish one or more clearinghouses, including the clearinghouse described in section 118.

"(b) APPLICATION.—To be eligible to receive assistance under subsection (a), an entity shall submit an application to the Corporation at such time, in such manner, and containing such information as the Corporation may require.

"(c) FUNCTION OF CLEARINGHOUSES.—An entity that receives assistance under subsection (a) may—

"(1) assist entities carrying out State or local community service programs with needs assessments and planning;

"(2) conduct research and evaluations concerning community service;

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

"(B) provide training to persons who can provide the leadership development and training described in subparagraph (A);

"(4) facilitate communication among entities carrying out community service programs and participants;

"(5) provide information, curriculum materials, technical assistance relating to planning and operation of community service programs, to States and local entities eligible to receive funds under this title;

"(6)(A) gather and disseminate information on successful community service programs, components of such successful programs, innovative youth skills curriculum, and community service projects; and

"(B) coordinate the activities of the clearinghouse with appropriate entities to avoid duplication of effort;

"(7) make recommendations to State and local entities on quality controls to improve the delivery of community service programs and on changes in the programs under this title; and

"(8) carry out such other activities as the President determines to be appropriate.

"SEC. 198B. PRESIDENTIAL AWARDS FOR SERVICE.

"(a) PRESIDENTIAL AWARDS.—

"(1) IN GENERAL.—The President of the United States, acting through the Corporation, may make Presidential awards for service to individuals providing significant service, and to outstanding service programs.

"(2) INDIVIDUALS AND PROGRAMS.—Notwithstanding section 101(20)—

"(A) an individual receiving an award under this subsection need not be a participant in a program authorized under this Act; and

"(B) a program receiving an award under this subsection need not be a program authorized under this Act.

"(3) NATURE OF AWARD.—In making an award under this section to an individual or program, the President of the United States, acting through the Corporation—

"(A) is authorized to incur necessary expenses for the honorary recognition of the individual or program; and

"(B) is not authorized to make a cash award to such individual or program.

"(b) INFORMATION.—The President of the United States, acting through the Corporation, shall ensure that information concerning individuals and programs receiving awards under this section is widely disseminated.

"SEC. 198C. MILITARY INSTALLATION CONVERSION DEMONSTRATION PROGRAMS.

"(a) PURPOSES.—The purposes of this section are to—

"(1) provide meaningful training and paid employment to economically disadvantaged youth;

"(2) fully utilize military installations affected by closures or realignments;

"(3) encourage communities affected by such closures or realignments to convert the installations to community use; and

"(4) foster a sense of community pride in the youth in the community.

"(b) DEFINITIONS.—As used in this section:

"(1) AFFECTED MILITARY INSTALLATION.—The term 'affected military installation' means a military installation described in section 325(e)(1) of the Job Training Partnership Act (29 U.S.C. 1662d(e)(1)).

"(2) COMMUNITY.—The term 'community' includes a county.

"(3) CONVERT TO COMMUNITY USE.—The term 'convert to community use', used with respect to an affected military installation, includes—

"(A) conversion of the installation or a part of the installation to—

"(i) a park;

"(ii) a community center;

"(iii) a recreational facility; or

"(iv) a facility for a Head Start program under the Head Start Act (42 U.S.C. 9831 et seq.); and

"(B) carrying out, at the installation, a construction or economic development project that is of substantial benefit, as determined by the President, to—

"(i) the community in which the installation is located; or

"(ii) a community located within such distance of the installation as the President may determine by regulation to be appropriate.

"(4) DEMONSTRATION PROGRAM.—The term 'demonstration program' means a program described in subsection (c).

"(c) DEMONSTRATION PROGRAMS.—

"(1) GRANTS.—The Corporation may make grants to communities and community-based agencies to pay for the Federal share of establishing and carrying out military installation conversion demonstration programs, to assist in converting to community use affected military installations located—

"(A) within the community; or

"(B) within such distance from the community as the President may by regulation determine to be appropriate.

"(2) DURATION.—In carrying out such a demonstration program, the community or community-based agency may carry out—

"(A) a program of not less than 6 months in duration; or

"(B) a full-time summer program.

"(d) USE OF FUNDS.—

"(1) SALARY.—A community or community-based agency that receives a grant under subsection (c) to establish and carry out a project through a demonstration program may use the funds made available through such grant to pay for a portion of the salary of the participants in the project.

"(2) LIMITATION ON AMOUNT OF SALARY.—The amount of the salary provided to a participant under paragraph (1) that may be paid using assistance provided under this section and using any other Federal funds shall not exceed the lesser of—

"(A) 85 percent of the total average annual subsistence allowance provided to VISTA volunteers under section 105 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4955); and

"(B) 85 percent of the salary established by the demonstration program involved.

"(e) PARTICIPANTS.—

"(1) ELIGIBILITY.—A person shall be eligible to be selected as a participant in a project carried out through a demonstration program if the person is—

"(A) an economically disadvantaged individual; and

"(B)(i) a person described in section 153(b);

"(ii) a youth described in section 154(a); or

"(iii) an eligible youth described in section 423 of the Job Training Partnership Act (29 U.S.C. 1693).

"(2) PARTICIPATION.—Persons desiring to participate in such a project shall enter into an agreement with the service sponsor of the project to participate—

"(A) on a full-time or a part-time basis; and

"(B) for the duration referred to in subsection (f)(2)(C).

"(f) APPLICATION.—

"(1) IN GENERAL.—To be eligible to receive a grant under subsection (c), a community or community-based agency shall submit an application to the President at such time, in such manner, and containing such information as the President may require.

"(2) CONTENTS.—At a minimum, such application shall contain—

"(A) a description of the demonstration program proposed to be conducted by the applicant;

"(B) a proposal for carrying out the program that describes the manner in which the applicant will—

"(i) provide preservice and inservice training, for supervisors and participants, that will be conducted by qualified individuals or qualified organizations;

"(ii) conduct an appropriate evaluation of the program; and

"(iii) provide for appropriate community involvement in the program;

"(C) information indicating the duration of the program; and

"(D) an assurance that the applicant will comply with the nonduplication and nondisplacement provisions of section 177 and the grievance procedure requirements of section 176(f).

"(g) LIMITATION ON GRANT.—In making a grant under subsection (c) with respect to a demonstration program to assist in converting an affected military installation, the Corporation shall not make a grant for more than 25 percent of the total cost of the conversion.".

(d) TABLE OF CONTENTS.—

(1) CIVILIAN COMMUNITY CORPS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101–610; 104 Stat. 3127) is amended by striking the items relating to subtitle E of title I of such Act and inserting the following:

"Subtitle E—Civilian Community Corps

"Sec. 151. Purpose.
"Sec. 152. Establishment of Civilian Community Corps Demonstration Program.
"Sec. 153. National service program.
"Sec. 154. Summer national service program.
"Sec. 155. Civilian Community Corps.
"Sec. 156. Training.
"Sec. 157. Service projects.
"Sec. 158. Authorized benefits for Corps personnel under Federal law.
"Sec. 159. Administrative provisions.
"Sec. 160. Status of Corps members and Corps personnel under Federal law.
"Sec. 161. Contract and grant authority.
"Sec. 162. Responsibilities of other departments.
"Sec. 163. Advisory board.
"Sec. 164. Annual evaluation.
"Sec. 165. Funding limitation.
"Sec. 166. Definitions.".

(2) QUALITY AND INNOVATION.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101–610; 104 Stat. 3127) is amended by striking the items relating to subtitle H of title I of such Act and inserting the following:

"Subtitle H—Investment for Quality and Innovation

"Sec. 198. Additional corporation activities to support national service.
"Sec. 198A. Clearinghouses.
"Sec. 198B. Presidential awards for service.
"Sec. 198C. Military installation conversion demonstration programs.".

(e) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993.—

(A) Section 1091(f)(2) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484) is amended by striking "195G" and inserting "158".

(B) Paragraphs (1) and (2) of section 1092(b), and sections 1092(c), 1093(a), and 1094(a) of such Act are amended by striking "195A" and inserting "152".

(C) Sections 1091(f)(2), 1092(b)(1), and 1094(a), and subsections (a) and (c) of section 1095 of such Act are amended by striking "subtitle H" and inserting "subtitle E".

(D) Section 1094(b)(1) and subsections (b) and (c)(1) of section 1095 of such Act are amended by striking "subtitles B, C, D, E, F, and G" and inserting "subtitles B, C, D, F, G, and H".

(2) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—

(A) Section 153(a) of such Act (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653b(a)) is amended by striking "195A(a)" and inserting "152(a)".

(B) Section 154(a) of such Act (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653c(a)) is amended by striking "195A(a)" and inserting "152(a)".

(C) Section 155 of such Act (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653d) is amended—

(i) in subsection (a), by striking "195H(c)(1)" and inserting "159(c)(1)";

(ii) in subsection (c)(2), by striking "195H(c)(2)" and inserting "159(c)(2)"; and

(iii) in subsection (d)(3), by striking "195K(a)(3)" and inserting "162(a)(3)".

(D) Section 156 of such Act (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653e) is amended—

(i) in subsection (c)(1), by striking "195H(c)(2)" and inserting "159(c)(2)"; and

(ii) in subsection (d), by striking "195K(a)(3)" and inserting "162(a)(3)".

(E) Section 159 of such Act (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653h) is amended—

(i) in subsection (a)—

(I) by striking "195A" and inserting "152"; and

(II) by striking "195" and inserting "151"; and

(ii) in subsection (c)(2)(C)(i), by striking "195K(a)(2)" and inserting "section 162(a)(2)".

(F) Section 161(b)(1)(B) of such Act (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653j(b)(1)(B)) is amended by striking "195K(a)(3)" and inserting "162(a)(3)".

(G) Section 162(a)(2)(A) of such Act (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653k(a)(2)(A)) is amended by striking "195(3)" and inserting "151(3)".

(H) Section 166 of such Act (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653o) is amended—

(i) in paragraph (2), by striking "195D" and inserting "155";

(ii) in paragraph (8), by striking "195A" and inserting "152";

(iii) in paragraph (10), by striking "195D(d)" and inserting "155(d)"; and

(iv) in paragraph (11), by striking "195D(c)" and inserting "155(c)".

(f) EXTENSION OF AUTHORITY TO CONDUCT CIVILIAN COMMUNITY CORPS.—Section 1092(c) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2534), as amended by subsection (e)(1) of this section, is further amended by adding at the end the following new sentence: "The amount made available for the Civilian Community Corps Demonstration Program pursuant to this subsection shall remain available for expenditure during fiscal years 1993 and 1994.".

(g) ADDITIONAL AMENDMENT REGARDING CIVILIAN COMMUNITY CORPS.—Section 158 of the National and Community Service Act of 1990 (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653g) is amended by striking subsections (f), (g), and (h) and inserting the following new subsections:

"(f) NATIONAL SERVICE EDUCATIONAL AWARDS.—A Corps member who successfully completes a period of agreed service in the Corps may receive the national service educational award described in subtitle D if the Corps member—

"(1) serves in an approved national service position; and

"(2) satisfies the eligibility requirements specified in section 146 with respect to service in that approved national service position.

"(g) ALTERNATIVE BENEFIT.—If a Corps member who successfully completes a period of agreed service in the Corps is ineligible for the national service educational award described in subtitle D, the Director may provide for the provision of a suitable alternative benefit for the Corps member.".

Subtitle B—Related Provisions

SEC. 111. DEFINITIONS.

(a) IN GENERAL.—Section 101 of the National and Community Service Act of 1990 (42 U.S.C. 12511) is amended to read as follows:

"SEC. 101. DEFINITIONS.

"For purposes of this title:

"(1) ADULT VOLUNTEER.—The term 'adult volunteer' means an individual, such as an older adult, an individual with a disability, a parent, or an employee of a business or public or private not-for-profit agency, who—

"(A) works without financial remuneration in an educational institution to assist students or out-of-school youth; and

"(B) is beyond the age of compulsory school attendance in the State in which the educational institution is located.

"(2) APPROVED NATIONAL SERVICE POSITION.—The term 'approved national service position' means a national service position designated by the Corporation as a position that includes a national service educational award described in section 147 as one of the benefits to be provided for successful service in the position.

"(3) CARRY OUT.—The term 'carry out', when used in connection with a national service program described in section 122, means the planning, establishment, operation, expansion, or replication of the program.

"(4) COMMUNITY ACTION AGENCY.—The term 'community action agency' means an entity or organization referred to in section 675(c)(2)(A) of the Community Services Block Grant Act (42 U.S.C. 9904(c)(2)(A)).

"(5) COMMUNITY-BASED AGENCY.—The term 'community-based agency' means a private not-for-profit organization that is representative of a community and that is engaged in meeting human, educational, environmental, or public safety community needs.

"(6) CORPORATION.—The term 'Corporation' means the Corporation for National and Community Service established under section 191.

"(7) ECONOMICALLY DISADVANTAGED.—The term 'economically disadvantaged' means, with respect to an individual, an individual who is determined by the President to be low-income according to the latest available data from the Department of Commerce.

"(8) 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)).

"(9) INDIAN.—The term 'Indian' means a person who is a member of an Indian tribe.

"(10) 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 an Indian or Indian tribe, and any real property held by an Indian or Indian tribe that is subject to restrictions on alienation imposed by the United States.

"(11) INDIAN TRIBE.—The term 'Indian tribe' means an Indian tribe, band, nation, or other organized group or community, including any Native village, Regional Corporation, or Village Corporation, as defined in subsection (c), (g), or (j), respectively, of section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602 (c), (g), or (j)), that is recognized as eligible for the special programs and services provided by the United States under Federal law to Indians because of their status as Indians.

"(12) INDIVIDUAL WITH A DISABILITY.—Except as provided in section 175(a), the term 'individual with a disability' has the meaning given the term in section 7(8) of the Rehabilitation Act of 1973 (29 U.S.C. 706(8)).

"(13) 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)).

"(14) 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)).

"(15) NATIONAL SERVICE LAWS.—The term 'national service laws' means this Act and the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.).

"(16) 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.

"(17) PARTICIPANT.—

"(A) IN GENERAL.—The term 'participant' means—

"(i) for purposes of subtitle C, an individual in an approved national service position; and

"(ii) for purposes of any other provision of this Act, an individual enrolled in a program that receives assistance under this title.

"(B) RULE.—A participant shall not be considered to be an employee of the program in which the participant is enrolled.

"(18) PARTNERSHIP PROGRAM.—The term 'partnership program' means a program through which an adult volunteer, a public or private not-for-profit agency, an institution of higher education, or a business assists a local educational agency.

"(19) PRESIDENT.—The term 'President', except when used as part of the term 'President of the United States' means the President of the Corporation appointed under section 193.

"(20) PROGRAM.—The term 'program', except when used as part of the term 'academic program', means a program described in section 111(a) (other than a program referred to in paragraph (3)(B) of such section), 117A(a), 119(b)(1), or 122(a), in paragraph (1) or (2) of section 152(b), or in section 198.

"(21) PROJECT.—The term 'project' means an activity, carried out through a program that receives assistance under this title, that results in a specific identifiable service or improvement 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.

"(22) SCHOOL-AGE YOUTH.—The term 'school-age youth' means—

"(A) individuals between the ages of 5 and 17, inclusive; and

"(B) children with disabilities, as defined in section 602(a)(1) of the Individuals with Disabilities Education Act, who receive services under part B of such Act.

"(23) 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)).

"(24) SERVICE-LEARNING.—The term 'service-learning' means a method—

"(A) under which students or participants learn and develop through active participation in thoughtfully organized service that—

"(i) is conducted in and meets the needs of a community;

"(ii) is coordinated with an elementary school, secondary school, institution of higher education, or community service program, and with the community; and

"(iii) helps foster civic responsibility; and

"(B) that—

"(i) is integrated into and enhances the academic curriculum of the students, or the educational components of the community service program in which the participants are enrolled; and

"(ii) provides structured time for the students or participants to reflect on the service experience.

"(25) SERVICE-LEARNING COORDINATOR.—The term 'service-learning coordinator' means an individual who provides services as described in subsection (a)(3) or (b) of section 111.

"(26) SERVICE SPONSOR.—The term 'service sponsor' means an organization, or other entity, that has been selected to provide a placement for a participant.

"(27) 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, and the Commonwealth of the Northern Mariana Islands. The term also includes Palau, until such time as the Compact of Free Association is ratified.

"(28) STATE COMMISSION.—The term 'State Commission' means a State Commission on National and Community Service maintained by a State pursuant to section 178. Except when used in section 178, the term includes an alternative administrative entity for a State approved by the Corporation under such section to act in lieu of a State Commission.

"(29) 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)).

"(30) 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.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 182(a)(2) of the National and Community Service Act of 1990 (42 U.S.C 12642(a)(2)) is amended by striking "adult volunteer and partnership" each place the term appears and inserting "partnership".

(2) Section 182(a)(3) of the National and Community Service Act of 1990 (42 U.S.C 12642(a)(3)) is amended by striking "adult volunteer and partnership" and inserting "partnership".

(3) Section 441(c)(2) of the Higher Education Act of 1965 (42 U.S.C. 2751(c)(2)) is amended by striking "service opportunities or youth corps as defined in section 101 of the National and Community Service Act of 1990, and service in the agencies, institutions and activities designated in section 124(a) of the National and Community Service Act of 1990" and inserting "a project, as defined in section 101(21) of the National and Community Service Act of 1990 (42 U.S.C. 12511(18))".

(4) Section 1122(a)(2)(C) of the Higher Education Act of 1965 (20 U.S.C. 1137a(a)(2)(C)) is amended by striking "youth corps as defined in section 101(30) of the National and Community Service Act of 1990" and inserting "youth corps programs, as described in section 122(a)(1) of the National and Community Service Act of 1990".

(5) Section 1201(p) of the Higher Education Act of 1965 (20 U.S.C. 1141(p)) is amended by striking "section 101(22) of the National and Community Service Act of 1990" and inserting "section 101(24) of the National and Community Service Act of 1990 (42 U.S.C. 12511(21))".

SEC. 112. AUTHORITY TO MAKE STATE GRANTS.

Section 102 of the National and Community Service Act of 1990 (42 U.S.C. 12512) is repealed.

SEC. 113. FAMILY AND MEDICAL LEAVE.

(a) IN GENERAL.—Section 171 of the National and Community Service Act of 1990 (42 U.S.C. 12631) is amended to read as follows:

"SEC. 171. FAMILY AND MEDICAL LEAVE.

"(a) PARTICIPANTS IN PRIVATE, STATE, AND LOCAL PROJECTS.—For purposes of title I of the Family and Medical Leave Act of 1993 (29 U.S.C. 2601 et seq.), if—

"(1) a participant has provided service for the period required by section 101(2)(A)(i) (29 U.S.C. 2611(2)(A)(i)), and has met the hours of service requirement of section 101(2)(A)(ii), of such Act with respect to a project; and

"(2) the service sponsor of the project is an employer described in section 101(4) of such Act (other than an employing agency within the meaning of subchapter V of chapter 63 of title 5, United States Code),

the participant shall be considered to be an eligible employee of the service sponsor.

"(b) PARTICIPANTS IN FEDERAL PROJECTS.—For purposes of subchapter V of chapter 63 of title 5, United States Code, if—

"(1) a participant has provided service for the period required by section 6381(1)(B) of such title with respect to a project; and

"(2) the service sponsor of the project is an employing agency within the meaning of such subchapter,

the participant shall be considered to be en employee of the service sponsor.".

(b) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101–610; 104 Stat. 3127) is amended by striking the item relating to section 171 of such Act and inserting the following:

"Sec. 171. Family and medical leave.".

SEC. 114. REPORTS.

Section 172 of the National and Community Service Act of 1990 (42 U.S.C. 12632) is amended—

(1) in subsection (a)(3)(A), by striking "sections 177 and 113(9)" and inserting "section 177"; and

(2) in subsection (b)(1), by striking "this title" and inserting "the national service laws".

SEC. 115. NONDISCRIMINATION.

Section 175 of the National and Community Service Act of 1990 (42 U.S.C. 12635) is amended to read as follows:

"SEC. 175. NONDISCRIMINATION.

"(a) IN GENERAL.—

"(1) BASIS.—An individual with responsibility for the operation of a project that receives assistance under this title shall not discriminate against a participant in, or member of the staff of, such project on the basis of race, color, national origin, sex, age, or political affiliation of such participant or member, or on the basis of disability, if the participant or member is a qualified individual with a disability.

"(2) DEFINITION.—As used in paragraph (1), the term 'qualified individual with a disability' has the meaning given the term in section 101(8) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12111(8)).

"(b) FEDERAL FINANCIAL ASSISTANCE.—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.), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.).

"(c) RELIGIOUS DISCRIMINATION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), an individual with responsibility for the operation of a project that receives assistance under this title shall not discriminate on the basis of religion against a participant in such project or a member of the staff of such project who is paid with funds received under this title.

"(2) EXCEPTION.—Paragraph (1) shall not apply to the employment, with assistance provided under this title, of any member of the staff, of a project that receives assistance under this title, who was employed with the organization operating the project on the date the grant under this title was awarded.

"(d) RULES AND REGULATIONS.—The President 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.".

SEC. 116. NOTICE, HEARING, AND GRIEVANCE PROCEDURES.

(a) DECERTIFICATION OF POSITIONS.—Section 176(a) of the National and Community Service Act of 1990 (42 U.S.C. 12636(a)) is amended—

(1) in paragraph (1), by inserting ", or revoke the designation of positions, related to the grant or contract, as approved national service positions," before "whenever the Commission"; and

(2) in paragraph (2)(B), by inserting "or revoked" after "terminated".

(b) CONSTRUCTION.—Section 176(e) of such Act (42 U.S.C. 12636(e)) is amended by adding before the period the following ", other than assistance provided pursuant to this Act".

(c) GRIEVANCE PROCEDURE.—Section 176(f) of such Act is amended to read as follows:

"(f) GRIEVANCE PROCEDURE.—

"(1) IN GENERAL.—A State or local applicant that receives assistance under this title shall establish and maintain a procedure for the filing and adjudication of grievances from participants, labor organizations, and other interested individuals concerning projects 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 of the event that is the subject of the grievance.

"(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 after the filing of such grievance.

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

"(4) ARBITRATION.—

"(A) IN GENERAL.—

"(i) JOINTLY SELECTED ARBITRATOR.—In the event of a decision on a grievance that is adverse to the party who filed such grievance, or 60 days after the filing of such grievance if no decision has been reached, such party shall be permitted to submit such grievance to binding arbitration before a qualified arbitrator who is jointly selected and independent of the interested parties.

"(ii) APPOINTED ARBITRATOR.—If the parties cannot agree on an arbitrator, the President shall appoint an arbitrator from a list of qualified arbitrators within 15 days after receiving a request for such appointment from one of the parties to the grievance.

"(B) DEADLINE FOR PROCEEDING.—An arbitration proceeding shall be held not later than 45 days after the request for such arbitration proceeding, or, if the arbitrator is appointed by the President in accordance with subparagraph (A)(ii), not later than 30 days after the appointment of such arbitrator.

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

"(D) COST.—

"(i) IN GENERAL.—Except as provided in clause (ii), the cost of an arbitration proceeding shall be divided evenly between the parties to the arbitration.

"(ii) EXCEPTION.—If a participant, labor organization, or other interested individual described in paragraph (1) prevails under a binding arbitration proceeding, the State, local agency, public or private not-for-profit organization, or partnership of such agencies and organizations, that is a party to such grievance shall pay the total cost of such proceeding and the attorneys' fees of such participant, labor organization, or individual, as the case may be.

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

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

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

"(B) termination of such payments;

"(C) prohibition of the placement described in paragraph (5); and

"(D) in a case in which the grievance involves a violation of subsection (a) or (b) of section 177 and the employer of the displaced employee is the recipient of assistance under this title—

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

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

"(iii) reestablishment of other relevant terms, conditions, and privileges of employment of the displaced employee; and

"(iv) such equitable relief as is necessary to correct any violation of subsection (a) or (b) of section 177 or to make the displaced employee whole.

"(7) ENFORCEMENT.—Suits to enforce arbitration awards under this section may be brought in any district court of the United States having jurisdiction of the parties, without regard to the amount in controversy and without regard to the citizenship of the parties.".

SEC. 117. NONDISPLACEMENT.

Section 177(b)(3) of the National and Community Service Act of 1990 (42 U.S.C. 12637(b)(3)) is amended—

(1) in subparagraph (B), to read as follows:

"(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—

"(i) will supplant the hiring of employed workers; or

"(ii) are services, duties, or activities with respect to which an individual has recall rights pursuant to a collective bargaining agreement or applicable personnel procedures."; and

(2) in subparagraph (C)(iii), to read as follows:

"(iii) employee who—

"(I) is subject to a reduction in force; or

"(II) has recall rights pursuant to a collective bargaining agreement or applicable personnel procedures;".

SEC. 118. EVALUATION.

Section 179 of the National and Community Service Act of 1990 (42 U.S.C 12639) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking "this title" and inserting "the national service laws"; and

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking "for purposes of the reports required by subsection (j)," and inserting "with respect to the programs authorized under subtitle C"; and

(ii) in subparagraph (A), by striking "older American volunteer programs" and inserting "National Senior Volunteer Corps programs";

(2) in subsection (g)—

(A) in the matter preceding paragraph (1), by striking "subtitle D" and inserting "subtitle C"; and

(B) in paragraphs (3) and (9), by striking "older American volunteer programs" and inserting "National Senior Volunteer Corps programs";

(3) by striking subsections (i) and (j); and

(4) by adding at the end the following:

"(i) INDEPENDENT EVALUATION AND REPORT OF DEMOGRAPHICS OF NATIONAL SERVICE PARTICIPANTS AND COMMUNITIES.—

"(1) INDEPENDENT EVALUATION.—

"(A) IN GENERAL.—The Corporation shall, on an annual basis, arrange for an independent evaluation of the programs assisted under subtitle C.

"(B) PARTICIPANTS.—

"(i) IN GENERAL.—The entity conducting such evaluation shall determine the demographic characteristics of the participants in such programs.

"(ii) CHARACTERISTICS.—The entity shall determine, for the year covered by the evaluation, the total number of participants in the programs, and the number of participants within the programs in each State, by sex, age, economic background, education level, ethnic group, disability classification, and geographic region.

"(iii) CATEGORIES.—The Corporation shall determine appropriate categories for analysis of each of the characteristics referred to in clause (ii) for purposes of such an evaluation.

"(C) COMMUNITIES.—In conducting the evaluation, the entity shall determine the amount of assistance provided under section 121 during the year that has been expended for projects conducted under the programs in areas described in section 133(c)(6).

"(2) REPORT.—The entity conducting the evaluation shall submit a report to the President, Congress, the Corporation, and each State Commission containing the results of the evaluation—

"(A) with respect to the evaluation covering the year beginning on the date of enactment of this subsection, not later than 18 months after such date; and

"(B) with respect to the evaluation covering each subsequent year, not later than 18 months after the first day of each such year.".

SEC. 119. ENGAGEMENT OF PARTICIPANTS.

Section 180 of the National and Community Service Act of 1990 (42 U.S.C. 12640) is amended by striking "post-service benefits" and inserting "national service educational awards".

SEC. 120. CONTINGENT EXTENSION.

(a) IN GENERAL.—Section 181 of the National and Community Service Act of 1990 (42 U.S.C. 12641) is amended to read as follows:

"SEC. 181. CONTINGENT EXTENSION.

"Section 414 of the General Education Provisions Act (20 U.S.C. 1226a) shall apply to this Act.".

(b) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101–610; 104 Stat. 3127) is amended by striking the item relating to sections 181 of such Act and inserting the following:

"Sec. 181. Contingent extension.".

SEC. 121. AUDITS.

(a) IN GENERAL.—Section 183 of the National and Community Service Act of 1990 (42 U.S.C. 12643) is amended to read as follows:

"SEC. 183. AUDITS.

"For purposes of the application of chapter 75 of title 31, United States Code (commonly known as the 'Single Audit Act of 1984') to State and local governments that receive financial assistance under this Act—

"(1) each program through which the State or local government receives such assistance shall be deemed to be a major Federal assistance program;

"(2) each audit conducted under such chapter with respect to a program shall be conducted annually;

"(3) each audit conducted under such chapter shall be conducted in accordance with the requirements of such chapter and the requirements of the regulations prescribed pursuant to section 7505 of such title, and with such requirements as the Comptroller General may specify; and

"(4) the provisions of section 422 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5062) shall apply with respect to maintenance of books, documents, papers, and records for such audits, in the same manner and to the same extent as such provisions apply to books, documents, papers, and records maintained for audits under such Act.".

(b) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101–610; 104 Stat. 3127) is amended by striking the items relating to section 183 of such Act and inserting the following:

"Sec. 183. Audits.".

SEC. 122. REPEALS.

(a) IN GENERAL.—Subtitle F of title I of the National and Community Service Act of 1990 (42 U.S.C. 12631 et seq.) is amended by repealing sections 185 and 186.

(b) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101–610; 104 Stat. 3127) is amended by striking the items relating to sections 185 and 186 of such Act.

TITLE II—ORGANIZATION

SEC. 201. STATE COMMISSIONS ON NATIONAL AND COMMUNITY SERVICE.

(a) COMPOSITION AND DUTIES OF STATE COMMISSIONS.—Subtitle F of title I of the National and Community Service Act of 1990 is amended by striking section 178 (42 U.S.C. 12638) and inserting the following new section:

"SEC. 178. STATE COMMISSIONS ON NATIONAL AND COMMUNITY SERVICE.

"(a) EXISTENCE REQUIRED.—

"(1) STATE COMMISSION.—Except as provided in paragraph (2), to be eligible to receive a grant or allotment under subtitle B or C or to receive a distribution of approved national service positions under subtitle C, a State shall maintain a State Commission on National and Community Service that satisfies the requirements of this section.

"(2) ALTERNATIVE ADMINISTRATIVE ENTITY.—The chief executive officer of a State may apply to the Corporation for approval to use an alternative administrative entity to carry out the duties otherwise entrusted to a State Commission under this Act. The chief executive officer shall ensure that any alternative administrative entity used in lieu of a State Commission still provides for the individuals described in paragraph (1), and some of the individuals described in paragraph (2), of subsection (c) to play a significant policymaking role in carrying out the duties otherwise entrusted to a State Commission, including the submission of applications on behalf of the State under sections 117B and 130.

"(b) APPOINTMENT AND SIZE.—Except as provided in subsection (c)(3), the members of a State Commission for a State shall be appointed by the chief executive officer of the State. A State Commission shall consist of not less than 7 voting members and not more than 25 voting members.

"(c) COMPOSITION AND MEMBERSHIP.—

"(1) REQUIRED MEMBERS.—The State Commission for a State shall include as voting members at least one representative from each of the following categories:

"(A) Individuals between the ages of 16 and 25 who are participants or supervisors in programs.

"(B) National service programs, such as youth corps programs.

"(C) School-based or community-based programs for school-age youth.

"(D) Programs in which older adults are participants.

"(E) Local and State governmental entities in the State, including the State educational agency (from which at least one such member shall be appointed).

"(F) Local labor organizations.

"(2) SOURCES OF OTHER MEMBERS.—The State Commission for a State may include as voting members the following:

"(A) Representatives of community-based organizations or community-based agencies, including community action agencies.

"(B) Members selected from among participants in service programs who are youths.

"(C) Members selected from among local educators.

"(D) Members selected from among experts in the delivery of human, educational, environmental, or public safety services to communities and persons.

"(E) Representatives of businesses and business groups.

"(F) Representatives of Indian tribes.

"(G) Representatives of groups serving economically disadvantaged individuals.

"(H) Members selected from among out-of-school youth or other at-risk youth.

"(I) Members selected from among older adults who are volunteers or participants in national service programs.

"(3) CORPORATION REPRESENTATIVE.—The representative of the Corporation designated under section 195(b) for a State shall be a voting member of the State Commission or alternative administrative entity for that State.

"(4) EX OFFICIO STATE REPRESENTATIVES.—The chief executive officer of a State shall appoint, as an ex officio nonvoting member of the State Commission for the State, the Corporation employee responsible for volunteer service programs in the State, if such employee is not the representative described in paragraph (3). The chief executive officer may appoint, as ex officio nonvoting members of the State Commission for the State, representatives selected from among officers and employees of State agencies operating community service, youth service, education, social service, senior service, and job training programs.

"(5) LIMITATION ON NUMBER OF STATE EMPLOYEES AS MEMBERS.—The number of voting members of a State Commission selected under paragraph (1) or (2) who are officers or employees of the State may not exceed 25 percent (reduced to the nearest whole number) of the total membership of the State Commission.

"(d) MISCELLANEOUS MATTERS.—

"(1) MEMBERSHIP BALANCE.—The chief executive officer of a State shall ensure, to the maximum extent practicable, that the membership of the State Commission for the State is diverse with respect to race, ethnicity, age, gender, and disability characteristics. Not more than 50 percent of the voting members of a State Commission, plus one additional member, may be from the same political party.

"(2) TERMS.—Each member of the State Commission for a State shall serve for a term of 3 years, except that the chief executive officer of a State shall initially appoint a portion of the members to terms of 1 year and 2 years.

"(3) VACANCIES.—As vacancies occur on a State Commission, new members shall be appointed by the chief executive of the State and serve for the remainder of the term for which the predecessor of such member was appointed. The vacancy shall not affect the power of the remaining members to execute the duties of the State Commission.

"(4) COMPENSATION.—A member of a State Commission or alternative administrative entity shall not receive any additional compensation by reason of service on the State Commission or alternative administrative entity, except that the State may authorize the reimbursement of travel expenses, including a per diem in lieu of subsistence, in the same manner as other employees serving intermittently in the service of the State.

"(5) CHAIRPERSON.—The voting members of a State Commission shall elect one of the voting members to serve as chairperson of the State Commission.

"(e) DUTIES OF A STATE COMMISSION.—The State Commission or alternative administrative entity for a State shall be responsible for the following duties:

"(1) Preparation of a national service plan for the State that—

"(A) covers a 3-year period;

"(B) is updated annually;

"(C) contains such information as the State Commission or alternative administrative entity considers to be appropriate or as the Corporation may require; and

"(D) ensures outreach to diverse community-based agencies that serve underrepresented populations, by—

"(i) using established networks, and registries, at the State level; or

"(ii) establishing such networks and registries.

"(2) Preparation of the applications of the State under sections 117B and 130 for financial assistance, in such a manner as to ensure that any decision regarding whether to include a program in the application shall be made on the basis of the criteria described in section 133(c), applied in a fair and equitable manner by an impartial decisionmaker.

"(3) Assistance in the preparation of the application of the State educational agency for assistance under section 113.

"(4) Preparation of the application of the State under section 130 for the approval of service positions that include the national service educational award described in subtitle D.

"(5) Assistance in the provision of health care and child care benefits under section 140 to participants in national service programs that receive assistance under section 121.

"(6) Development of a State system for the recruitment and placement of participants in national service programs that receive assistance under section 121 and dissemination of information concerning national service programs that receive assistance and approved national service positions.

"(7) Administration of the grant program in support of national service programs that is conducted by the State using assistance provided to the State under section 121, including selection, oversight, and evaluation of grant recipients.

"(8) Development of projects, training methods, curriculum materials, and other materials and activities related to national service programs that receive assistance directly from the Corporation (to be made available in a case in which such a program requests such a project, method, material, or activity) or from the State using assistance provided under section 121, for use by programs that request such projects, methods, materials, and activities.

"(f) ACTIVITY INELIGIBLE FOR ASSISTANCE.—A State Commission or alternative administrative entity may not directly carry out any national service program that receives assistance under section 121.

"(g) DELEGATION.—Subject to such requirements as the Corporation may prescribe, a State Commission may delegate nonpolicymaking duties to a State agency or public or private not-for-profit organization.

"(h) APPROVAL OF STATE COMMISSION OR ALTERNATIVE.—

"(1) SUBMISSION TO CORPORATION.—The chief executive officer for a State shall notify the Corporation of the establishment or designation of the State Commission or use of an alternative administrative entity for the State. The notification shall include a description of—

"(A) the composition and membership of the State Commission or alternative administrative entity; and

"(B) the authority of the State Commission or alternative administrative entity regarding national service activities carried out by the State.

"(2) APPROVAL OF ALTERNATIVE ADMINISTRATIVE ENTITY.—Any designation of a State Commission or use of an alternative administrative entity to carry out the duties of a State Commission shall be subject to the approval of the Corporation.

"(3) REJECTION.—The Corporation may reject a State Commission if the Corporation determines that the composition, membership, or duties of the State Commission do not comply with the requirements of this section. The Corporation shall reject a request to use an alternative

administrative entity in lieu of a State Commission if the Corporation determines that use of the alternative administrative entity does not allow the individuals described in paragraph (1), and some of the individuals described in paragraph (2), of subsection (c) to play a significant policymaking role in carrying out the duties otherwise entrusted to a State Commission. If the Corporation rejects a State Commission or alternative administrative entity under this paragraph, the Corporation shall promptly notify the State of the reasons for the rejection.

"(4) RESUBMISSION AND RECONSIDERATION.—The Corporation shall provide a State notified under paragraph (3) with a reasonable opportunity to revise the rejected State Commission or alternative administrative entity. At the request of the State, the Corporation shall provide technical assistance to the State as part of the revision process. The Corporation shall promptly reconsider any resubmission of a notification under paragraph (1) or application to use an alternative administrative entity under paragraph (2).

"(5) SUBSEQUENT CHANGES.—This subsection shall also apply to any change in the composition or duties of a State Commission or an alternative administrative entity made after approval of the State Commission or the alternative administrative entity.

"(i) COORDINATION.—

"(1) COORDINATION WITH OTHER STATE AGENCIES.—The State Commission or alternative administrative entity for a State shall coordinate the activities of the Commission or entity under this Act with the activities of other State agencies that administer Federal financial assistance programs under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.) or other appropriate Federal financial assistance programs.

"(2) COORDINATION WITH VOLUNTEER SERVICE PROGRAMS.—

"(A) IN GENERAL.—The State Commission or alternative administrative entity for a State shall coordinate functions of the Commission or entity (including recruitment, public awareness, and training activities) with such functions of any division of ACTION, or of the Corporation, that carries out volunteer service programs in the State.

"(B) AGREEMENT.—In coordinating functions under this paragraph, such Commission or entity, and such division, may enter into an agreement to—

"(i) carry out such a function jointly;

"(ii) to assign responsibility for such a function to the Commission or entity; or

"(iii) to assign responsibility for such a function to the division.

"(C) INFORMATION.—The State Commission or alternative entity for a State, and the head of any such division, shall exchange information about—

"(i) the programs carried out in the State by the Commission, entity, or division, as appropriate; and

"(ii) opportunities to coordinate activities.

"(j) LIABILITY.—

"(1) LIABILITY OF STATE.—Except as provided in paragraph (2)(B), a State shall agree to assume liability with respect to any claim arising out of or resulting from any act or omission by a member of the State Commission or alternative administrative entity of the State, within the scope of the service of the member on the State Commission or alternative administrative entity.

"(2) OTHER CLAIMS.—

"(A) IN GENERAL.—A member of the State Commission or alternative administrative entity shall have no personal liability with respect to any claim arising out of or resulting from any act or omission by such person, within the scope of the service of the member on the State Commission or alternative administrative entity.

"(B) LIMITATION.—This paragraph shall not be construed to limit personal liability for criminal acts or omissions, willful or malicious misconduct, acts or omissions for private gain, or any other act or omission outside the scope of the service of such member on the State Commission or alternative administrative entity.

"(3) EFFECT ON OTHER LAW.—This subsection shall not be construed—

"(A) to affect any other immunities and protections that may be available to such member under applicable law with respect to such service;

"(B) to affect any other right or remedy against the State under applicable law, or against any person other than a member of the State Commission or alternative administrative entity; or

"(C) to limit or alter in any way the immunities that are available under applicable law for State officials and employees not described in this subsection.".

(b) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101–610; 104 Stat. 3127) is amended by striking the item relating to section 178 and inserting the following new item:

"Sec. 178. State Commissions on National and Community Service.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(d) TRANSITIONAL PROVISIONS.—

(1) USE OF ALTERNATIVES TO STATE COMMISSION.—If a State does not have a State Commission on National and Community Service that satisfies the requirements specified in section 178 of the National and Community Service Act of 1990, as amended by subsection (a), the Corporation for National and Community Service may authorize the chief executive of the State to use an existing agency of the State to perform the duties otherwise reserved to a State Commission under subsection (e) of such section.

(2) APPLICATION OF SUBSECTION.—This subsection shall apply only during the 1-year period beginning on the date of the enactment of this Act.

SEC. 202. INTERIM AUTHORITIES OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE AND ACTION AGENCY.

(a) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—Subtitle G of title I of the National and Community Service Act of 1990 (42 U.S.C. 12651) is amended to read as follows:

"Subtitle G—Corporation for National and Community Service

"SEC. 191. CORPORATION FOR NATIONAL AND COMMUNITY SERVICE.

"There is established a Corporation for National and Community Service that shall administer the programs established under this Act. The Corporation shall be a Government corporation, as defined in section 103 of title 5, United States Code.

"SEC. 192. BOARD OF DIRECTORS.

"(a) COMPOSITION.—

"(1) IN GENERAL.—There shall be in the Corporation a Board of Directors (referred to in this subtitle as the 'Board') that shall be composed of—

"(A) 15 members, including an individual between the ages of 16 and 25 who—

"(i) has served in a school-based or community-based service-learning program; or

"(ii) is a participant or a supervisor in a program,

to be appointed by the President of the United States, by and with the advice and consent of the Senate;

"(B) the President of the Corporation, who shall serve as an ex officio nonvoting member; and

"(C) the ex officio nonvoting members described in paragraph (3).

"(2) QUALIFICATIONS.—To the maximum extent practicable, the President of the United States shall appoint members—

"(A) who have extensive experience in volunteer or service activities, such as—

"(i) activities funded under the national service laws; and

"(ii) Federal financial assistance activities, such as—

"(I) activities under the Head Start Act (42 U.S.C. 9831 et seq.);

"(II) activities under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.); or

"(III) antipoverty activities under other Federal law;

that have a volunteer or service focus;

"(B) who represent a broad range of viewpoints;

"(C) who are experts in the delivery of human, educational, environmental, or public safety services;

"(D) that include at least one representative of local educators and at least one representative of community-based agencies;

"(E) so that the Board shall be diverse with respect to race, ethnicity, age, gender, and disability characteristics; and

"(F) so that no more than 8 appointed members of the Board are from a single political party.

"(3) EX OFFICIO MEMBERS.—The Secretary of Education, the Secretary of Health and Human Services, the Secretary of Labor, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Housing and Urban Development, the Secretary of Defense, the Attorney General, the Director of the Peace Corps, and the Administrator of the Environmental Protection Agency shall serve as ex officio nonvoting members of the Board.

"(b) OFFICERS.—

"(1) CHAIRPERSON AND VICE CHAIRPERSON.—The Board shall elect a Chairperson and a Vice Chairperson from among its membership.

"(2) OTHER OFFICERS.—The Board may elect from among its membership such additional officers of the Board as the Board determines to be appropriate.

"(c) TERMS.—Each appointed member of the Board shall serve for a term of 3 years, except that 5 of the members first appointed to the Board after the date of enactment of this section shall serve for a term of 1 year and 5 shall serve for a term of 2 years, as designated by the President of the United States.

"(d) VACANCIES.—As vacancies occur on the Board, new members shall be appointed by the President of the United States, by and 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. The vacancy shall not affect the power of the remaining members to execute the duties of the Board.

"SEC. 192A. AUTHORITIES AND DUTIES OF THE BOARD OF DIRECTORS.

"(a) MEETINGS.—The Board shall meet not less than 3 times each year. The Board shall hold additional meetings at the call of the Chairperson of the Board, or if 6 members of the Board request such meetings in writing.

"(b) QUORUM.—A majority of the appointed members of the Board shall constitute a quorum.

"(c) AUTHORITIES OF OFFICERS.—

"(1) CHAIRPERSON.—The Chairperson of the Board may call and conduct meetings of the Board.

"(2) VICE CHAIRPERSON.—The Vice Chairperson of the Board may conduct meetings of the Board in the absence of the Chairperson.

"(d) EXPENSES.—While away from their homes or regular places of business on the business of the Board, members of such Board shall be allowed travel expenses, including per diem in lieu

of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for persons employed intermittently in the Government service.

"(e) SPECIAL GOVERNMENT EMPLOYEES.—For purposes of the provisions of chapter 11 of part I of title 18, United States Code, and any other provision of Federal law, a member of the Board (to whom such provisions would not otherwise apply except for this subsection) shall be a special Government employee.

"(f) STATUS OF MEMBERS.—

"(1) TORT CLAIMS.—For the purposes of the tort claims provisions of chapter 171 of title 28, United States Code, a member of the Board shall be considered to be a Federal employee.

"(2) OTHER CLAIMS.—A member of the Board shall have no personal liability under Federal law with respect to any claim arising out of or resulting from any act or omission by such person, within the scope of the service of the member on the Board, in connection with any transaction involving the provision of financial assistance by the Corporation. This paragraph shall not be construed to limit personal liability for criminal acts or omissions, willful or malicious misconduct, acts or omissions for private gain, or any other act or omission outside the scope of the service of such member on the Board.

"(3) EFFECT ON OTHER LAW.—This subsection shall not be construed—

"(A) to affect any other immunities and protections that may be available to such member under applicable law with respect to such transactions;

"(B) to affect any other right or remedy against the Corporation, against the United States under applicable law, or against any person other than a member of the Board participating in such transactions; or

"(C) to limit or alter in any way the immunities that are available under applicable law for Federal officials and employees not described in this subsection.

"(g) DUTIES.—The Board shall—

"(1) review and approve the strategic plan described in section 193A(b)(1), and annual updates of the plan;

"(2) review and approve the proposal described in section 193A(b)(2)(A), with respect to the grants, allotments, contracts, financial assistance, payment, and positions referred to in such section;

"(3) review and approve the proposal described in section 193A(b)(3)(A), regarding the regulations, standards, policies, procedures, programs, and initiatives referred to in such section;

"(4) review and approve the evaluation plan described in section 193A(b)(4)(A);

"(5)(A) review, and advise the President regarding, the actions of the President with respect to the personnel of the Corporation, and with respect to such standards, policies, procedures, programs, and initiatives as are necessary or appropriate to carry out this Act; and

"(B) inform the President of any aspects of the actions of the President that are not in compliance with the annual strategic plan referred to in paragraph (1), the proposals referred to in paragraphs (2) and (3), or the plan referred to in paragraph (4), or are not consistent with the objectives of this Act;

"(6) receive, and act on, the reports issued by the Inspector General of the Corporation;

"(7) make recommendations relating to a program of research for the Corporation with respect to national and community service programs, including service-learning programs;

"(8) advise the President of the United States and the Congress concerning developments in national and community service that merit the attention of the President of the United States and the Congress; and

"(9) ensure effective dissemination of information regarding the programs and initiatives of the Corporation.

"(h) ADMINISTRATION.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to the Board.

"SEC. 193. PRESIDENT.

"(a) APPOINTMENT.—The Corporation shall be headed by an individual who shall serve as President of the Corporation, and who shall be appointed by the President of the United States, by and with the advice and consent of the Senate.

"(b) COMPENSATION.—The President shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code.

"(c) REGULATIONS.—The President shall prescribe such rules and regulations as are necessary or appropriate to carry out this Act.

"SEC. 193A. AUTHORITIES AND DUTIES OF THE PRESIDENT.

"(a) GENERAL POWERS AND DUTIES.—The President shall be responsible for the exercise of the powers and the discharge of the duties of the Corporation that are not reserved to the Board, and shall have authority and control over all personnel of the Corporation, except as provided in section 194(b)(4).

"(b) DUTIES.—In addition to the duties conferred on the President under any other provision of this Act, the President shall—

"(1) prepare and submit to the Board a strategic plan every 3 years, and annual updates of the plan, for the Corporation with respect to the major functions and operations of the Corporation;

"(2)(A) prepare and submit to the Board a proposal with respect to such grants and allotments, contracts, other financial assistance, and designation of positions as approved national service positions, as are necessary or appropriate to carry out this Act; and

"(B) after receiving and reviewing an approved proposal under section 192A(g)(2), make such grants and allotments, enter into such contracts, award such other financial assistance, make such payments (in lump sum or installments, and in advance or by way of reimbursement, and in the case of financial assistance otherwise authorized under this Act, with necessary adjustments on account of overpayments and underpayments), and designate such positions as approved national service positions as are necessary or appropriate to carry out this Act;

"(3)(A) prepare and submit to the Board a proposal regarding, the regulations established under section 195(a)(4)(B)(i), and such other standards, policies, procedures, programs, and initiatives as are necessary or appropriate to carry out this Act; and

"(B) after receiving and reviewing an approved proposal under section 192A(g)(3)—

"(i) establish such standards, policies, and procedures as are necessary or appropriate to carry out this Act; and

"(ii) establish and administer such programs and initiatives as are necessary or appropriate to carry out this Act;

"(4)(A) prepare and submit to the Board a plan for the evaluation of programs established under this Act, in accordance with section 179; and

"(B) after receiving an approved proposal under section 192A(g)(4)—

"(i) establish measurable performance goals and objectives for such programs, in accordance with section 179; and

"(ii) provide for periodic evaluation of such programs to assess the manner and extent to which the programs achieve the goals and objectives, in accordance with such section;

"(5) consult with appropriate Federal agencies in administering the programs and initiatives;

"(6) suspend or terminate payments and positions described in paragraph (2)(B), in accordance with section 176;

"(7) prepare and submit to the Board an annual report, and such interim reports as may be necessary, describing the major actions of the President with respect to the personnel of the Corporation, and with respect to such standards, policies, procedures, programs, and initiatives;

"(8) inform the Board of, and provide an explanation to the Board regarding, any substantial differences between—

"(A) the actions of the President; and

"(B)(i) the strategic plan approved by the Board under section 192A(g)(1);

"(ii) the proposals approved by the Board under paragraph (2) or (3) of section 192A(g); or

"(iii) the evaluation plan approved by the Board under section 192A(g)(4); and

"(9) prepare and submit to the appropriate committees of Congress an annual report, and such interim reports as may be necessary, describing—

"(A) the services referred to in paragraph (1), and the money and property referred to in paragraph (2), of section 196(a) that have been accepted by the Corporation;

"(B) the manner in which the Corporation used or disposed of such services, money, and property; and

"(C) information on the results achieved by the programs funded under this Act during the year preceding the year in which the report is prepared.

"(c) POWERS.—In addition to the authority conferred on the President under any other provision of this Act, the President may—

"(1) establish, alter, consolidate, or discontinue such organizational units or components within the Corporation as the President considers necessary or appropriate, consistent with Federal law, and shall, to the maximum extent practicable, consolidate such units or components of the division of the Corporation that carries out volunteer service programs and the division of the Corporation that carries out financial assistance programs as may be appropriate to enable the two divisions to coordinate common support functions, such as recruiting, public awareness, or training functions;

"(2) with the approval of the President of the United States, arrange with and reimburse the heads of other Federal agencies for the performance of any of the provisions of this Act;

"(3) with their consent, utilize the services and facilities of Federal agencies with or without reimbursement, and, with the consent of any State, or political subdivision of a State, accept and utilize the services and facilities of the agencies of such State or subdivisions without reimbursement;

"(4) allocate and expend, or transfer to other Federal agencies for expenditure, funds made available under this Act, including expenditure for construction, repairs, and capital improvements;

"(5) disseminate, without regard to the provisions of section 3204 of title 39, United States Code, data and information, in such form as the President shall determine to be appropriate to public agencies, private organizations, and the general public;

"(6) collect or compromise all obligations to or held by the President and all legal or equitable rights accruing to the President in connection with the payment of obligations in accordance with chapter 37 of title 31, United States Code (commonly known as the 'Federal Claims Collection Act of 1966');

"(7) expend funds made available for purposes of this Act, without regard to any other law or regulation, for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by the President;

"(8) file a civil action in any court of record of a State having general jurisdiction or in any district court of the United States, with respect to a claim arising under this Act;

"(9) exercise the authorities of the Corporation under section 196; and

"(10) consolidate the reports to Congress required under this Act, and the report required under section 9106 of title 31, United States Code, into a single report, and submit the report to Congress on an annual basis;

"(11) generally perform such functions and take such steps consistent with the objectives and provisions of this Act, as the President determines to be necessary or appropriate to carry out such provisions.

"(d) DELEGATION.—

"(1) DEFINITION.—As used in this subsection, the term 'function' means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program.

"(2) IN GENERAL.—Except as otherwise prohibited by law or provided in this Act, the President may delegate any function under this Act, and authorize such successive redelegations of such function as may be necessary or appropriate. No delegation of a function by the President under this subsection or under any other provision of this Act shall relieve such President of responsibility for the administration of such function.

"(3) FUNCTION OF BOARD.—The President may not delegate a function of the Board without the permission of the Board.

"(e) ACTIONS.—In an action described in subsection (c)(8)—

"(1) a district court referred to in such subsection shall have jurisdiction of such a civil action without regard to the amount in controversy;

"(2) such an action brought by the President shall survive notwithstanding any change in the person occupying the office of President or any vacancy in that office;

"(3) no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the President or the Board or property under the control of the President or the Board; and

"(4) nothing in this section shall be construed to except litigation arising out of activities under this Act from the application of sections 509, 517, 547, and 2679 of title 28, United States Code.

"SEC. 194. OFFICERS.

"(a) MANAGING DIRECTORS.—

"(1) IN GENERAL.—There shall be in the Corporation 2 Managing Directors, who shall be appointed by the President of the United States, by and with the advice and consent of the Senate, and who shall report to the President.

"(2) COMPENSATION.—The Managing Directors shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

"(3) DUTIES.—

"(A) VOLUNTEER SERVICE PROGRAMS.—One of the Managing Directors shall be primarily responsible for the volunteer service programs carried out by the Corporation.

"(B) INVESTMENT PROGRAMS.—The other Managing Director shall be primarily responsible for the financial assistance programs carried out by the Corporation.

"(b) INSPECTOR GENERAL.—

"(1) OFFICE.—There shall be in the Corporation an Office of the Inspector General.

"(2) APPOINTMENT.—The Office shall be headed by an Inspector General, appointed in accordance with the Inspector General Act of 1978.

"(3) COMPENSATION.—The Inspector General shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

"(4) PERSONNEL.—Notwithstanding paragraphs (7) and (8) of section 6(a) of the Inspector General Act of 1978, the Inspector General may—

"(A) appoint and determine the compensation of such officers and employees in accordance with section 195(a)(4); and

"(B) procure the temporary and intermittent services of and compensate such experts and consultants, in accordance with section 3109(b) of title 5, United States Code,

as may be necessary to carry out the functions, powers, and duties of the Inspector General.

"(c) CHIEF FINANCIAL OFFICER.—

"(1) OFFICE.—There shall be in the Corporation a Chief Financial Officer, who shall be appointed by the President of the United States, by and with the advice and consent of the Senate.

"(2) COMPENSATION.—The Chief Financial Officer shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

"(3) DUTIES.—The Chief Financial Officer shall—

"(A) report directly to the President regarding financial management matters;

"(B) oversee all financial management activities relating to the programs and operations of the Corporation;

"(C) develop and maintain an integrated accounting and financial management system for the Corporation, including financial reporting and internal controls;

"(D) develop and maintain any joint financial management systems with the Department of Education necessary to carry out the programs of the Corporation; and

"(E) direct, manage, and provide policy guidance and oversight of the financial management personnel, activities, and operations of the Corporation.

"(4) ACCESS.—The Chief Financial Officer shall have access to all records, reports, audits, reviews, documents, papers, recommendations, or other material that are the property of the Corporation or that are available to the Corporation, and that relate to the duties of the Chief Financial Officer with respect to the Corporation.

"SEC. 195. EMPLOYEES, CONSULTANTS, AND OTHER PERSONNEL.

"(a) EMPLOYEES.—

"(1) IN GENERAL.—The President may appoint and determine the compensation of such employees as the President determines to be necessary to carry out the duties of the Corporation.

"(2) CIVIL SERVICE PROTECTIONS.—The provisions of title 5, United States Code, shall apply with respect to the Corporation and the employees of the Corporation, except that the President may appoint and determine the compensation of employees under this subsection 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 (other than the provisions described in clauses (iii) and (iv) of paragraph (4)(B)).

"(3) APPOINTMENT IN THE COMPETITIVE SERVICE AFTER EMPLOYMENT IN THE CORPORATION.—

"(A) EMPLOYEES WITH NOT LESS THAN 3 YEARS OF EMPLOYMENT.—If an employee, other than a representative described in subsection (b), is separated from the Corporation (other than by removal for cause), and has been continuously employed by the Corporation for a period of not less than 3 years, such period shall be treated as a period of service in the competitive service for purposes of chapter 33 of title 5, United States Code.

"(B) EMPLOYEES WITH NOT LESS THAN 1 BUT LESS THAN 3 YEARS OF EMPLOYMENT.—If an employee, other than a representative described in subsection (b), is separated from the Corporation (other than by removal for cause), and has been continuously employed by the Corporation for a period of not less than 1 year, but less than 3 years, such period shall be treated as a period of service in the competitive service for purposes of chapter 33 of title 5, United States Code, until the date that is 3 years after the date of separation.

"(C) DEFINITION.—As used in this paragraph, the term 'competitive service' has the meaning given the term in section 2102 of title 5, United States Code.

"(4) APPOINTMENT AND COMPENSATION.—

"(A) IN GENERAL.—The Chairperson shall appoint and determine the compensation of employees referred to in paragraph (1), in accordance with the appointment and compensation systems referred to in subparagraph (B).

"(B) CORPORATION APPOINTMENT AND COMPENSATION SYSTEMS.—

"(i) ESTABLISHMENT OF SYSTEM.—The President, after reviewing the approved proposal of the Board under section 192A(g)(3) and after obtaining the approval of the Director of the Office of Personnel Management, shall issue regulations establishing appointment and compensation systems for the Corporation.

"(ii) CONTENT AND CONSIDERATIONS.—In issuing such regulations, the President shall—

"(I) establish appropriate appointment and compensation mechanisms for the representatives described in subsection (b); and

"(II) take into consideration the need for flexibility in such a system.

"(iii) APPOINTMENT SYSTEM.—The appointment system shall require that the appointment of such an employee be—

"(I) on the basis of the qualifications of applicants and the requirements of the position, in accordance with the merit system principles set forth in section 2301(b) of title 5, United States Code; and

"(II) through a competitive process.

"(iv) COMPENSATION SYSTEM.—

"(I) IN GENERAL.—The compensation system shall include a scheme for the classification of positions in the Corporation. The system shall require that the compensation of such an employee be determined based in part on the job performance of the employee, and in a manner consistent with the principles described in section 5301 of title 5, United States Code.

"(II) LIMITATION ON EMPLOYEE COMPENSATION.—The rate of compensation for each employee compensated through the system shall not exceed the annual rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

"(III) LIMITATION ON COMPENSATION OF REPRESENTATIVE.—The rate of pay for a representative described in subsection (b) shall not exceed the maximum rate of basic pay payable for grade GS–13 of the General Schedule under section 5332 of title 5, United States Code.

"(5) RETENTION OF CIVIL SERVICE RIGHTS.—

"(A) RETENTION OF COMPETITIVE SERVICE RIGHTS.—An individual who—

"(i) was an employee of ACTION or the Commission on National and Community Service who served under a permanent appointment on the day before the date of enactment of this subtitle in—

"(I) a position in the competitive service; or

"(II) a career appointee position in the Senior Executive Service;

"(ii) is transferred to the Corporation under section 202(c) or 203(c) of the National and Community Service Trust Act of 1993; and

"(iii) accepts a position established under paragraph (4) in the Corporation,

shall be appointed to a position in the competitive service of the Corporation.

"(B) DURATION OF POSITION IN COMPETITIVE SERVICE.—During the period of employment of such an employee in a position, the position shall be a position in the competitive service. After such period of employment, the position shall be a position in the excepted service unless the President appoints an individual to such position in accordance with the provisions described in subsection (a)(2).

"(C) ESTABLISHMENT OF POSITIONS.—With respect to a position vacancy or a position to be established in the Corporation, the President—

"(i) shall select the individual to be appointed to such position in accordance with the regulations promulgated under paragraph (4);

"(ii) if the individual to be appointed to the position is an individual described in subparagraph (A), shall establish the position as a position in the competitive service; and

"(iii) if the individual to be so appointed is not an individual described in subparagraph (A)—

"(I) may establish the position as a position in the excepted service; and

"(II) in an exceptional case in which the individual, immediately prior to accepting the position, served under a permanent appointment in a position described in subclause (I) or (II) of subparagraph (A)(i), may establish the position as a position in the competitive service,

in any case in which an individual described in subparagraph (A) is an employee of the Corporation and is eligible to be appointed to such position.

"(D) DEFINITIONS.—As used in this paragraph:

"(i) COMPETITIVE SERVICE.—The term 'competitive service' has the meaning given the term in section 2102 of title 5, United States Code.

"(ii) EXCEPTED SERVICE.—The term 'excepted service' has the meaning given the term in section 2103 of title 5, United States Code.

"(iii) SENIOR EXECUTIVE SERVICE.—The term 'Senior Executive Service' has the meaning given the term in section 2101a of title 5, United States Code.

"(b) CORPORATION REPRESENTATIVE IN EACH STATE.—

"(1) DESIGNATION OF REPRESENTATIVE.—The Corporation shall designate 1 employee of the Corporation for each State or group of States to serve as the representative of the Corporation in the State or States and to assist the Corporation in carrying out the activities described in this Act in the State or States.

"(2) DUTIES.—The representative designated under this subsection for a State or group of States shall serve as the liaison between—

"(A) the Corporation and the State Commission that is established in the State or States;

"(B) the Corporation and any subdivision of a State, Indian tribe, public or private nonprofit organization, or institution of higher education, in the State or States, that is awarded a grant under section 121 directly from the Corporation; and

"(C) the State Commission and the Corporation employee responsible for volunteer service programs in the State, if the employee is not the representative described in paragraph (1) for the State.

"(3) MEMBER OF STATE COMMISSION.—The representative designated under this subsection for a State or group of States shall also serve as a voting member of the State Commission established in the State or States.

"(c) CONSULTANTS.—The President may procure the temporary and intermittent services of experts and consultants and compensate the experts and consultants in accordance with section 3109(b) of title 5, United States Code.

"(d) DETAILS OF PERSONNEL.—The head of any Federal department or agency may detail on a reimbursable basis, or on a nonreimbursable basis for not to exceed 180 calendar days during any fiscal year, as agreed upon by the President and the head of the Federal agency, any of the personnel of that department or agency to the Corporation to assist the Corporation in carrying out the duties of the Corporation under this Act. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

"(e) ADVISORY COMMITTEES.—

"(1) ESTABLISHMENT.—The President, acting upon the recommendation of the Board, may establish advisory committees in the Corporation to advise the Board with respect to national service issues, such as the type of programs to be established or assisted under the national service laws, priorities and criteria for such programs, and methods of conducting outreach for, and evaluation of, such programs.

"(2) COMPOSITION.—Such an advisory committee shall be composed of members appointed by the President, with such qualifications as the President may specify.

"(3) EXPENSES.—Members of such an advisory committee may be allowed travel expenses as described in section 192A(d).

"(4) STAFF.—The President is authorized to appoint and fix the compensation of such staff as the President determines to be necessary to carry out the functions of the advisory committee, in accordance with subsection (a)(2), and without regard to the selection and compensation systems described in subsection (a)(4)(B). Such compensation shall not exceed the rate described in subsection (a)(4)(B)(iv)(III).

"SEC. 196. ADMINISTRATION.

"(a) DONATIONS.—

"(1) SERVICES.—

"(A) VOLUNTEERS.—Notwithstanding section 1342 of title 31, United States Code, the Corporation may solicit and accept the voluntary services of individuals to assist the Corporation in carrying out the duties of the Corporation under this Act, and may provide to such individuals the travel expenses described in section 192A(d).

"(B) LIMITATION.—Such a volunteer shall not be considered to be a Federal employee and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits, except that—

"(i) for the purposes of the tort claims provisions of chapter 171 of title 28, United States Code, a volunteer under this subtitle shall be considered to be a Federal employee; and

"(ii) for the purposes of subchapter I of chapter 81 of title 5, United States Code, relating to compensation to Federal employees for work injuries, volunteers under this subtitle shall be considered to be employees, as defined in section 8101(1)(B) of title 5, United States Code, and the provisions of such subchapter shall apply.

"(C) INHERENTLY GOVERNMENTAL FUNCTION.—

"(i) IN GENERAL.—Such a volunteer shall not carry out an inherently governmental function.

"(ii) REGULATIONS.—The President shall promulgate regulations to carry out this subparagraph.

"(iii) INHERENTLY GOVERNMENTAL FUNCTION.—As used in this subparagraph, the term 'inherently governmental function' means any activity that is so intimately related to the public interest as to mandate performance by an officer or employee of the Federal Government, including an activity that requires either the exercise of discretion in applying the authority of the Government or the use of value judgment in making a decision for the Government.

"(2) PROPERTY.—

"(A) IN GENERAL.—The Corporation may solicit, accept, hold, administer, use, and dispose of, in furtherance of the purposes of this Act, donations of any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise. Donations accepted under this subparagraph shall be used as nearly as possible in accordance with the terms, if any, of such donation.

"(B) TAX.—For purposes of Federal income, estate, and gift taxes, money or property accepted under subparagraph (A) shall be considered to be a gift, devise, or bequest to, or for the use of, the United States.

"(C) RULES.—The President shall establish written rules to ensure that the solicitation, acceptance, holding, administration, and use of property described in subparagraph (A)—

"(i) will not reflect unfavorably upon the ability of the Corporation, or of any officer or employee of the Corporation, to carry out the responsibilities or official duties of the Corporation in a fair and objective manner; and

"(ii) will not compromise the integrity of the programs of the Corporation or any official or employee of the Corporation involved in such programs.

"(D) DISPOSITION.—Upon completion of the use by the Corporation of any property accepted pursuant to subparagraph (A) (other than money or monetary proceeds from sales of property so accepted), such completion shall be reported to the General Services Administration and such property shall be disposed of in accordance with title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.).

"(3) VOLUNTEER.—As used in this subsection, the term 'volunteer' does not include a participant.

"(b) CONTRACTS.—Subject to the Federal Property and Administrative Services Act of 1949, the Corporation may enter into contracts, and cooperative and interagency agreements, with Federal and State agencies, private firms, institutions, and individuals to conduct activities necessary to assist the Corporation in carrying out the duties of the Corporation under this Act.

"(c) OFFICE OF MANAGEMENT AND BUDGET.—Appropriate circulars of the Office of Management and Budget shall apply to the Corporation.".

(b) DOMESTIC VOLUNTEER SERVICE ACT OF 1973.—Section 401 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5041) is amended by inserting after the second sentence the following: "The Director shall report directly to the President of the Corporation for National and Community Service.".

(c) TRANSFER OF FUNCTIONS OF COMMISSION ON NATIONAL AND COMMUNITY SERVICE.—

(1) DEFINITIONS.—For purposes of this subsection, unless otherwise provided or indicated by the context, each term specified in section 203(c)(1) shall have the meaning given the term in such section.

(2) TRANSFER OF FUNCTIONS.—There are transferred to the Corporation the functions that the Board of Directors or Executive Director of the Commission on National and Community Service exercised before the effective date of this subsection (including all related functions of any officer or employee of the Commission).

(3) APPLICATION.—The provisions of paragraphs (3) through (10) of section 203(c) shall apply with respect to the transfer described in paragraph (2), except that—

(A) for purposes of such application, references to the term "ACTION Agency" shall be deemed to be references to the Commission on National and Community Service; and

(B) paragraph (10) of such section shall not preclude the transfer of the members of the Board of Directors of the Commission to the Corporation if, on the effective date of this subsection, the Board of Directors of the Corporation has not been confirmed.

(d) CONTINUING PERFORMANCE OF CERTAIN FUNCTIONS.—The individuals who, on the day before the date of enactment of this Act, are performing any of the functions required by section 190 of the National and Community Service Act of 1990 (42 U.S.C. 12651), as in effect on such date, to be performed by the members of the Board of Directors of the Commission on National and Community Service may, subject to section 193A of the National and Community Service Act of 1990, as added by subsection (a) of this section, continue to perform such functions until the date on the Board of Directors of the Corporation for National and Community Service conducts the first meeting of the Board. The service of such individuals as members of the Board of Directors of such Commission, and the employment of such individuals as special government employees, shall terminate on such date.

(e) JOB SEARCH ASSISTANCE.—The President of the Corporation shall establish a program to provide, or shall seek to enter into a memorandum of understanding with the Director of the Office of Personnel Management to provide, job search and related assistance to employees of the ACTION agency who are not transferred to the Corporation for National and Community Service under section 203(c). The President of the Corporation shall make available funds appropriated under section 501(a)(2) of the National and Community Service Act of 1990 in order to provide such assistance.

(f) GOVERNMENT CORPORATION CONTROL.—

(1) WHOLLY OWNED GOVERNMENT CORPORATION.—Section 9101(3) of title 31, United States Code, is amended by inserting after subparagraph (D) the following:

"(E) the Corporation for National and Community Service.".

(2) AUDITS.—Section 9105(a)(1) of title 31, United States Code, is amended by inserting ", or under other Federal law," before "or by an independent".

(g) DISPOSAL OF PROPERTY.—Section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)) is amended by adding at the end the following:

"(5)(A) Under such regulations as the Administrator may prescribe, the Administrator is authorized, in the discretion of the Administrator, to assign to the President of the Corporation for National and Community Service for disposal such surplus property as is recommended by the President as being needed for national service activities.

"(B) Subject to the disapproval of the Administrator, within 30 days after notice to the Administrator by the President of the Corporation for National and Community Service of a proposed transfer of property for such activities, the President, through such officers or employees of the Corporation as the President may designate, may sell, lease, or donate such property to any entity that receives financial assistance under the National and Community Service Act of 1990 for such activities.

"(C) In fixing the sale or lease value of such property, the President of the Corporation for National and Community Service shall comply with the requirements of paragraph (1)(C).".

(h) INSPECTOR GENERAL.—Section 11 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in paragraph (1), by inserting "; the Board of Directors of the Corporation for National and Community Service;" after "Thrift Depositor Protection Oversight Board"; and

(2) in paragraph (2), by inserting ", the Corporation for National and Community Service," after "United States Information Agency".

(i) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101–610; 104 Stat. 3127) is amended by striking the items relating to subtitle G of title I of such Act and inserting the following:

"Subtitle G—Corporation for National and Community Service

"Sec. 191. Corporation for National and Community Service.
"Sec. 192. Board of Directors.
"Sec. 192A. Authorities and duties of the Board of Directors.
"Sec. 193. President.
"Sec. 193A. Authorities and duties of the President.
"Sec. 194. Officers.
"Sec. 195. Employees, consultants, and other personnel.
"Sec. 196. Administration.".

(j) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on October 1, 1993.

(2) ESTABLISHMENT AND APPOINTMENT AUTHORITIES.—Sections 191, 192, and 193 of the National and Community Service Act of 1990, as added by subsection (a), shall take effect on the date of enactment of this Act.

SEC. 203. FINAL AUTHORITIES OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE.

(a) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—

(1) APPLICATION.—Subtitle I of the National and Community Service Act of 1990 (as amended by section 202 of this Act) is amended in section 191, section 192A(g)(5), section 193(c), subsections (b), (c) (other than paragraph (8)), and (d) of section 193A, subsections (b) and (d) of section 195, and subsections (a) and (b) of section 196, by striking "this Act" each place the term appears and inserting "the national service laws".

(2) GRANTS.—Section 192A(g) of the National and Community Service Act of 1990 (as added by section 202 of this Act) is amended—

(A) by striking "and" at the end of paragraph (9);

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

(C) by inserting after paragraph (9) the following:

"(10) notwithstanding any other provision of law, make grants to or contracts with Federal or other public departments or agencies and private nonprofit organizations for the assignment or referral of volunteers under the provisions of the Domestic Volunteer Service Act of 1973 (except as provided in section 108 of the Domestic Volunteer Service Act of 1973), which may provide that the agency or organization shall pay all or a part of the costs of the program; and".

(3) ASSISTANT DIRECTORS.—Section 194 of the National and Community Service Act of 1990 (as added by section 202 of this Act) is amended by adding at the end the following:

"(d) ASSISTANT DIRECTORS.—

"(1) IN GENERAL.—There shall be in the Corporation four Assistant Directors, each of whom shall be appointed by the President, and who shall report directly to the Managing Director described in subsection (a)(3)(A).

"(2) DUTIES.—

"(A) VISTA AND OTHER ANTIPOVERTY PROGRAMS.—One of the Assistant Directors shall be primarily responsible for the VISTA and other antipoverty programs under title I of the Domestic Volunteer Service Act of 1973.

"(B) RETIRED AND SENIOR VOLUNTEER PROGRAMS.—One of the Assistant Directors shall be primarily responsible for the Retired and Senior Volunteer Program established under part A of title II of such Act.

"(C) FOSTER GRANDPARENT PROGRAM.—One of the Assistant Directors shall be primarily responsible for the Foster Grandparent Program established under part B of title II of such Act.

"(D) SENIOR COMPANION PROGRAM.—One of the Assistant Directors shall be primarily responsible for the Senior Companion Program established under part C of title II of such Act.".

(b) AUTHORITIES OF ACTION AGENCY.—Sections 401 and 402 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5041 and 5042) are repealed.

(c) TRANSFER OF FUNCTIONS FROM ACTION AGENCY.—

(1) DEFINITIONS.—For purposes of this subsection, unless otherwise provided or indicated by the context—

(A) the term "Corporation" means the Corporation for National and Community Service, established under section 191 of the National and Community Service Act of 1990;

(B) the term "Federal agency" has the meaning given to the term "agency" by section 551(1) of title 5, United States Code;

(C) the term "function" means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program;

(D) the term "office" includes any office, administration, agency, institute, unit, organizational entity, or component thereof; and

(E) the term "President", except as used as part of the term "President of the United States", means the President of the Corporation.

(2) TRANSFER OF FUNCTIONS.—There are transferred to the Corporation such functions as the President of the United States determines to be appropriate that the Director of the ACTION Agency exercised before the effective date of this subsection (including all related functions of any officer or employee of the ACTION Agency).

(3) DETERMINATIONS OF CERTAIN FUNCTIONS BY THE OFFICE OF MANAGEMENT AND BUDGET.—The President of the United States may delegate to the Director of the Office of Management and Budget the authority to make any determination of the functions that are transferred under paragraph (2), if the President determines that such a delegation would be appropriate.

(4) REORGANIZATION.—The President is authorized to allocate or reallocate any function transferred under paragraph (2) among the officers of the Corporation, after providing notice of the allocation or reallocation to Congress.

(5) TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL.—Except as otherwise provided in this subsection, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred by this subsection, subject to section 1531 of title 31, United States Code, shall be transferred to the Corporation. Unexpended funds transferred pursuant to this paragraph shall be used only for the purposes for which the funds were originally authorized and appropriated.

(6) INCIDENTAL TRANSFER.—The Director of the Office of Management and Budget is authorized to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out the provisions of this subsection. The Director of the Office of Management and Budget shall provide for the termination of the affairs of all entities terminated by this subsection and for such further measures and dispositions as may be necessary to effectuate the purposes of this subsection.

(7) EFFECT ON PERSONNEL.—

(A) IN GENERAL.—Except as otherwise provided by this subsection, the transfer pursuant

to this subsection of full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation, or to have the benefits of the employee reduced, for 1 year after the date of transfer of such employee under this subsection.

(B) EXECUTIVE SCHEDULE POSITIONS.—Except as otherwise provided in this subsection, any person who, on the day preceding the effective date of this subsection, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who, without a break in service, is appointed in the Corporation to a position having duties comparable to the duties performed immediately preceding such appointment shall continue to be compensated in such new position at not less than the rate provided for such previous position, for the duration of the service of such person in such new position.

(C) TERMINATION OF CERTAIN POSITIONS.—Positions whose incumbents are appointed by the President of the United States, by and with the advice and consent of the Senate, the functions of which are transferred by this subsection, shall terminate on the effective date of this subsection.

(8) SAVINGS PROVISIONS.—

(A) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(i) that have been issued, made, granted, or allowed to become effective by the President of the United States, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions that are transferred under this subsection; and

(ii) that are in effect at the time this subsection takes effect, or were final before the effective date of this subsection and are to become effective on or after the effective date of this subsection,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President of the United States, the President of the Corporation, or other authorized official, a court of competent jurisdiction, or by operation of law.

(B) PROCEEDINGS NOT AFFECTED.—The provisions of this subsection shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before the ACTION Agency at the time this subsection takes effect, with respect to functions transferred by this subsection. Such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this subsection had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subparagraph shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this subsection had not been enacted.

(C) SUITS NOT AFFECTED.—The provisions of this subsection shall not affect suits commenced before the effective date of this subsection, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this subsection had not been enacted.

(D) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the ACTION Agency, or by or against any individual in the official capacity of such individual as an officer of the ACTION Agency, shall abate by reason of the enactment of this subsection.

(E) ADMINISTRATIVE ACTIONS RELATING TO PROMULGATION OF REGULATIONS.—Any administrative action relating to the preparation or promulgation of a regulation by the ACTION Agency relating to a function transferred under this subsection may be continued by the Corporation with the same effect as if this subsection had not been enacted.

(9) SEVERABILITY.—If a provision of this subsection or its application to any person or circumstance is held invalid, neither the remainder of this subsection nor the application of the provision to other persons or circumstances shall be affected.

(10) TRANSITION.—Prior to, or after, any transfer of a function under this subsection, the President is authorized to utilize—

(A) the services of such officers, employees, and other personnel of the ACTION Agency with respect to functions that will be or have been transferred to the Corporation by this subsection; and

(B) funds appropriated to such functions for such period of time as may reasonably be needed to facilitate the orderly implementation of this subsection.

(d) DEVELOPMENT OF TRANSFER SCHEDULE.—The President of the Corporation for National and Community Service, in consultation with the Director of ACTION, shall, not later than 9 months after the date of enactment of this Act, prepare a schedule that specifies the date on which the employees of ACTION will be notified about—

(1) whether their functions will be transferred to the Corporation; and

(2) if such functions will be transferred, the date on which the transfer will occur.

(e) APPOINTMENT OF ACTION EMPLOYEES.—During the period beginning on October 1, 1993 and ending on the effective date of subsection (c)(2), in making appointments to the Corporation under the appointment system described in section 195(a)(4)(B)(iii) of the National and Community Service Act of 1990, the President of the Corporation for National and Community Service shall ensure that individuals who are employees of ACTION shall receive fair and equitable treatment.

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), this section, and the amendments made by this section, shall take effect—

(A) 18 months after the date of enactment of this Act; or

(B) on such earlier date (which shall be not earlier than 12 months after the date of the enactment of this Act) as the President of the United States shall determine to be appropriate and announce by proclamation published in the Federal Register.

(2) TRANSITION.—Subsections (c)(10), (d), and (e) shall take effect on the date of enactment of this Act.

TITLE III—REAUTHORIZATION

Subtitle A—National and Community Service Act of 1990

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

Section 501 of the National and Community Service Act of 1990 (42 U.S.C. 12681) is amended to read as follows:

"SEC. 501. AUTHORIZATION OF APPROPRIATIONS.

"(a) TITLE I.—

"(1) SUBTITLES B, C, D, AND H.—

"(A) IN GENERAL.—There are authorized to be appropriated to provide financial assistance under subtitles B, C, and H of title I, and to provide national service educational awards under subtitle D of title I, $434,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(B) SPECIFIC ACTIVITIES.—Of the funds appropriated under this paragraph for a fiscal year—

"(i) not less than a sum equal to the greater of—

"(I) 11 percent of such funds; and

"(I) the amount appropriated to carry out subtitle B of title I for fiscal year 1993,

shall be made available to provide financial assistance under subtitle B of title I; and

"(ii) of the amount remaining after the sum described in clause (i) is made available as described in clause (i), not more than 15 percent of such remainder may be made available to provide financial assistance for activities in subtitle H of title I, section 125, or section 126.

"(2) ADMINISTRATION.—There are authorized to be appropriated for the administration of this Act such sums as may be necessary for each of the fiscal years 1994 through 1998.

"(b) TITLE III.—There are authorized to be appropriated to carry out title III $5,000,000 for each of the fiscal years 1994 through 1998.

"(c) AVAILABILITY OF APPROPRIATIONS.—Funds appropriated under this section shall remain available until expended.".

Subtitle B—Domestic Volunteer Service Act of 1973

SEC. 311. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This subtitle may be cited as the "Domestic Volunteer Service Act Amendments of 1993".

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

CHAPTER 1—VISTA AND OTHER ANTI-POVERTY PROGRAMS

SEC. 321. PURPOSE OF THE VISTA PROGRAM.

The last sentence of section 101 (42 U.S.C. 4951) is amended to read as follows: "In addition, the objectives of this part are to generate the commitment of private sector resources, to encourage volunteer service at the local level, and to strengthen local agencies and organizations to carry out the purpose of this part.".

SEC. 322. SELECTION AND ASSIGNMENT OF VISTA VOLUNTEERS.

(a) VOLUNTEER ASSIGNMENTS.—Section 103(a) (42 U.S.C. 4953(a)) is amended—

(1) in the matter preceding paragraph (1), by striking "a public" and inserting "public";

(2) in paragraph (2), by striking "and" at the end;

(3) in paragraph (3), by striking "illiterate or functionally illiterate youth and other individuals,";

(4) in paragraph (5), by striking "and" at the end;

(5) in paragraph (6)—

(A) by striking "or the Community Economic" and inserting "the Community Economic";

(B) by inserting "or other similar Acts," after "1981,"; and

(C) by striking the period and inserting "; and"; and

(6) by adding at the end the following new paragraph:

"(7) in strengthening, supplementing, and expanding efforts to address the problem of illiteracy throughout the United States.".

(b) RECRUITMENT PROCEDURES.—Section 103(b) (42 U.S.C. 4953(b)) is amended—

(1) by striking paragraphs (2), (4), (5) and (6);

(2) by redesignating paragraphs (3) and (7) as paragraphs (2) and (3), respectively;

(3) in paragraph (2) (as redesignated in paragraph (2) of this subsection), by striking "paragraph (7)" and inserting "paragraph (3)"; and

(4) in paragraph (3) (as redesignated in paragraph (2) of this subsection)—

(A) in subparagraph (A), by striking "paragraph (4)" and inserting "paragraph (2)";

(B) by striking subparagraphs (B), (C), and (E);

(C) by redesignating subparagraphs (D) and (F) as subparagraphs (C) and (D), respectively; and

(D) by inserting after subparagraph (A) the following new subparagraph:

"(B) A sponsoring organization may recruit volunteers for service under this part, subject to final approval by the Director.".

(c) PUBLIC AWARENESS AND RECRUITMENT.—Subsection (c) of section 103 (42 U.S.C. 4953(c)) is amended—

(1) in paragraph (1), to read as follows:

"(1)(A) The Director shall conduct national and local public awareness and recruitment activities in order to meet the volunteer goals of the program. In conducting such activities, the Director shall place special emphasis on recruiting volunteers for local, community-based programs that serve underrepresented populations, in situations in which volunteers might not otherwise learn about the programs. Such activities shall be coordinated with recruitment authorized under subtitle C or E of the National and Community Service Act of 1990 and may include public service announcements, advertisements, publicity on loan deferments, repayments, and cancellations available to VISTA volunteers, maintenance of a toll-free telephone system, and provision of technical assistance for the recruitment of volunteers to programs and projects receiving assistance under this part.

"(B) The Director shall take steps to recruit individuals 18 through 27 years of age, 55 years of age and older, recent graduates of institutions of higher education, and special skilled volunteers and to promote diverse participation in the program.";

(2) in paragraph (3), by adding at the end the following new sentence: "In addition, the Director shall take steps to provide opportunities for returned Peace Corps volunteers to serve in the VISTA program.";

(3) by striking paragraphs (4), (5), and (6); and

(4) by adding at the end the following new paragraph:

"(4) From the amounts appropriated under section 501(a) for fiscal year 1994 and each subsequent fiscal year, the Director shall obligate such sums as may be necessary for the purpose of carrying out this subsection in such fiscal year.".

(d) COORDINATION WITH OTHER FEDERAL AGENCIES.—Section 103 (42 U.S.C. 4953) is amended by adding at the end the following new subsection:

"(h) The Director is encouraged to enter into agreements with other Federal agencies to use VISTA volunteers in furtherance of program objectives that are consistent with the purposes described in section 101.".

SEC. 323. TERMS AND PERIODS OF SERVICE.

(a) CLARIFICATION AND PERIODS OF SERVICE.—Subsection (b) of section 104 (42 U.S.C. 4954(b)) is amended to read as follows:

"(b)(1) Volunteers serving under this part may be enrolled initially for periods of service of not less than 1 year, nor more than 2 years, except as provided in paragraph (2) or subsection (e).

"(2) Volunteers serving under this part may be enrolled for periods of service of less than 1 year if the Director determines, on an individual basis, that a period of service of less than 1 year is necessary to meet a critical scarce skill need.

"(3) Volunteers serving under this part may be reenrolled for periods of service in a manner to be determined by the Director. No volunteer shall serve for more than a total of 5 years under this part.".

(b) SUMMER PROGRAM.—Section 104 (42 U.S.C. 4954) is amended by adding at the end the following new subsection:

"(e)(1) Notwithstanding any other provision of this part, the Director may enroll full-time VISTA summer associates in a program for the summer months only, under such terms and conditions as the Director shall determine to be appropriate. Such individuals shall be assigned to projects that meet the criteria set forth in section 103(a).

"(2) In preparing reports relating to programs under this Act, the Director shall report on participants, costs, and accomplishments under the summer program separately.

"(3) The limitation on funds appropriated for grants and contracts, as contained in section 108, shall not apply to the summer program.".

SEC. 324. SUPPORT FOR VISTA VOLUNTEERS.

(a) POSTSERVICE STIPEND.—Section 105(a)(1) (42 U.S.C. 4955(a)(1)) is amended—

(1) by inserting "(A)" after "(a)(1)"; and

(2) by striking the second sentence and inserting the following:

"(B) Such stipend shall not exceed $95 per month in fiscal year 1994, but shall be set at a minimum of $125 per month during the service of the volunteer after October 1, 1994, assuming the availability of funds to accomplish this increase. The Director may provide a stipend of a minimum of $200 per month in the case of persons who have served as volunteers under this part for at least 1 year and who, in accordance with standards established in such regulations as the Director shall prescribe, have been designated volunteer leaders on the basis of experience and special skills and a demonstrated leadership among volunteers.

"(C) The Director shall not provide a stipend under this subsection to an individual who elects to receive a national service education award under subtitle D of title I of the National and Community Service Act of 1990.".

(b) SUBSISTENCE ALLOWANCE.—Section 105(b) (42 U.S.C. 4955(b)) is amended—

(1) in paragraph (3)—

(A) by striking subparagraph (A);

(B) in subparagraph (B), by striking the subparagraph designation; and

(C) by adding at the end the following new sentence: "The Director shall review such adjustments on an annual basis to ensure that the adjustments are current."; and

(2) by striking paragraph (4).

(c) CHILD CARE.—Section 105 (42 U.S.C. 4955) is amended by adding at the end the following:

"(c)(1) The Director shall—

"(A) make child care available for children of each volunteer enrolled under this part, including volunteers who need such child care in order to participate as volunteers; or

"(B) provide a child care allowance to each such volunteer who needs such assistance in order to participate as volunteers.

"(2) The Corporation shall establish guidelines regarding the circumstances under which child care shall be made available under this subsection and the value of any child care allowance to be provided.".

SEC. 325. PARTICIPATION OF YOUNGER AND OLDER PERSONS.

Section 107 (42 U.S.C. 4957) is amended to read as follows:

"SEC. 107. PARTICIPATION OF YOUNGER AND OLDER PERSONS.

"In carrying out this part and part C, the Director shall take necessary steps, including the development of special projects, where appropriate, to encourage the fullest participation of individuals 18 through 27 years of age, and individuals 55 years of age and older, in the various programs and activities authorized under such parts.".

SEC. 326. LITERACY ACTIVITIES.

Section 109 (42 U.S.C. 4959) is amended—

(1) in subsection (g)—

(A) by striking paragraph (1); and

(B) by striking the paragraph designation of paragraph (2); and

(2) in subsection (h), by striking paragraph (3).

SEC. 327. APPLICATIONS FOR ASSISTANCE.

Section 110 (42 U.S.C. 4960) is amended to read as follows:

"SEC. 110. APPLICATIONS FOR ASSISTANCE.

"In reviewing an application for assistance under this part, the Director shall not deny such assistance to any project or program, or any public or private nonprofit organization, solely on the basis of the duration of the assistance such project, program, or organization has received under this part prior to the date of submission of the application. The Director shall grant assistance under this part on the basis of merit and to accomplish the goals of the VISTA program, and shall consider the needs and requirements of projects in existence on such date as well as potential new projects.".

SEC. 328. REPEAL OF AUTHORITY FOR STUDENT COMMUNITY SERVICE PROGRAMS.

Section 114 (42 U.S.C. 4974) is repealed.

SEC. 329. UNIVERSITY YEAR FOR VISTA.

(a) PROGRAM TITLE.—Part B of title I (42 U.S.C. 4971 et seq.) is amended—

(1) in the part heading, to read as follows:

"PART B—UNIVERSITY YEAR FOR VISTA";

(2) by striking "University Year for ACTION" each place that such term appears in such part and inserting "University Year for VISTA";

(3) by striking "UYA" each place that such term appears in such part and inserting "UYV"; and

(4) in section 112 (42 U.S.C. 4972) by striking the section heading and inserting the following new section heading:

"AUTHORITY TO OPERATE UNIVERSITY YEAR FOR VISTA PROGRAM".

(b) SPECIAL CONDITIONS.—Section 113(a) (42 U.S.C. 4973(a)) is amended—

(1) by striking "of not less than the duration of an academic year" and inserting "of not less than the duration of an academic semester or its equivalent"; and

(2) by adding at the end the following new sentence: "Volunteers may receive a living allowance and such other support or allowances as the Director determines to be appropriate.".

SEC. 330. AUTHORITY TO ESTABLISH AND OPERATE SPECIAL VOLUNTEER AND DEMONSTRATION PROGRAMS.

Section 122 (42 U.S.C. 4992) is amended to read as follows:

"SEC. 122. AUTHORITY TO ESTABLISH AND OPERATE SPECIAL VOLUNTEER AND DEMONSTRATION PROGRAMS.

"(a) IN GENERAL.—The Director is authorized to conduct special volunteer programs for demonstration programs, or award grants to or enter into contracts with public or nonprofit organizations to carry out such programs. Such programs shall encourage wider volunteer participation on a full-time, part-time, or short-term basis to further the purpose of this part, and identify particular segments of the poverty community that could benefit from volunteer and other antipoverty efforts.

"(b) ASSIGNMENT AND SUPPORT OF VOLUNTEERS.—The assignment of volunteers under this section, and the provision of support for such volunteers, including any subsistence allowances and stipends, shall be on such terms and conditions as the Director shall determine to be

appropriate, but shall not exceed the level of support provided under section 105. Projects using volunteers who do not receive stipends may also be supported under this section.

"(c) CRITERIA AND PRIORITIES.—In carrying out this section and section 123, the Director shall establish criteria and priorities for awarding grants and entering into contracts under this part in each fiscal year. No grant or contract exceeding $100,000 shall be made under this part unless the recipient of the grant or contractor has been selected by a competitive process that includes public announcement of the availability of funds for such grant or contract, general criteria for the selection of recipients or contractors, and a description of the application process and application review process.".

SEC. 331. TECHNICAL AND FINANCIAL ASSISTANCE.

Section 123 (42 U.S.C. 4993) is amended to read as follows:

"SEC. 123. TECHNICAL AND FINANCIAL ASSISTANCE.

"The Director may provide technical and financial assistance to Federal agencies, State and local governments and agencies, private nonprofit organizations, employers, and other private organizations that utilize or desire to utilize volunteers in carrying out the purpose of this part.".

SEC. 332. ELIMINATION OF SEPARATE AUTHORITY FOR DRUG ABUSE PROGRAMS.

Section 124 (42 U.S.C. 4994) is repealed.

CHAPTER 2—NATIONAL SENIOR VOLUNTEER CORPS

SEC. 341. NATIONAL SENIOR VOLUNTEER CORPS.

(a) TITLE HEADING.—The heading for title II is amended to read as follows:

"TITLE II—NATIONAL SENIOR VOLUNTEER CORPS".

(b) REFERENCES.—

(1) Section 200(1) (42 U.S.C. 5000(1)) is amended by striking "Older America Volunteer Programs" and inserting "National Senior Volunteer Corps".

(2) The heading for section 221 (42 U.S.C. 5021) is amended by striking "OLDER AMERICAN VOLUNTEER PROGRAMS" and inserting "NATIONAL SENIOR VOLUNTEER CORPS".

(3) Section 224 (42 U.S.C. 5024) is amended—

(A) in the section heading by striking "OLDER AMERICAN VOLUNTEER PROGRAMS" and inserting "NATIONAL SENIOR VOLUNTEER CORPS"; and

(B) by striking "volunteer projects for Older Americans" and inserting "National Senior Volunteer Corps projects".

(4) Section 205(c) of the Older Americans Amendments of 1975 (Public Law 94–135; 89 Stat. 727; 42 U.S.C. 5001 note) is amended by striking "national older American volunteer programs" each place the term appears and inserting "National Senior Volunteer Corps programs".

SEC. 342. THE RETIRED AND SENIOR VOLUNTEER PROGRAM.

(a) PART HEADING.—The heading for part A of title II is amended by striking "RETIRED SENIOR VOLUNTEER PROGRAM" and inserting "RETIRED AND SENIOR VOLUNTEER PROGRAM".

(b) REFERENCES.—Section 200 (42 U.S.C. 5000) is amended by striking "retired senior volunteer program" each place that such term appears in such section and inserting "Retired and Senior Volunteer Program".

SEC. 343. OPERATION OF THE RETIRED AND SENIOR VOLUNTEER PROGRAM.

(a) ELIGIBILITY FOR PARTICIPANTS IN THE PROGRAM.—Section 201(a) (42 U.S.C. 5001(a)) is amended—

(1) in the matter preceding paragraph (1), by inserting "and older working persons" after "retired persons"; and

(2) in paragraph (2), by striking "aged sixty" and inserting "age 55".

(b) DELETION OF REQUIREMENT FOR STATE AGENCY REVIEW.—Section 201 (42 U.S.C. 5001) is amended—

(1) by striking subsection (c); and

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

SEC. 344. SERVICES UNDER THE FOSTER GRANDPARENT PROGRAM.

Section 211(a) (42 U.S.C. 5011(a)) is amended by striking ", including services" and all that follows through "with special needs." and inserting a period and the following: "Such services may include services by individuals serving as foster grandparents to children who are individuals with disabilities, who have chronic health conditions, who are receiving care in hospitals, who are residing in homes for dependent and neglected children, or who are receiving services provided by day care centers, schools, early intervention programs under part H of the Individuals with Disabilities Education Act (20 U.S.C. 1471 et seq.), Head Start agencies under the Head Start Act, or any of a variety of other programs, establishments, and institutions providing services for children with special or exceptional needs. Individual foster grandparents may provide person-to-person services to one or more children, depending on the needs of the project and local site.".

SEC. 345. STIPENDS FOR LOW-INCOME VOLUNTEERS.

The second sentence of section 211(d) (42 U.S.C. 5011(d)) is amended by striking "Any stipend or allowance provided under this subsection shall not be less than $2.20 per hour until October 1, 1990, $2.35 per hour during fiscal year 1991, and $2.50 per hour on and after October 1, 1992," and inserting "Any stipend or allowance provided under this section shall not be less than $2.45 per hour on and after October 1, 1993, and shall be adjusted once prior to December 31, 1997, to account for inflation, as determined by the Director and rounded to the nearest five cents,".

SEC. 346. PARTICIPATION OF NON-LOW-INCOME PERSONS UNDER PARTS B AND C.

Subsection (f) of section 211(f) (42 U.S.C. 5011(f)) is amended to read as follows:

"(f) Individuals who are not low-income persons may serve as volunteers under parts B and C, in accordance with such regulations as the Director shall issue, at the discretion of the local project. Such individuals shall not receive any allowance, stipend, or other financial support for such service except reimbursement for transportation, meals, and out-of-pocket expenses related to such service.".

SEC. 347. CONDITIONS OF GRANTS AND CONTRACTS.

Section 212 (42 U.S.C. 5012) is repealed.

SEC. 348. EVALUATION OF THE SENIOR COMPANION PROGRAM.

Section 213(c) (42 U.S.C. 5013(c)) is amended by striking paragraph (3).

SEC. 349. AGREEMENTS WITH OTHER FEDERAL AGENCIES.

Section 221(a) (42 U.S.C. 5021(a)) is amended—

(1) by striking "(a)" and inserting "(a)(1)"; and

(2) by adding at the end the following:

"(2) The Director is encouraged to enter into agreements with—

"(A) the Department of Health and Human Services to—

"(i) involve retired or senior volunteers and foster grandparents in Head Start projects; and

"(ii) promote in-home care in cooperation with the Administration on Aging;

"(B) the Department of Education to promote intergenerational tutoring and mentoring for at-risk children; and

"(C) the Environmental Protection Agency to support conservation efforts.".

SEC. 350. PROGRAMS OF NATIONAL SIGNIFICANCE.

Section 225 (42 U.S.C. 5025) is amended—

(1) in subsection (a)—

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

"(1) The Director is authorized to make grants under parts A, B, and C to support programs that address national problems that are also of local concern. The Director may, in any fiscal year, determine which programs of national significance will receive priority in that year. In determining the priority of programs to address problems of local concern in a particular area, the Director shall solicit and consider the views of representatives of local groups serving the area.";

(B) in paragraph (2)(B), by striking "paragraph (10)" and inserting "paragraphs (10) and (12)"; and

(C) in paragraph (2)(C), by striking "and (10)" and inserting "(10), (12), (15), and (16)";

(2) in subsection (b), by adding at the end the following new paragraphs:

"(12) Programs that address environmental needs.

"(13) Programs that reach out to organizations not previously involved in addressing local needs, such as labor unions and profit-making organizations.

"(14) Programs that provide for ethnic outreach.

"(15) Programs that support criminal justice activities.

"(16) Programs that involve older volunteers working with young people in apprenticeship programs.

"(17) Programs that support the integration of individuals with disabilities into the community."; and

(3) in subsection (d), by striking paragraph (1) and inserting the following new paragraph:

"(1) Except as provided in paragraph (2), from the amounts appropriated under subsection (a), (b), (c), or (d) of section 502, for each fiscal year there shall be available to the Director such sums as may be necessary to make grants under subsection (a).".

SEC. 351. ADJUSTMENTS TO FEDERAL FINANCIAL ASSISTANCE.

Section 226 (42 U.S.C. 5026) is amended—

(1) in subsection (a)(1)—

(A) in subparagraph (A), by striking "(A)"; and

(B) by striking subparagraph (B); and

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by striking "(1)"; and

(ii) by striking "annually" and inserting ", once every 2 years"; and

(B) by striking paragraph (2).

SEC. 352. DEMONSTRATION PROGRAMS.

Title II (42 U.S.C. 5000 et seq.) is amended by adding at the end the following new part:

"PART E—DEMONSTRATION PROGRAMS

"SEC. 231. AUTHORITY OF DIRECTOR.

"(a) IN GENERAL.—The Director is authorized to make grants to or enter into contracts with public or nonprofit organizations, including organizations funded under part A, B, or C, for the purposes of demonstrating innovative activities involving older Americans as volunteers. The Director may support under this part both volunteers receiving stipends and volunteers not receiving stipends.

"(b) ACTIVITIES.—An organization that receives a grant or enters into a contract under subsection (a) may use funds made available through the grant or contract for activities such as—

"(1) linking youth groups and older American organizations in volunteer activities;

"(2) involving older volunteers in programs and activities different from programs and activities supported in the community; and

"(3) testing whether older American volunteer programs may contribute to new objectives or certain national priorities.

"SEC. 232. PROHIBITION.

"The Director may not reduce the activities, projects, or volunteers funded under the other parts of this title in order to support projects under this part.".

CHAPTER 3—ADMINISTRATION

SEC. 361. PURPOSE OF AGENCY.

Section 401 (42 U.S.C. 5041) is amended—

(1) by inserting after the first sentence the following: "Such Agency shall also promote the coordination of volunteer efforts among Federal, State, and local agencies and organizations, exchange technical assistance information among such agencies and organizations, and provide technical assistance to other nations concerning domestic volunteer programs within their countries."; and

(2) by striking "Older American Volunteer Programs" each place the term appears and inserting "National Senior Volunteer Corps".

SEC. 362. AUTHORITY OF THE DIRECTOR.

Section 402 (42 U.S.C. 5042) is amended in paragraphs (5) and (6) by inserting "solicit and" before "accept" each place the term appears.

SEC. 363. COMPENSATION FOR VOLUNTEERS.

Section 404 (42 U.S.C. 5044) is amended—

(1) in subsection (c), by inserting "from such volunteers or from beneficiaries" after "compensation";

(2) by striking subsection (f); and

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

SEC. 364. REPEAL OF REPORT.

Section 407 (42 U.S.C. 5047) is repealed.

SEC. 365. APPLICATION OF FEDERAL LAW.

Section 415(b)(4)(A) (42 U.S.C. 5055(b)(4)(A)) is amended by striking "a grade GS–7 employee" and inserting "an employee at grade GS–5 of the General Schedule under section 5332 of title 5, United States Code".

SEC. 366. EVALUATION OF PROGRAMS.

Section 416 (42 U.S.C. 5056) is amended—

(1) in subsection (a)—

(A) in the first sentence, by striking "(including the VISTA Literacy Corps which shall be evaluated as a separate program at least once every 3 years)"; and

(B) in the second sentence, by striking "at least once every 3 years" and inserting "periodically";

(2) in subsection (b) to read as follows:

"(b) In carrying out evaluations of programs under this Act, the Director shall create appropriate management information systems that will summarize information on volunteer activities and accomplishments across the programs supported under this Act. The Director shall periodically prepare and submit to the appropriate committees of Congress a report containing such information."; and

(3) by striking subsections (d), (e), (f), and (g).

SEC. 367. NONDISCRIMINATION PROVISIONS.

Section 417 (42 U.S.C. 5057) is amended to read as follows:

"SEC. 417. NONDISCRIMINATION PROVISIONS.

"(a) IN GENERAL.—

"(1) BASIS.—An individual with responsibility for the operation of a program that receives assistance under this Act shall not discriminate against a participant in, or member of the staff of, such program on the basis of race, color, national origin, sex, age, or political affiliation of such participant or member, or on the basis of disability, if the participant or member is a qualified individual with a disability.

"(2) DEFINITION.—As used in paragraph (1), the term 'qualified individual with a disability' has the meaning given the term in section 101(8) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12111(8)).

"(b) FEDERAL FINANCIAL ASSISTANCE.—Any assistance provided under this Act 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.), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.).

"(c) RELIGIOUS DISCRIMINATION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), an individual with responsibility for the operation of a program that receives assistance under this Act shall not discriminate on the basis of religion against a participant in such program or a member of the staff of such program who is paid with funds received under this Act.

"(2) EXCEPTION.—Paragraph (1) shall not apply to the employment, with assistance provided under this Act, of any member of the staff, of a program that receives assistance under this Act, who was employed with the organization operating the program on the date the grant under this Act was awarded.

"(d) RULES AND REGULATIONS.—The Director 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.".

SEC. 368. ELIMINATION OF SEPARATE REQUIREMENTS FOR SETTING REGULATIONS.

Section 420 (42 U.S.C. 5060) is repealed.

SEC. 369. CLARIFICATION OF ROLE OF INSPECTOR GENERAL.

Section 422 (42 U.S.C. 5062) is amended—

(1) in subsection (a), by inserting "or the Inspector General" after "Director"; and

(2) in subsection (b), by inserting ", the Inspector General," after "Director" each place that such term appears.

SEC. 370. COPYRIGHT PROTECTION.

Title IV (42 U.S.C. 5041 et seq.) is amended by adding at the end the following new section:

"SEC. 425. PROTECTION AGAINST IMPROPER USE.

"Whoever falsely—

"(1) advertises or represents; or

"(2) publishes or displays any sign, symbol, or advertisement, reasonably calculated to convey the impression,

that an entity is affiliated with, funded by, or operating under the authority of ACTION, VISTA, or any of the programs of the National Senior Volunteer Corps may be enjoined under an action filed by the Attorney General, on a complaint by the Director.".

SEC. 371. CENTER FOR RESEARCH AND TRAINING.

Title IV (42 U.S.C. 5041 et seq.) (as amended by section 370 of this Act) is further amended by adding at the end the following new section:

"SEC. 426. CENTER FOR RESEARCH AND TRAINING.

"The Director may establish, directly or by grant or contract, a Center for Research and Training on Volunteerism to carry out research concerning the impact of volunteerism on individuals, organizations, and communities, provide training at a State, regional, or local level to help improve programs across the United States, and carry out such other functions as the Director determines to be appropriate.".

SEC. 372. DEPOSIT REQUIREMENT CREDIT FOR SERVICE AS A VOLUNTEER.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—

(1) CREDITABLE SERVICE.—Section 8332(j) of title 5, United States Code, is amended—

(A) in paragraph (1)—

(i) in the first sentence, by inserting "the period of an individual's services as a full-time volunteer enrolled in a program of at least 1 year in duration under part A, B, or C of title I of the Domestic Volunteer Service Act of 1973," after "Economic Opportunity Act of 1964,";

(ii) in the second sentence, by inserting ", as a full-time volunteer enrolled in a program of at least 1 year in duration under part A, B, or C of title I of the Domestic Volunteer Service Act of 1973," after "Economic Opportunity Act of 1964,"; and

(iii) in the last sentence—

(I) by inserting "or under the Domestic Volunteer Service Act of 1973" after "Economic Opportunity Act of 1964"; and

(II) by inserting "or the Director of ACTION, as appropriate," after "Director of the Office of Economic Opportunity"; and

(B) by adding at the end the following new paragraph:

"(3) The provisions of paragraph (1) relating to credit for service as a volunteer or volunteer leader under the Economic Opportunity Act of 1964 or the Domestic Volunteer Service Act of 1973 shall not apply to any period of service as a volunteer or volunteer leader of an employee or Member with respect to which the employee or Member has made the deposit with interest, if any, required by section 8334(l).".

(2) DEDUCTIONS, CONTRIBUTIONS, AND DEPOSITS.—

(A) IN GENERAL.—Section 8334 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(l)(1) Each employee or Member who has performed service as a volunteer or volunteer leader under part A of title VIII of the Economic Opportunity Act of 1964, or as a full-time volunteer enrolled in a program of at least 1 year in duration under part A, B, or C of title I of the Domestic Volunteer Service Act of 1973, before the date of the separation from service on which the entitlement to any annuity under this subchapter is based may pay, in accordance with such regulations as the Office of Personnel Management shall issue, to the agency by which the employee is employed or, in the case of a Member or a congressional employee, to the Secretary of the Senate or the Clerk of the House of Representatives, as appropriate, an amount equal to 7 percent of the readjustment allowance paid to the employee or Member under title VIII of the Economic Opportunity Act of 1964 or title I of the Domestic Volunteer Service Act of 1973 for each period of service as such a volunteer or volunteer leader.

"(2) Any deposit made under paragraph (1) more than 2 years after the later of—

"(A) the date of enactment of this subsection; or

"(B) the date on which the employee or Member making the deposit first becomes an employee or Member,

shall include interest on such amount, computed and compounded annually beginning on the date of the expiration of the 2-year period. The interest rate that is applicable in computing interest in any year under this paragraph shall be equal to the interest rate that is applicable for such year under subsection (e).

"(3) Any payment received by an agency, the Secretary of the Senate, or the Clerk of the House of Representatives under this subsection shall be immediately remitted to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Fund.

"(4) The Director shall furnish such information to the Office of Personnel Management as the Office may determine to be necessary for the administration of this subsection.".

(B) CONFORMING AMENDMENT.—Section 8334(e) of title 5, United States Code, is amended in paragraphs (1) and (2) by striking "or (k)" each place that such term appears and inserting "(k), or (l)".

(b) FEDERAL EMPLOYEES RETIREMENT SYSTEM.—

(1) CREDITABLE SERVICE.—Section 8411 of title 5, United States Code, is amended—

(A) in subsection (b)(3), by striking "subsection (f)" and inserting "subsection (f) or (h)"; and

(B) by adding at the end the following new subsection:

"(h) An employee or Member shall be allowed credit for service as a volunteer or volunteer leader under part A of title VIII of the Economic Opportunity Act of 1964, or as a full-time volunteer enrolled in a program of at least 1 year in duration under part A, B, or C of title I of the Domestic Volunteer Service Act of 1973, performed at any time prior to the separation from service on which the entitlement to any annuity under this subchapter is based if the employee or Member has made a deposit with interest, if any, with respect to such service under section 8422(f).".

(2) DEDUCTIONS, CONTRIBUTIONS.—Section 8422 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(f)(1) Each employee or Member who has performed service as a volunteer or volunteer leader under part A of title VIII of the Economic Opportunity Act of 1964, or as a full-time volunteer enrolled in a program of at least 1 year in duration under part A, B, or C of title I of the Domestic Volunteer Service Act of 1973, before the date of the separation from service on which the entitlement to any annuity under this subchapter, or subchapter V of this chapter, is based may pay, in accordance with such regulations as the Office of Personnel Management shall issue, to the agency by which the employee is employed or, in the case of a Member or a congressional employee, to the Secretary of the Senate or the Clerk of the House of Representatives, as appropriate, an amount equal to 3 percent of the readjustment allowance paid to the employee or Member under title VIII of the Economic Opportunity Service Act of 1964 or title I of the Domestic Volunteer Service Act of 1973 for each period of service as such a volunteer or volunteer leader.

"(2) Any deposit made under paragraph (1) more than 2 years after the later of—

"(A) the date of enactment of this subsection, or

"(B) the date on which the employee or Member making the deposit first becomes an employee or Member,

shall include interest on such amount computed and compounded annually beginning on the date of the expiration of the 2-year period. The interest rate that is applicable in computing interest in any year under this paragraph shall be equal to the interest rate that is applicable for such year under section 8334(e).

"(3) Any payment received by an agency, the Secretary of the Senate, or the Clerk of the House of Representatives under this subsection shall be immediately remitted to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Fund.

"(4) The Director shall furnish such information to the Office of Personnel Management as the Office may determine to be necessary for the administration of this subsection.".

(c) APPLICABILITY AND OTHER PROVISIONS.—

(1) APPLICABILITY.—

(A) TIMING.—The amendments made by subsections (a) and (b) shall apply with respect to credit for service as a volunteer or volunteer leader under the Economic Opportunity Act of 1964 or the Domestic Volunteer Service Act of 1973 to individuals who are entitled to an annuity on the basis of a separation from service occurring before, on, or after the effective date of this Act.

(B) SEPARATION.—In the case of any individual whose entitlement to an annuity is based on a separation from service occurring before the date of enactment of this Act, any increase in such individual's annuity on the basis of a deposit made pursuant to section 8334(l) or section 8442(f) of title 5, United States Code, as amended by this Act, shall be effective only with respect to annuity payments payable for calendar months beginning after the date of enactment of this Act.

(2) ACTION TO INFORM INDIVIDUALS.—The Director of the Office of Personnel Management shall take such action as may be necessary and appropriate to inform individuals entitled to credit under this section for service as a volunteer or volunteer leader, or to have any annuity recomputed, or to make a deposit under this section, of such entitlement.

CHAPTER 4—AUTHORIZATION OF APPROPRIATIONS AND OTHER AMENDMENTS

SEC. 381. AUTHORIZATION OF APPROPRIATIONS FOR TITLE I.

Section 501 (42 U.S.C. 5081) is amended to read as follows:

"SEC. 501. NATIONAL VOLUNTEER ANTIPOVERTY PROGRAMS.

"(a) AUTHORIZATIONS.—

"(1) VOLUNTEERS IN SERVICE TO AMERICA.—There are authorized to be appropriated to carry out part A of title I, excluding sections 104(e) and 109, $45,800,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(2) SUMMER PROGRAM.—There are authorized to be appropriated to carry out section 104(e), such sums as may be necessary for each of the fiscal years 1994 through 1998.

"(3) LITERACY ACTIVITIES.—There are authorized to be appropriated to carry out section 109, $5,600,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(4) UNIVERSITY YEAR FOR VISTA.—There are authorized to be appropriated to carry out part B of title I, such sums as may be necessary for each of the fiscal years 1994 through 1998.

"(5) SPECIAL VOLUNTEER PROGRAMS.—There are authorized to be appropriated to carry out part C of title I, excluding section 125, such sums as may be necessary for each of the fiscal years 1994 through 1998.

"(6) LITERACY CHALLENGE GRANTS.—There are authorized to be appropriated to carry out section 125, such sums as may be necessary for each of the fiscal years 1994 through 1998.

"(b) SUBSISTENCE.—The minimum level of an allowance for subsistence required under section 105(b)(2), to be provided to each volunteer under title I, may not be reduced or limited in order to provide for an increase in the number of volunteer service years under part A of title I.

"(c) LIMITATION.—No part of the funds appropriated to carry out part A of title I may be used to provide volunteers or assistance to any program or project authorized under part B or C of title I, or under title II, unless the program or project meets the antipoverty criteria of part A of title I.

"(d) AVAILABILITY.—Amounts appropriated for part A of title I shall remain available for obligation until the end of the fiscal year following the fiscal year for which the amounts were appropriated.

"(e) VOLUNTEER SERVICE REQUIREMENT.—

"(1) VOLUNTEER SERVICE YEARS.—Of the amounts appropriated under this section for parts A, B, and C of title I, including section 125, there shall first be available for part A of title I, including sections 104(e) and 109, an amount not less than the amount necessary to provide 3,700 volunteer service years in fiscal year 1994, 4,000 volunteer service years in fiscal year 1995, 4,500 volunteer service years in fiscal year 1996, 5,500 volunteer service years in fiscal year 1997, and 7,500 volunteer service years in fiscal year 1998.

"(2) PLAN.—If the Director determines that funds appropriated to carry out part A, B, or C of title I are insufficient to provide for the years of volunteer service required by paragraph (1), the Director shall submit a plan to the relevant authorizing and appropriations committees of Congress that will detail what is necessary to fully meet this requirement.".

SEC. 382. AUTHORIZATION OF APPROPRIATIONS FOR TITLE II.

Section 502 (42 U.S.C. 5082) is amended to read as follows:

"SEC. 502. NATIONAL SENIOR VOLUNTEER CORPS.

"(a) RETIRED AND SENIOR VOLUNTEER PROGRAM.—There are authorized to be appropriated to carry out part A of title II, $37,054,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(b) FOSTER GRANDPARENT PROGRAM.—There are authorized to be appropriated to carry out part B of title II, $71,284,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(c) SENIOR COMPANION PROGRAM.—There are authorized to be appropriated to carry out part C of title II, $32,509,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(d) DEMONSTRATION PROGRAMS.—There are authorized to be appropriated to carry out part E of title II, such sums as may be necessary for each of the fiscal years 1994 through 1998.".

SEC. 383. AUTHORIZATION OF APPROPRIATIONS FOR TITLE IV.

Section 504 (42 U.S.C. 5084) is amended to read as follows:

"SEC. 504. ADMINISTRATION AND COORDINATION.

"(a) IN GENERAL.—For each of the fiscal years 1994 through 1998, there are authorized to be appropriated for the administration of this Act as provided for in title IV, 20 percent of the total amount appropriated under sections 501 and 502 with respect to such year.

"(b) EVALUATION AND CENTER FOR RESEARCH AND TRAINING.—For each of the fiscal years 1994 through 1998, the Director is authorized to expend not less than one-half of 1 percent, and not more than 1 percent, from the amounts appropriated under sections 501 and 502, for the purposes prescribed in sections 416 and 426.".

SEC. 384. CONFORMING AMENDMENTS; COMPENSATION FOR VISTA FECA CLAIMANTS.

Section 8143(b) of title 5, United States Code, is amended by striking "GS–7" and inserting "GS–5 of the General Schedule under section 5332 of title 5, United States Code".

SEC. 385. REPEAL OF AUTHORITY.

Title VII (42 U.S.C. 5091 et seq.) is repealed.

CHAPTER 5—GENERAL PROVISIONS

SEC. 391. TECHNICAL AND CONFORMING AMENDMENTS.

The Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.) is amended by striking "That this Act" and all that follows through the end of the table of contents and inserting the following:

"SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

"(a) SHORT TITLE.—This Act may be cited as the 'Domestic Volunteer Service Act of 1973'.

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

"Sec. 1. Short title; table of contents.
"Sec. 2. Volunteerism policy.

"TITLE I—NATIONAL VOLUNTEER ANTIPOVERTY PROGRAMS

"PART A—VOLUNTEERS IN SERVICE TO AMERICA

"Sec. 101. Statement of purpose.
"Sec. 102. Authority to operate VISTA program.
"Sec. 103. Selection and assignment of volunteers.

"Sec. 104. Terms and periods of service.
"Sec. 105. Support service.
"Sec. 106. Participation of beneficiaries.
"Sec. 107. Participation of younger and older persons.
"Sec. 108. Limitation.
"Sec. 109. VISTA Literacy Corps.
"Sec. 110. Applications for assistance.
"PART B—UNIVERSITY YEAR FOR VISTA
"Sec. 111. Statement of purpose.
"Sec. 112. Authority to operate University Year for VISTA program.
"Sec. 113. Special conditions.
"PART C—SPECIAL VOLUNTEER PROGRAMS
"Sec. 121. Statement of purpose.
"Sec. 122. Authority to establish and operate special volunteer and demonstration programs.
"Sec. 123. Technical and financial assistance for improvement of volunteer programs.
"Sec. 125. Literacy challenge grants.
"TITLE II—NATIONAL SENIOR VOLUNTEER CORPS
"Sec. 200. Statement of purposes.
"PART A—RETIRED AND SENIOR VOLUNTEER PROGRAM
"Sec. 201. Grants and contracts for volunteer service projects.
"PART B—FOSTER GRANDPARENT PROGRAM
"Sec. 211. Grants and contracts for volunteer service projects.
"PART C—SENIOR COMPANION PROGRAM
"Sec. 213. Grants and contracts for volunteer service projects.
"PART D—GENERAL PROVISIONS
"Sec. 221. Promotion of National Senior Volunteer Corps.
"Sec. 222. Payments.
"Sec. 223. Minority group participation.
"Sec. 224. Use of locally generated contributions in National Senior Volunteer Corps.
"Sec. 225. Programs of national significance.
"Sec. 226. Adjustments to Federal financial assistance.
"Sec. 227. Multiyear grants or contracts.
"PART E—DEMONSTRATION PROGRAMS
"Sec. 231. Authority of Director.
"Sec. 232. Prohibition.
"TITLE IV—ADMINISTRATION AND COORDINATION
"Sec. 403. Political activities.
"Sec. 404. Special limitations.
"Sec. 406. Labor standards.
"Sec. 408. Joint funding.
"Sec. 409. Prohibition of Federal control.
"Sec. 410. Coordination with other programs.
"Sec. 411. Prohibition.
"Sec. 412. Notice and hearing procedures for suspension and termination of financial assistance.
"Sec. 414. Distribution of benefits between rural and urban areas.
"Sec. 415. Application of Federal law.
"Sec. 416. Evaluation.
"Sec. 417. Nondiscrimination provisions.
"Sec. 418. Eligibility for other benefits.
"Sec. 419. Legal expenses.
"Sec. 421. Definitions.
"Sec. 422. Audit.
"Sec. 423. Reduction of paperwork.
"Sec. 424. Review of project renewals.
"Sec. 425. Protection against improper use.
"Sec. 426. Center for Research and Training.
"TITLE V—AUTHORIZATION OF APPROPRIATIONS
"Sec. 501. National volunteer antipoverty programs.
"Sec. 502. National Senior Volunteer Corps.
"Sec. 504. Administration and coordination.
"Sec. 505. Availability of appropriations.
"TITLE VI—AMENDMENTS TO OTHER LAWS AND REPEALERS
"Sec. 601. Supersedence of Reorganization Plan No. 1 of July 1, 1971.
"Sec. 602. Creditable service for civil service retirement.
"Sec. 603. Repeal of title VIII of the Economic Opportunity Act.
"Sec. 604. Repeal of title VI of the Older Americans Act.".

SEC. 392. EFFECTIVE DATE.

This subtitle shall become effective on October 1, 1993.

Subtitle C—Youth Conservation Corps Act of 1970

SEC. 399. PUBLIC LANDS CORPS.

Public Law 91–378 (16 U.S.C. 1701–1706; commonly known as the "Youth Conservation Corps Act of 1970") is amended—

(1) by inserting before section 1 the following:

"TITLE I—YOUTH CONSERVATION CORPS";

(2) by striking "Act" each place such term appears and inserting "title";

(3) by redesignating sections 1 through 6 as sections 101 through 106, respectively;

(4) in subsection (a) of section 102 (as redesignated by paragraph (3)), by inserting "in this title" after "hereinafter";

(5) in subsection (d) of section 104 (as redesignated by paragraph (3)), by striking "section 6" and inserting "section 106"; and

(6) by adding at the end the following new title:

"TITLE II—PUBLIC LANDS CORPS

"SEC. 201. SHORT TITLE.

"This title may be cited as the 'Public Lands Corps Act of 1993'.

"SEC. 202. CONGRESSIONAL FINDINGS AND PURPOSE.

"(a) FINDINGS.—The Congress finds the following:

"(1) Conserving or developing natural and cultural resources and enhancing and maintaining environmentally important lands and waters through the use of the Nation's young men and women in a Public Lands Corps can benefit those men and women by providing such men and women with education and work opportunities, furthering their understanding and appreciation of the natural and cultural resources, and providing a means to pay for higher education or to repay indebtedness such men and women have incurred to obtain higher education while at the same time benefiting the Nation's economy and environment.

"(2) Many facilities and natural resources located on public lands and on Indian lands are in disrepair or degraded and in need of labor intensive rehabilitation, restoration, and enhancement work that cannot be carried out by Federal agencies at existing personnel levels.

"(3) Youth conservation corps have established a good record of restoring and maintaining these kinds of facilities and resources in a cost effective and efficient manner, especially when the corps have worked in partnership arrangements with government land management agencies.

"(b) PURPOSE.—It is the purpose of this title to—

"(1) perform, in a cost-effective manner, appropriate conservation projects on public lands and Indian lands where such projects will not be performed by existing employees;

"(2) assist governments and Indian tribes in performing research and public education tasks associated with natural and cultural resources on public lands and Indian lands;

"(3) expose young men and women to public service while furthering their understanding and appreciation of the Nation's natural and cultural resources;

"(4) expand educational opportunities by rewarding individuals who participate in national service with an increased ability to pursue higher education or job training; and

"(5) stimulate interest among the Nation's young men and women in conservation careers by exposing such men and women to conservation professionals in land managing agencies.

"SEC. 203. DEFINITIONS.

"For purposes of this title:

"(1) APPROPRIATE CONSERVATION PROJECT.—The term 'appropriate conservation project' means any project for the conservation, restoration, construction, or rehabilitation of natural, cultural, historic, archaeological, recreational, or scenic resources.

"(2) CORPS AND PUBLIC LANDS CORPS.—The terms 'Corps' and 'Public Lands Corps' mean the Public Lands Corps established under section 204.

"(3) INDIAN TRIBE.—The term 'Indian tribe' means an Indian tribe, band, nation, or other organized group or community, including any Native village, Regional Corporation, or Village Corporation, as defined in subsection (c), (g), or (j), respectively, of section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602 (c), (g), or (j)), that is recognized as eligible for the special programs and services provided by the United States under Federal law to Indians because of their status as Indians.

"(4) INDIAN.—The term 'Indian' means a person who is a member of an Indian tribe.

"(5) INDIAN LANDS.—The term 'Indian lands' means—

"(A) any Indian reservation;

"(B) any public domain Indian allotments;

"(C) any former Indian reservation in the State of Oklahoma;

"(D) any land held by incorporated Native groups, regional corporations, and village corporations under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.); and

"(E) any land held by dependent Indian communities within the borders of the United States whether within the original or subsequently acquired territory thereof, and whether within or without the limits of a State.

"(6) PUBLIC LANDS.—The term 'public lands' means any lands or waters (or interest therein) owned or administered by the United States, except that such term does not include any Indian lands.

"(7) QUALIFIED YOUTH OR CONSERVATION CORPS.—The term 'qualified youth or conservation corps' means any program established by a State or local government, by the governing body of any Indian tribe, or by a nonprofit organization, that—

"(A) is capable of offering meaningful, full-time, productive work for individuals between the ages of 16 and 25, inclusive, in a natural or cultural resource setting;

"(B) gives participants a mix of work experience, basic and life skills, education, training, and support services; and

"(C) provides participants with the opportunity to develop citizenship values and skills through service to their community and the United States.

"(8) RESOURCE ASSISTANT.—The term 'resource assistant' means a resource assistant selected under section 206.

"(9) STATE.—The term 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

"SEC. 204. PUBLIC LANDS CORPS PROGRAM.

"(a) ESTABLISHMENT OF PUBLIC LANDS CORPS.—There is hereby established in the Department of the Interior and the Department of Agriculture a Public Lands Corps.

"(b) PARTICIPANTS.—The Corps shall consist of individuals between the ages of 16 and 25, inclusive, who are enrolled as participants in the Corps by the Secretary of the Interior or the Secretary of Agriculture. To be eligible for enrollment in the Corps, an individual shall satisfy the criteria specified in section 137(b) of the National and Community Service Act of 1990. The Secretaries may enroll such individuals in the Corps 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. The Secretaries may establish a preference for the enrollment in the Corps of individuals who are economically, physically, or educationally disadvantaged.

"(c) QUALIFIED YOUTH OR CONSERVATION CORPS.—The Secretary of the Interior and the Secretary of Agriculture are authorized to enter into contracts and cooperative agreements with any qualified youth or conservation corps to perform appropriate conservation projects referred to in subsection (d).

"(d) PROJECTS TO BE CARRIED OUT.—The Secretary of the Interior and the Secretary of Agriculture may each utilize the Corps or any qualified youth or conservation corps to carry out appropriate conservation projects that such Secretary is authorized to carry out under other authority of law on public lands. Appropriate conservation projects may also be carried out under this title on Indian lands with the approval of the Indian tribe involved.

"(e) PREFERENCE FOR CERTAIN PROJECTS.—In selecting appropriate conservation projects to be carried out under this title, the Secretary of the Interior and the Secretary of Agriculture shall give preference to those projects that—

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

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

"(3) will be labor intensive;

"(4) can be planned and initiated promptly; and

"(5) will provide academic, experiential, or environmental education opportunities.

"(f) CONSISTENCY.—Each appropriate conservation project carried out under this title on any public lands or Indian lands shall be consistent with the provisions of law and policies relating to the management and administration of such lands, with all other applicable provisions of law, and with all management, operational, and other plans and documents that govern the administration of the area.

"SEC. 205. CONSERVATION CENTERS.

"(a) ESTABLISHMENT AND USE.—The Secretary of the Interior and the Secretary of Agriculture are each authorized to provide such quarters, board, medical care, transportation, and other services, facilities, supplies, and equipment as such Secretary determines to be necessary in connection with the Public Lands Corps and appropriate conservation projects carried out under this title and to establish and use conservation centers owned and operated by such Secretary for purposes of the Corps and such projects. The Secretaries shall establish basic standards of health, nutrition, sanitation, and safety for all conservation centers established under this section and shall assure that such standards are enforced. Where necessary or appropriate, the Secretaries may enter into contracts and other appropriate arrangements with State and local government agencies and private organizations for the management of such conservation centers.

"(b) LOGISTICAL SUPPORT.—The Secretary of the Interior and the Secretary of Agriculture may make arrangements with the Secretary of Defense to have logistical support provided by the Armed Forces to the Corps and any conservation center established under this section, where feasible. Logistical support may include the provision of temporary tent shelters where needed, transportation, and residential supervision.

"(c) USE OF MILITARY INSTALLATIONS.—The Secretary of the Interior and the Secretary of Agriculture may make arrangements with the Secretary of Defense to identify military installations and other facilities of the Department of Defense and, in consultation with the adjutant generals of the State National Guards, National Guard facilities that may be used, in whole or in part, by the Corps for training or housing Corps participants.

"SEC. 206. RESOURCE ASSISTANTS.

"(a) AUTHORIZATION.—The Secretary of the Interior and the Secretary of Agriculture are each authorized to provide individual placements of resource assistants with any Federal land managing agency under the jurisdiction of such Secretary to carry out research or resource protection activities on behalf of the agency. To be eligible for selection as a resource assistant, an individual shall be at least 17 years of age. The Secretaries may select resource assistants 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. The Secretaries shall give a preference to the selection of individuals who are enrolled in an institution of higher education or are recent graduates from an institution of higher education, as defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)) with particular attention given to ensure the full representation of women and participants from historically black, Hispanic, and Native American schools.

"(b) USE OF EXISTING NONPROFIT ORGANIZATIONS.—Whenever one or more existing nonprofit organizations can provide, in the judgment of the Secretary of the Interior or the Secretary of Agriculture, appropriate recruitment and placement services to fulfill the requirements of this section, the Secretary may implement this section through such existing organizations. Participating nonprofit organizations shall contribute to the expenses of providing and supporting the resource assistants, through private sources of funding, at a level equal to 25 percent of the total costs of each participant in the Resource Assistant program who has been recruited and placed through that organization. Any such participating nonprofit conservation service organization shall be required, by the respective land managing agency, to submit an annual report evaluating the scope, size, and quality of the program, including the value of work contributed by the Resource Assistants, to the mission of the agency.

"SEC. 207. LIVING ALLOWANCES AND TERMS OF SERVICE.

"(a) LIVING ALLOWANCES.—The Secretary of the Interior and the Secretary of Agriculture shall provide each participant in the Public Lands Corps and each resource assistant with a living allowance in an amount not to exceed the maximum living allowance authorized by section 140(a)(3) of the National and Community Service Act of 1990 for participants in a national service program assisted under subtitle C of title I of such Act.

"(b) TERMS OF SERVICE.—Each participant in the Corps and each resource assistant shall agree to participate in the Corps or serve as a resource assistant, as the case may be, for such term of service as may be established by the Secretary enrolling or selecting the individual.

"SEC. 208. NATIONAL SERVICE EDUCATIONAL AWARDS.

"(a) EDUCATIONAL BENEFITS AND AWARDS.—If a participant in the Public Lands Corps or a resource assistant also serves in an approved national service position designated under subtitle C of title I of the National and Community Service Act of 1990, the participant or resource assistant shall be eligible for a national service educational award in the manner prescribed in subtitle D of such title upon successfully complying with the requirements for the award. The period during which the national service educational award may be used, the purposes for which the award may be used, and the amount of the award shall be determined as provided under such subtitle.

"(b) FORBEARANCE IN THE COLLECTION OF STAFFORD LOANS.—For purposes of section 428 of the Higher Education Act of 1965, in the case of borrowers who are either participants in the Corps or resource assistants, upon written request, a lender shall grant a borrower forbearance on such terms as are otherwise consistent with the regulations of the Secretary of Education, during periods in which the borrower is serving as such a participant or a resource assistant.

"SEC. 209. NONDISPLACEMENT.

"The nondisplacement requirements of section 177 of the National and Community Service Act of 1990 shall be applicable to all activities carried out by the Public Lands Corps, to all activities carried out under this title by a qualified youth or conservation corps, and to the selection and service of resource assistants.

"SEC. 210. FUNDING.

"(a) COST SHARING.—

"(1) PROJECTS BY QUALIFIED YOUTH OR CONSERVATION CORPS.—The Secretary of the Interior and the Secretary of Agriculture are each authorized to pay not more than 75 percent, and shall collectively pay 75 percent, of the costs of any appropriate conservation project carried out pursuant to this title on public lands by a qualified youth or conservation corps. The remaining 25 percent of the costs of such a project may be provided from non-Federal sources in the form of funds, services, facilities, materials, equipment, or any combination of the foregoing. No cost sharing shall be required in the case of any appropriate conservation project carried out on Indian lands under this title.

"(2) PUBLIC LANDS CORPS PROJECTS.—The Secretary of the Interior and the Secretary of Agriculture are each authorized to accept donations of funds, services, facilities, materials, or equipment for the purposes of operating the Public Lands Corps and carrying out appropriate conservation projects by the Corps. The Department of Agriculture and the Department of the Interior shall comply with the Federal share requirements of section 129(d)(2)(B) of the National and Community Service Act of 1990.

"(b) FUNDS AVAILABLE UNDER NATIONAL AND COMMUNITY SERVICE ACT.—In order to carry out the Public Lands Corps or to support resource assistants and qualified youth or conservation corps under this title, the Secretary of the Interior and the Secretary of Agriculture shall be eligible to apply for and receive assistance described in section 121(b) of the National and Community Service Act of 1990, from funds available under section 129(d)(2).".

TITLE IV—TECHNICAL AND CONFORMING AMENDMENTS

SEC. 401. DEFINITION OF DIRECTOR.

Section 421 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5061) is amended by striking paragraph (1) and inserting the following new paragraph:

"(1) the term 'Director' means the President of the Corporation for National and Community

Service appointed under section 193 of the National and Community Service Act of 1990;".

SEC. 402. REFERENCES TO ACTION AND THE ACTION AGENCY.

(a) DOMESTIC VOLUNTEER SERVICE ACT OF 1973.—

(1) Section 2(b) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950(b)) is amended—

(A) by striking "ACTION, the Federal domestic volunteer agency," and inserting "this Act"; and

(B) by striking "ACTION" and inserting "the Corporation for National and Community Service".

(2) Section 125(b) of such Act (42 U.S.C. 4995(b)) is amended by striking "the ACTION Agency" and inserting "the Corporation".

(3) Section 225(e) of such Act (42 U.S.C. 5025(e)) is amended by striking "the ACTION Agency" and inserting "the Corporation".

(4) Section 403(a) of such Act (42 U.S.C. 5043(a) is amended—

(A) by striking "the ACTION Agency" the first place such term appears and inserting "the Corporation under this Act"; and

(B) by striking "the ACTION Agency" the second place such term appears and inserting "the Corporation".

(5) Section 408 of such Act (42 U.S.C. 5048) is amended by striking "the ACTION Agency" and inserting "the Corporation".

(6) Section 421(12) of such Act (as added by section 403 of this Act) is further amended by striking "ACTION" and inserting "the Corporation".

(7) Section 425 of such Act (as added by section 370 of this Act) is further amended by striking "ACTION" and inserting "the Corporation".

(b) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8332(j)(1) of title 5, United States Code (as amended by section 372(a)(1)(A)(iii)(II) of this Act) is amended by striking "the Director of ACTION" and inserting "the President of the Corporation for National and Community Service".

(c) INSPECTOR GENERAL.—

(1) TERMINATION OF STATUS AS DESIGNATED FEDERAL ENTITY.—Section 8E(a)(2) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking "ACTION,".

(2) TRANSFER.—Section 9(a)(1) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(A) in subparagraph (T), by striking "and" at the end; and

(B) by adding at the end the following:

"(V) of the Corporation for National and Community Service, the Office of Inspector General of ACTION; and".

(d) PUBLIC HOUSING SECURITY.—Section 207(c) of the Public Housing Security Demonstration Act of 1978 (Public Law 95–557; 92 Stat. 2093; 12 U.S.C. 1701z–6 note) is amended—

(1) in paragraph (3)(ii), by striking "ACTION" and inserting "the Corporation for National and Community Service"; and

(2) in paragraph (4), by striking "ACTION" and inserting "the Corporation for National and Community Service".

(e) NATIONAL FOREST VOLUNTEERS.—Section 1 of the Volunteers in the National Forests Act of 1972 (16 U.S.C. 558a) is amended by striking "ACTION" and inserting "the Corporation for National and Community Service".

(f) PEACE CORPS.—Section 2A of the Peace Corps Act (22 U.S.C. 2501–1) is amended by inserting after "the ACTION Agency" the following: ", the successor to the ACTION Agency,".

(g) INDIAN ECONOMIC DEVELOPMENT.—Section 502 of the Indian Financing Act of 1974 (25 U.S.C. 1542) is amended by striking "ACTION Agency" and inserting "the Corporation for National and Community Service".

(h) OLDER AMERICANS.—The Older Americans Act of 1965 is amended—

(1) in section 202(c)(1) (42 U.S.C. 3012(c)(1)), by striking "the Director of the ACTION Agency" and inserting "the Corporation for National and Community Service";

(2) in section 203(a)(1) (42 U.S.C. 3013(a)(1)), by striking "the ACTION Agency" and inserting "the Corporation for National and Community Service"; and

(3) in section 422(b)(12)(C) (42 U.S.C. 3035a(b)(12)(C)), by striking "the ACTION Agency" and inserting "the Corporation for National and Community Service".

(i) VISTA SERVICE EXTENSION.—Section 101(c)(1) of the Domestic Volunteer Service Act Amendments of 1989 (Public Law 101–204; 103 Stat. 1810; 42 U.S.C. 4954 note) is amended by striking "Director of the ACTION Agency" and inserting "President of the Corporation for National and Community Service".

(j) AGING RESOURCE SPECIALISTS.—Section 205(c) of the Older Americans Amendments of 1975 (Public Law 94–135; 89 Stat. 727; 42 U.S.C. 5001 note) is amended—

(1) in paragraph (1)—

(A) by striking "the ACTION Agency," and inserting "the Corporation for National and Community Service,"; and

(B) by striking "the Director of the ACTION Agency" and inserting "the President of the Corporation";

(2) in paragraph (2)(A), by striking "ACTION Agency" and inserting "Corporation"; and

(3) in paragraph (3), by striking subparagraph (A) and inserting the following new subparagraph:

"(A) the term 'Corporation' means the Corporation for National and Community Service established by section 191 of the National and Community Service Act of 1990.".

(k) PROMOTION OF PHOTOVOLTAIC ENERGY.—Section 11(a) of the Solar Photovoltaic Energy Research, Development, and Demonstration Act of 1978 (42 U.S.C. 5590) is amended by striking "the Director of ACTION,".

(l) COORDINATING COUNCIL ON JUVENILE JUSTICE.—Section 206(a)(1) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5616(a)(1)) is amended by striking "the Director of the ACTION Agency" and inserting "the President of the Corporation for National and Community Service".

(m) ENERGY CONSERVATION.—Section 413(b)(1) of the Energy Conservation and Production Act (42 U.S.C. 6863(b)(1)) is amended by striking "the Director of the ACTION Agency,".

(n) INTERAGENCY COUNCIL ON THE HOMELESS.—Section 202(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11312(a)) is amended by striking paragraph (12) and inserting the following new paragraph:

"(12) The President of the Corporation for National and Community Service, or the designee of the President.".

(o) ANTI-DRUG ABUSE.—Section 3601 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11851) is amended by striking paragraph (5) and inserting the following new paragraph:

"(5) the term 'Director' means the President of the Corporation for National and Community Service,".

(p) ADMINISTRATION ON CHILDREN, YOUTH, AND FAMILIES.—Section 916(b) of the Claude Pepper Young Americans Act of 1990 (42 U.S.C. 12312(b)) is amended by striking "the Director of the ACTION Agency" and inserting "the President of the Corporation for National and Community Service".

SEC. 403. DEFINITIONS.

Section 421 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5061) is amended—

(1) by striking "and" at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(8) the term 'Corporation' means the Corporation for National and Community Service established under section 191 of the National and Community Service Act of 1990;

"(9) the term 'foster grandparent' means a volunteer in the Foster Grandparent Program;

"(10) the term 'Foster Grandparent Program' means the program established under part B of title II;

"(11) except as provided in section 417, the term 'individual with a disability' has the meaning given the term in section 7(8) of the Rehabilitation Act of 1973 (29 U.S.C. 706(8));

"(12) the term 'Inspector General' means the Inspector General of ACTION;

"(13) the term 'national senior volunteer' means a volunteer in the National Senior Volunteer Corps;

"(14) the term 'National Senior Volunteer Corps' means the programs established under parts A, B, C, and E of title II;

"(15) the term 'Retired and Senior Volunteer Program' means the program established under part A of title II;

"(16) the term 'retired or senior volunteer' means a volunteer in the Retired and Senior Volunteer Program;

"(17) the term 'senior companion' means a volunteer in the Senior Companion Program;

"(18) the term 'Senior Companion Program' means the program established under part C of title II;

"(19) the terms 'VISTA' and 'Volunteers in Service to America' mean the program established under part A of title I; and

"(20) the term 'VISTA volunteer' means a volunteer in VISTA.".

SEC. 404. REFERENCES TO THE COMMISSION ON NATIONAL AND COMMUNITY SERVICE.

(a) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993.—

(1) Section 1092(b) of the National Defense Authorization Act for Fiscal Year 1993 (42 U.S.C. 12653a note) is amended—

(A) in paragraph (1)—

(i) by striking "Commission on National Community Service" and inserting "Corporation for National and Community Service"; and

(ii) by striking "Commission shall prepare" and inserting "Board of Directors of the Corporation shall prepare"; and

(B) in paragraph (2), by striking "Board of Directors of the Commission on National and Community Service" and inserting "Board of Directors of the Corporation for National and Community Service".

(2) Section 1093(a) of such Act (42 U.S.C. 12653a note) is amended by striking "the Board of Directors and Executive Director of the Commission on National and Community Service" and inserting "the Board of Directors and President of the Corporation for National and Community Service".

(3) Section 1094 of such Act (Public Law 102–484; 106 Stat. 2535) is amended—

(A) in the title, by striking "***COMMISSION ON NATIONAL AND COMMUNITY SERVICE***" and inserting "***CORPORATION FOR NATIONAL AND COMMUNITY SERVICE***";

(B) in subsection (a)—

(i) in the heading, by striking "COMMISSION" and inserting "CORPORATION";

(ii) in the first sentence, by striking "Commission on National and Community Service" and inserting "Corporation for National and Community Service"; and

(iii) in the second sentence, by striking "The Commission" and inserting "The President of the Corporation"; and

(C) in subsection (b)—

(i) in paragraph (1), by striking "Board of Directors of the Commission on National and Community Service" and inserting "President of the Corporation for National and Community Service"; and

(ii) in paragraph (2), by striking "the Commission" and inserting "the President of the Corporation for National and Community Service".

(4) Section 1095 of such Act (Public Law 102–484; 106 Stat. 2535) is amended in the heading for subsection (b) by striking "COMMISSION ON NATIONAL AND COMMUNITY SERVICE" and inserting "CORPORATION FOR NATIONAL AND COMMUNITY SERVICE".

(5) Section 2(b) of such Act (Public Law 102–484; 106 Stat. 2315) is amended by striking the item relating to section 1094 of such Act and inserting the following:

"Sec. 1094. Other programs of the Corporation for National and Community Service.".

(b) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—

(1) Sections 159(b)(2) (as redesignated in section 104(b)(3) of this Act) and 165 (as redesignated in section 104(b)(3) of this Act), subsections (a) and (b) of section 172, sections 176(a) and 177(c), and subsections (a), (b), and (d) through (h) of section 179, of the National and Community Service Act of 1990 (42 U.S.C. 12653h(b)(2), 12653n, 12632 (a) and (b), 12636(a), 12637(c), and 12639 (a), (b), and (d) through (h)) are each amended by striking the term "Commission" each place the term appears and inserting "Corporation".

(2) Sections 152, 157(b)(2), 159(b), 162(a)(2)(C), 164, and 166(1) of such Act (in each case, as redesignated in section 104(b)(3) of this Act) (42 U.S.C. 12653a, 12653f(b)(2), 12653h(b), 12653k(a)(2)(C), 12653m, and 12653o(1)) are each amended by striking "Commission on National and Community Service" and inserting "Corporation".

(3) Section 163(b)(9) of such Act (as redesignated in section 104(b)(3) of this Act) (42 U.S.C. 12635l(b)(9)) is amended by striking "Chair of the Commission on National and Community Service" and inserting "President".

(4) Section 303(a) of such Act (42 U.S.C. 12662(a)) is amended—

(A) by striking "The President" and inserting "The President of the United States, acting through the Corporation,";

(B) by inserting "in furtherance of activities under section 302" after "section 501(b)"; and

(C) by striking "the President" both places it appears and inserting "the Corporation".

SEC. 405. REFERENCES TO DIRECTORS OF THE COMMISSION ON NATIONAL AND COMMUNITY SERVICE.

(a) PRESIDENT.—

(1) Section 159(a) of such Act (as redesignated in section 104(b)(3) of this Act) (42 U.S.C. 12653h(b)) is amended—

(A) by striking "BOARD.—The Board" and inserting "SUPERVISION.—The President";

(B) by striking "the Board" in the matter preceding the paragraphs and in paragraph (1) and inserting "the President"; and

(C) by striking "the Director" in paragraph (1) and inserting "the Board".

(2) Section 159(b) of such Act (as redesignated in section 104(b)(3) of this Act) (42 U.S.C. 12653h(b)) is amended by striking "(b)" and all that follows through "Commission on National and Community Service" and inserting "(b) MONITORING AND COORDINATION.—The President".

(3) Section 159(c)(1) (as redesignated in section 104(b)(3) of this Act) (12653h(c)(1)) is amended—

(A) in subparagraph (A), by striking "the Board, in consultation with the Executive Director," and inserting "President"; and

(B) in subparagraph (B)(iii), by striking "the Board through the Executive Director" and inserting "the President".

(4) Section 166(6) (as redesignated in section 104(b)(3) of this Act) (42 U.S.C. 12653o(6)) is amended—

(A) by striking paragraph (6); and

(B) by redesignating paragraphs (7) through (11) as paragraphs (6) through (10), respectively.

(b) DIRECTOR OF CIVILIAN COMMUNITY CORPS.—Sections 155(a), 157(b)(1)(A), 158(a), 159(c)(1)(A), and 163(a) (in each case, as redesignated in section 104(b)(3) of this Act) of the National and Community Service Act of 1990 (42 U.S.C. 12653d(a), 12653f(b)(1)(A), 12653g(a), 12653h(c)(1)(A), and 12653l(a)) are amended by striking "Director of Civilian Community Corps" each place the term appears and inserting "Director".

SEC. 406. EFFECTIVE DATE.

(a) ACTION.—The amendments made by sections 401 and 402 shall take effect on the effective date of section 203(c)(2).

(b) COMMISSION.—The amendments made by sections 403 through 405 will take effect on October 1, 1993.

Mr. WOFFORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

COMMITTEE SUBSTITUTE AMENDMENT, AS MODIFIED

Mr. WOFFORD. Mr. President, I am authorized by a majority of the Committee on Labor and Human Resources to modify the committee substitute, and I now send that modification to the desk.

The PRESIDING OFFICER. The committee substitute is so modified.

The amendment, with its modification, is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "National and Community Service Trust Act of 1993".

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

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purpose.

TITLE I—PROGRAMS AND RELATED PROVISIONS

Subtitle A—Programs

Sec. 101. Federal investment in support of national service.
Sec. 102. National Service Trust and provision of national service educational awards.
Sec. 103. School-based and community-based service-learning programs.
Sec. 104. Quality and innovation activities.

Subtitle B—Related Provisions

Sec. 111. Definitions.
Sec. 112. Authority to make State grants.
Sec. 113. Family and medical leave.
Sec. 114. Reports.
Sec. 115. Nondiscrimination.
Sec. 116. Notice, hearing, and grievance procedures.
Sec. 117. Nondisplacement.
Sec. 118. Evaluation.
Sec. 119. Engagement of participants.
Sec. 120. Contingent extension.
Sec. 121. Audits.
Sec. 122. Repeals.
Sec. 123. Effective date.

TITLE II—ORGANIZATION

Sec. 201. State Commissions on National and Community Service.
Sec. 202. Interim authorities of the Corporation for National and Community Service and ACTION Agency.
Sec. 203. Final authorities of the Corporation for National and Community Service.

TITLE III—REAUTHORIZATION

Subtitle A—National and Community Service Act of 1990

Sec. 301. Authorization of appropriations.

Subtitle B—Domestic Volunteer Service Act of 1973

Sec. 311. Short title; references.

CHAPTER 1—VISTA AND OTHER ANTI-POVERTY PROGRAMS

Sec. 321. Purpose of the VISTA program.
Sec. 322. Selection and assignment of VISTA volunteers.
Sec. 323. Terms and periods of service.
Sec. 324. Support for VISTA volunteers.
Sec. 325. Participation of younger and older persons.
Sec. 326. Literacy activities.
Sec. 327. Applications for assistance.
Sec. 328. Repeal of authority for student community service programs.
Sec. 329. University year for VISTA.
Sec. 330. Authority to establish and operate special volunteer and demonstration programs.
Sec. 331. Technical and financial assistance.
Sec. 332. Elimination of separate authority for drug abuse programs.

CHAPTER 2—NATIONAL SENIOR VOLUNTEER CORPS

Sec. 341. National Senior Volunteer Corps.
Sec. 342. The Retired and Senior Volunteer Program.
Sec. 343. Operation of the Retired and Senior Volunteer Program.
Sec. 344. Services under the Foster Grandparent Program.
Sec. 345. Stipends for low-income volunteers.
Sec. 346. Participation of non-low-income persons under parts B and C.
Sec. 347. Conditions of grants and contracts.
Sec. 348. Evaluation of the Senior Companion Program.
Sec. 349. Agreements with other Federal agencies.
Sec. 350. Programs of national significance.
Sec. 351. Adjustments to Federal financial assistance.
Sec. 352. Demonstration programs.

CHAPTER 3—ADMINISTRATION

Sec. 361. Purpose of agency.
Sec. 362. Authority of the Director.
Sec. 363. Compensation for volunteers.
Sec. 364. Repeal of report.
Sec. 365. Application of Federal law.
Sec. 366. Evaluation of programs.
Sec. 367. Nondiscrimination provisions.
Sec. 368. Elimination of separate requirements for setting regulations.
Sec. 369. Clarification of role of Inspector General.
Sec. 370. Copyright protection.
Sec. 371. Center for research and training.
Sec. 372. Deposit requirement credit for service as a volunteer.

CHAPTER 4—AUTHORIZATION OF APPROPRIATIONS AND OTHER AMENDMENTS

Sec. 381. Authorization of appropriations for title I.
Sec. 382. Authorization of appropriations for title II.
Sec. 383. Authorization of appropriations for title IV.
Sec. 384. Conforming amendments; compensation for VISTA FECA claimants.
Sec. 385. Repeal of authority.

CHAPTER 5—GENERAL PROVISIONS
Sec. 391. Technical and conforming amendments.
Sec. 392. Effective date.
Subtitle C—Youth Conservation Corps Act of 1970
Sec. 399. Public Lands Corps.
TITLE IV—TECHNICAL AND CONFORMING AMENDMENTS
Sec. 401. Definitions.
Sec. 402. References to the Commission on National and Community Service.
Sec. 403. References to Directors of the Commission on National and Community Service.
Sec. 404. Definition of Director.
Sec. 405. References to ACTION and the ACTION Agency.
Sec. 406. Effective date.

SEC. 2. FINDINGS AND PURPOSE.

(a) IN GENERAL.—Section 2 of the National and Community Service Act of 1990 (42 U.S.C. 12501) is amended to read as follows:

"SEC. 2. FINDINGS AND PURPOSE.

"(a) FINDINGS.—The Congress finds the following:

"(1) Throughout the United States, there are pressing unmet human, educational, environmental, and public safety needs.

"(2) Americans desire to affirm common responsibilities and shared values, and join together in positive experiences, that transcend race, religion, gender, age, disability, region, income, and education.

"(3) The rising costs of postsecondary education are putting higher education out of reach for an increasing number of citizens.

"(4) Americans of all ages can improve their communities and become better citizens through service to the United States.

"(5) Nonprofit organizations, local governments, States, and the Federal Government are already supporting a wide variety of national service programs that deliver needed services in a cost-effective manner.

"(6) Residents of low-income communities, especially youth and young adults, can be empowered through their service, and can help provide future community leadership.

"(b) PURPOSES.—It is the purpose of this Act to—

"(1) meet the unmet human, educational, environmental, and public safety needs of the United States, without displacing existing workers;

"(2) renew the ethic of civic responsibility and the spirit of community throughout the United States;

"(3) expand educational opportunity by rewarding individuals who participate in national service with an increased ability to pursue higher education or job training;

"(4) encourage citizens of the United States, regardless of race, religion, gender, age, disability, region, income, or education, to engage in full-time or part-time national service;

"(5) reinvent government to eliminate duplication in national service programs, support locally established service initiatives, encourage private sector investment and involvement in national service programs, and require measurable goals for performance in such programs and offer flexibility in meeting those goals;

"(6) empower residents of low-income communities, especially youth and young adults, through their service, and help provide future community leadership;

"(7) build on the existing organizational service infrastructure of Federal, State, and local programs and agencies to expand full-time and part-time service opportunities for all citizens;

"(8) provide tangible benefits to the communities in which national service is performed;

"(9) build ties among Americans that transcend race, religion, gender, age, disability, region, income, and education;

"(10) encourage educational reform by introducing service-learning into curricula in elementary schools, secondary schools, and institutions of higher education; and

"(11) enable service participants to gain personal, academic, and occupational skills through service-learning experiences.".

(b) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101-610; 104 Stat. 3127) is amended by striking the item relating to section 2 and inserting the following new item:

"Sec. 2. Findings and purpose.".

TITLE I—PROGRAMS AND RELATED PROVISIONS

Subtitle A—Programs

SEC. 101. FEDERAL INVESTMENT IN SUPPORT OF NATIONAL SERVICE.

(a) ASSISTANCE PROGRAM AUTHORIZED.—Subtitle C of title I of the National and Community Service Act of 1990 (42 U.S.C. 12541 et seq.) is amended to read as follows:

"Subtitle C—National Service Trust Program

"PART I—INVESTMENT IN NATIONAL SERVICE

"SEC. 121. AUTHORITY TO PROVIDE ASSISTANCE AND APPROVED NATIONAL SERVICE POSITIONS.

"(a) PROVISION OF ASSISTANCE.—The Corporation may make grants to States, subdivisions of States, Indian tribes, public and private not-for-profit organizations (including labor organizations and community action agencies), and institutions of higher education for the purpose of assisting the recipients of the grants by paying for the Federal share of—

"(1) carrying out full- or part-time national service programs, including summer programs, described in section 122(a); and

"(2) making grants in support of other national service programs described in section 122(a) that are carried out by other entities.

"(b) AGREEMENTS WITH FEDERAL AGENCIES.—

"(1) IN GENERAL.—The Corporation may enter into a contract or cooperative agreement with another Federal agency to support a national service program carried out by the agency. The support provided by the Corporation pursuant to the contract or cooperative agreement may include the transfer to the Federal agency of funds available to the Corporation under this subtitle.

"(2) NONDUPLICATION.—A Federal agency that enters into a contract or cooperative agreement under paragraph (1) to support a national service program within a State—

"(A) shall consult with the State Commission serving the State to avoid duplication with any service program that is in existence in the State as of the date of the contract or cooperative agreement; and

"(B) shall, in an appropriate case, enter into a contract or cooperative agreement with an entity that is carrying out a service program described in subparagraph (A) that is of high quality, in order to support the national service program.

"(3) APPLICATION OF REQUIREMENTS.—A Federal agency receiving assistance under this subsection shall comply with the Federal share requirements of section 129(d)(2)(B). The supplementation requirements specified in section 173 shall apply with respect to the Federal national service programs supported with such assistance.

"(c) PROVISION OF APPROVED NATIONAL SERVICE POSITIONS.—As part of the provision of assistance under subsections (a) and (b), the Corporation shall—

"(1) approve the provision of national service educational awards described in subtitle D for the participants who serve in national service programs carried out using such assistance; and

"(2) deposit in the National Service Trust established in section 145(a) an amount equal to the product of—

"(A) the value of a national service educational award under section 147; and

"(B) the total number of approved national service positions to be provided.

"(d) FIVE PERCENT LIMITATION ON ADMINISTRATIVE COSTS.—

"(1) LIMITATION.—Not more than 5 percent of the amount of assistance provided to the original recipient of a grant or transfer of assistance under subsection (a) or (b) for a fiscal year may be used to pay for administrative costs (including indirect costs) incurred by—

"(A) the recipient of the assistance; and

"(B) national service programs carried out or supported with the assistance.

"(2) RULES ON USE.—The Corporation may by rule prescribe the manner and extent to which—

"(A) assistance provided under subsection (a) or (b) may be used to cover administrative costs; and

"(B) that portion of the assistance available to cover administrative costs should be distributed between—

"(i) the original recipient of the grant or transfer of assistance under such subsection; and

"(ii) national service programs carried out or supported with the assistance.

"(e) MATCHING FUNDS REQUIREMENTS.—

"(1) REQUIREMENTS.—Except as provided in sections 129(d)(2)(B) and 140, the Federal share of the cost of carrying out a national service program that receives the assistance under subsection (a), whether the assistance is provided directly or as a subgrant from the original recipient of the assistance, may not exceed 75 percent of such cost.

"(2) CALCULATION.—

"(A) IN GENERAL.—In providing for the remaining share of the cost of carrying out a national service program, the program—

"(i) shall provide for such share through a payment in cash or in kind, fairly evaluated, including facilities, equipment, or services; and

"(ii) may provide for such share through State sources, local sources, or other Federal sources (other than the use of funds made available under the national service laws).

"(B) COST OF HEALTH CARE.—In providing for such remaining share through a payment in cash, a national service program may count not more than 85 percent of the cost of providing health care policy described in section 140(d)(2) toward such share.

"(3) WAIVER.—The Corporation may waive in whole or in part the requirements of paragraph (1) with respect to a national service program in any fiscal year if the Corporation determines that such a waiver would be equitable due to a lack of available financial resources at the local level.

"SEC. 122. TYPES OF NATIONAL SERVICE PROGRAMS ELIGIBLE FOR PROGRAM ASSISTANCE.

"(a) ELIGIBLE NATIONAL SERVICE PROGRAMS.—The recipient of a grant under section 121(a) and each Federal agency receiving

assistance under section 121(b) shall use the assistance, directly or through subgrants to other entities, to carry out full- or part-time national service programs, including summer programs, that address unmet human, educational, environmental, or public safety needs. Subject to subsection (b)(1), these national service programs may include the following types of national service programs:

"(1) A community corps program that meets unmet human, educational, environmental, or public safety needs and promotes greater community unity through the use of organized teams of participants of varied social and economic backgrounds, skill levels, capabilities, ages, ethnic backgrounds, or genders.

"(2) A full-time youth corps program, carried out during the summer or throughout the full calendar year, such as a conservation corps or youth service corps (including a conservation corps or youth service corps that performs service on Federal or other public lands or on Indian lands), that—

"(A) undertakes meaningful service projects with visible benefits to a community, including natural resource, urban renovation, rural development, or human services projects;

"(B) includes as participants youths and young adults between the ages of 16 and 25, inclusive, including out-of-school youths, other economically disadvantaged youths, and individuals with disabilities, who are between those ages; and

"(C) provides those participants who are youths and young adults with—

"(i) crew-based, highly structured, and adult-supervised work experience, life skills, education, career guidance and counseling, employment training, and support services; and

"(ii) the opportunity to develop citizenship values and skills through service to their community and the United States.

"(3) A program that provides specialized training to individuals in service-learning and places the individuals after such training in positions, including positions as service-learning coordinators, to facilitate service-learning in programs eligible for funding under part I subtitle B.

"(4) A service program that is targeted at specific unmet human, educational, environmental, or public safety needs and that—

"(A) recruits individuals with special skills or provides specialized preservice training to enable participants to be placed individually or in teams in positions in which the participants can meet such unmet needs; and

"(B) brings participants together for additional training and other activities designed to foster civic responsibility, increase the skills of participants, and improve the quality of the service provided.

"(5) An individualized placement program that includes regular group activities, such as leadership training and special service projects.

"(6) A campus-based program that is designed to provide substantial service in a community during the school term and during summer or other vacation periods through the use of—

"(A) students who are attending an institution of higher education, including students participating in a work-study program assisted under part C of title IV of the Higher Education Act of 1965 (42 U.S.C. 2751 et seq.);

"(B) teams composed of such students; or

"(C) teams composed of a combination of such students and community residents.

"(7) A preprofessional training program in which students enrolled in an institution of higher education—

"(A) receive training in specified fields, which may include classes containing service-learning;

"(B) perform service related to such training outside the classroom during the school term and during summer or other vacation periods; and

"(C) agree to provide service upon graduation to meet unmet human, educational, environmental, or public safety needs related to such training.

"(8) A professional corps program that recruits and places qualified participants in positions—

"(A) as teachers, nurses and other health care providers, police officers, early childhood development staff, or other professionals providing service to meet educational, human, environmental, or public safety needs in communities with an inadequate number of such professionals;

"(B) that may include a salary in excess of the maximum living allowance authorized in subsection (a)(3) of section 140, as provided in subsection (c) of such section; and

"(C) that are sponsored by public or private not-for-profit employers who agree to pay 100 percent of the salaries and benefits (other than any national service educational award under subtitle D) of the participants.

"(9) A program in which economically disadvantaged individuals who are between the ages of 16 and 24 years of age, inclusive, are provided with opportunities to perform service that, while enabling such individuals to obtain the education and employment skills necessary to achieve economic self-sufficiency, will help their communities meet—

"(A) the housing needs of low-income families and the homeless; and

"(B) the need for community facilities in low-income areas.

"(10) A national service entrepreneur program that identifies, recruits, and trains gifted young adults of all backgrounds and assists such adults in designing solutions to community problems.

"(11) An intergenerational program that combines students, out-of-school youths, and older adults as participants to provide needed community services, including an intergenerational component of a national service program described in any of paragraphs (1) through (10), or in paragraph (12) or (13).

"(12) A program, to be known as a 'Communities in Action program', carried out by not-for-profit organizations, including community action agencies or combinations of such agencies, to provide opportunities for individuals or teams of individuals to engage in local community projects that meet important unaddressed community and individual needs in low-income areas served by such a not-for-profit organization, including service projects to meet the unaddressed needs of economically disadvantaged youth age 18 and younger (including providing safe locations for after-school programs that provide opportunities for learning and recreation).

"(13) Such other national service programs addressing unmet human, educational, environmental, or public safety needs as the Corporation may designate.

"(b) QUALIFICATION CRITERIA TO DETERMINE ELIGIBILITY.—

"(1) ESTABLISHMENT BY CORPORATION.—The Corporation shall establish qualification criteria for different types of national service programs for the purpose of determining whether a particular national service program should be considered to be a national service program eligible to receive assistance or approved national service positions under this subtitle.

"(2) CONSULTATION.—In establishing qualification criteria under paragraph (1), the Corporation shall consult with organizations and individuals that have extensive experience in developing and administering effective national service programs.

"(3) APPLICATION TO SUBGRANTS.—The qualification criteria established by the Corporation under paragraph (1) shall also be used by each recipient of assistance under section 121(a) that uses any portion of the assistance to conduct a grant program to support other national service programs.

"(4) ENCOURAGEMENT OF INTERGENERATIONAL COMPONENTS OF PROGRAMS.—The Corporation shall encourage national service programs eligible to receive assistance or approved national service positions under this subtitle to establish, if consistent with the purposes of the program, an intergenerational component of the program that combines students, out-of-school youths, and older adults as participants to provide services to address unmet human, education, environmental, or public safety needs.

"(c) NATIONAL SERVICE PRIORITIES.—

"(1) ESTABLISHMENT BY CORPORATION.—In order to concentrate national efforts on meeting certain unmet human, educational, environmental, or public safety needs and to achieve the other purposes of this Act, the Corporation, after consultation with the State Commissions, may establish, and periodically alter, priorities regarding the types of national service programs to be assisted under section 121 and the purposes for which such assistance may be used.

"(2) NOTICE TO APPLICANTS.—

"(A) IN GENERAL.—The Corporation shall provide to potential applicants advance notice of any national service priorities to be in effect under this subsection for a fiscal year.

"(B) CONTENTS.—The notice shall specifically include—

"(i) a description of any alteration made in the priorities since the previous notice; and

"(ii) a description of the national service programs that are designated by the Corporation under section 133(d)(2) as eligible for priority consideration in the next competitive distribution of assistance under section 121(a).

"(C) REGULATIONS.—The Corporation shall by regulation establish procedures to ensure the equitable treatment of national service programs that—

"(i) receive funding under this subtitle for multiple years; and

"(ii) would be adversely affected by annual revisions in such national service priorities.

"(3) APPLICATION TO SUBGRANTS.—Any recipient of funds under section 121(a) that uses any portion of the assistance to conduct a grant program to support other national service programs shall, in conducting such a grant program, make reasonable efforts to use any national service priorities established by the Corporation under this subsection.

"SEC. 123. TYPES OF NATIONAL SERVICE POSITIONS ELIGIBLE FOR APPROVAL FOR NATIONAL SERVICE EDUCATIONAL AWARDS.

"The Corporation may approve of any of the following service positions as an approved national service position that includes the national service educational award described in subtitle D as one of the benefits to be provided for successful service in the position:

"(1) A position for a participant in a national service program described in section

122(a) that receives assistance under subsection (a) or (b) of section 121.

"(2) A position for a participant in a program that—

"(A) is carried out by a State, a subdivision of a State, an Indian tribe, a public or private not-for-profit organization (including a community action agency), an institution of higher education, or a Federal agency; and

"(B) would be eligible to receive assistance under section 121(a), based on criteria established by the Corporation, but has not applied for such assistance.

"(3) A position involving service as a VISTA volunteer under title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.).

"(4) A position facilitating service-learning in a program described in section 122(a)(3) that is eligible for assistance under part I of subtitle B.

"(5) A position for a participant in the Civilian Community Corps under subtitle E.

"(6) A position involving service as a crew leader in a youth corps program or a similar position supporting a national service program that receives an approved national service position.

"(7) Such other national service positions as the Corporation considers to be appropriate.

"SEC. 124. TYPES OF PROGRAM ASSISTANCE.

"(a) PLANNING ASSISTANCE.—The Corporation may provide assistance under section 121 to a qualified applicant that submits an application under section 130 for the planning of a national service program. Assistance provided in accordance with this subsection may cover a period of not more than 1 year.

"(b) OPERATIONAL ASSISTANCE.—The Corporation may provide assistance under section 121 to a qualified applicant that submits an application under section 130 for the establishment, operation, or expansion of a national service program. Assistance provided in accordance with this subsection may cover a period of not more than 3 years, but may be renewed by the Corporation upon consideration of a new application under section 130.

"(c) REPLICATION ASSISTANCE.—The Corporation may provide assistance under section 121 to a qualified applicant that submits an application under section 130 for the expansion of a proven national service program to another geographical location. Assistance provided in accordance with this subsection may cover a period of not more than 3 years, but may be renewed by the Corporation upon consideration of a new application under section 130.

"(d) APPLICATION TO SUBGRANTS.—The requirements of this section shall apply to any State or other applicant receiving assistance under section 121 that proposes to conduct a grant program using the assistance to support other national service programs.

"SEC. 125. TRAINING AND TECHNICAL ASSISTANCE.

"(a) TRAINING PROGRAMS.—The Corporation may conduct, directly or by grant or contract, appropriate training programs regarding national service in order to—

"(1) improve the ability of national service programs assisted under section 121 to meet human, educational, environmental, or public safety needs in communities—

"(A) where services are needed most; and

"(B) where programs do not exist, or are too limited to meet community needs, as of the date on which the Corporation makes the grant or enters into the contract;

"(2) promote leadership development in such programs;

"(3) improve the instructional and programmatic quality of such programs to build an ethic of civic responsibility;

"(4) develop the management and budgetary skills of program operators; and

"(5) provide for or improve the training provided to the participants in such programs.

"(b) TECHNICAL ASSISTANCE.—The Corporation shall, where necessary, make appropriate technical assistance available to States, Indian tribes, labor organizations, organizations operated by young adults, organizations serving economically disadvantaged individuals, and other entities described in section 121 that desire—

"(1) to develop national service programs; or

"(2) to apply for assistance under such section or under a grant program conducted using assistance provided under such section.

"SEC. 126. OTHER SPECIAL ASSISTANCE.

"(a) SUPPORT FOR STATE COMMISSIONS.—

"(1) ASSISTANCE AUTHORIZED.—The Corporation may make assistance available to assist a State to establish or operate the State Commission on National and Community Service required to be established by the State under section 178.

"(2) AMOUNT OF ASSISTANCE.—The amount of assistance that may be provided to a State Commission under this subsection, together with other Federal funds available to establish or operate the State Commission, may not exceed—

"(A) 85 percent of the total cost to establish or operate the State Commission for the first year for which the State Commission receives assistance under this subsection; and

"(B) such smaller percentage of such cost as the Corporation may establish for the second, third, and fourth years of such assistance in order to ensure that the Federal share does not exceed 50 percent of such costs for the fifth year, and any subsequent year, for which the State Commission receives assistance under this subsection.

"(b) DISASTER SERVICE.—The Corporation may undertake activities, including activities carried out through part A of title I of the Domestic Volunteer Service Act of 1973, to involve in disaster relief efforts youth corps programs described in section 122(a)(2) and other programs that receive assistance under the national service laws.

"(c) CHALLENGE GRANTS FOR NATIONAL SERVICE PROGRAMS.—

"(1) ASSISTANCE AUTHORIZED.—

"(A) IN GENERAL.—The Corporation may make challenge grants under this subsection to national service programs that receive assistance under section 121.

"(B) CRITERIA.—The Corporation shall develop criteria for the selection of recipients of such challenge grants, so as to make the grants widely available to a variety of programs that—

"(i) are high-quality national service programs; and

"(ii) are carried out by entities with demonstrated experience in establishing and implementing projects that provide benefits to participants and communities.

"(2) AMOUNT OF ASSISTANCE.—A challenge grant under this subsection may provide not more than $1 of assistance under this subsection for each $1 in cash raised by the national service program from private sources in excess of amounts required to be provided by the program to satisfy matching funds requirements under section 121(e). The Corporation shall establish a ceiling on the amount of assistance that may be provided to a national service program under this subsection.

"PART II—APPLICATION AND APPROVAL PROCESS

"SEC. 129. PROVISION OF ASSISTANCE AND APPROVED NATIONAL SERVICE POSITIONS BY COMPETITIVE AND OTHER MEANS.

"(a) ALLOTMENTS OF ASSISTANCE AND APPROVED POSITIONS TO STATES AND INDIAN TRIBES.—

"(1) ALLOTMENT OF ASSISTANCE TO CERTAIN STATES.—Of the funds allocated by the Corporation for provision of assistance under subsections (a) and (b) of section 121 for a fiscal year, the Corporation shall make a grant under section 121(a) (and a corresponding allotment of approved national service positions) to each of the several States (through the State Commission of the State), the District of Columbia, and the Commonwealth of Puerto Rico that has an application approved by the Corporation under section 133. The amount allotted as a grant to each such State under this paragraph for a fiscal year shall be equal to the amount that bears the same ratio to 33⅓ percent of the allocated funds for that fiscal year as the population of the State bears to the total population of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(2) ALLOTMENT OF ASSISTANCE TO OTHER JURISDICTIONS AND INDIAN TRIBES.—Of the funds allocated by the Corporation for provision of assistance under subsections (a) and (b) of section 121 for a fiscal year, the Corporation shall reserve up to 1 percent of the allocated funds for grants under section 121(a) to Indian tribes, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, to be allotted by the Corporation on a competitive basis in accordance with their respective needs. Palau shall also be eligible for a grant under this paragraph from the reserved funds until such time as the Compact of Free Association with Palau is ratified.

"(3) EFFECT OF FAILURE TO APPLY.—If a State or Indian tribe fails to apply for, or fails to give notice to the Corporation of its intent to apply for, an allotment under this subsection, the Corporation shall use the amount that would have been allotted under this subsection to the State or Indian tribe—

"(A) to make grants (and provide approved national service positions in connection with such grants) to other eligible entities under section 121 that propose to carry out national service programs in the State or on behalf of the Indian tribe; and

"(B) after making grants under paragraph (1), to make a reallotment to other States and Indian tribes with approved applications under section 130.

"(b) RESERVATION OF APPROVED POSITIONS.—

"(1) NUMBER RESERVED.—Except as provided in paragraph (2), the Corporation shall ensure that each individual selected during a fiscal year for assignment as a VISTA volunteer under title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.) or as a participant in the Civilian Community Corps Demonstration Program under subtitle E shall receive the national service educational award described in subtitle D if the individual satisfies the eligibility requirements for the award. Funds for approved national service positions required by this paragraph for a fiscal year shall be deducted from the total funding for approved national service positions for that fiscal year.

"(2) TRANSITION.—The Corporation shall determine an equitable procedure for providing post-service educational awards to individuals who are selected for assignment as described in paragraph (1) after the date of enactment of this subtitle and before the effective date of section 203(c)(2) of the National and Community Service Trust Act of 1993.

"(c) RESERVATION FOR SPECIAL ASSISTANCE.—Subject to section 501(a)(2), of the funds allocated by the Corporation for provision of assistance under subsections (a) and (b) of section 121 for a fiscal year, the Corporation may reserve such amount as the Corporation considers to be appropriate for the purpose of making assistance available under sections 125 and 126. The Corporation may not reserve more than $10,000,000 for a fiscal year for challenge grants under section 126(c).

"(d) COMPETITIVE DISTRIBUTION OF REMAINING FUNDS.—

"(1) STATE COMPETITION.—Of the funds allocated by the Corporation for provision of assistance under subsections (a) and (b) of section 121 for a fiscal year, the Corporation shall use not less than 33⅓ percent of the allocated funds to make grants to States (through the State Commissions) on a competitive basis under section 121(a).

"(2) FEDERAL AGENCIES AND OTHER APPLICANTS.—

"(A) IN GENERAL.—The Corporation shall distribute on a competitive basis to subdivisions of States (through the State Commissions), Indian tribes, public and private not-for-profit organizations (including labor organizations and community action agencies), institutions of higher education, and Federal agencies the remainder of the funds allocated by the Corporation for provision of assistance under section 121 for a fiscal year, after operation of paragraph (1) and subsections (a) and (c).

"(B) FEDERAL SHARE.—Notwithstanding section 121(e), if a Federal agency proposes to carry out a national service program using funds made available under subparagraph (A), and the Federal agency is authorized to use funds made available under Federal law (other than the national service laws) to carry out such a program, the Federal share attributable to this paragraph of the cost of carrying out the national service program shall be 50 percent of such cost. The President may by regulation specify the sources that may be used by the Federal agency to provide for the remaining share of such cost.

"(C) FEDERAL AGENCIES.—The Corporation may not distribute more than 30 percent of such remainder to Federal agencies for a fiscal year under subparagraph (A).

"(D) LIMITATIONS.—The Corporation may limit the categories of eligible applicants for assistance under this paragraph consistent with the priorities established by the Corporation under section 133(d)(2).

"(3) PRIORITY.—In distributing the funds allocated by the Corporation for provision of assistance under section 121 for a fiscal year, after operation of subsections (a) and (c) and after using 33⅓ percent of such funds to make grants under paragraph (1), in determining whether to—

"(A) use an additional portion of the funds to make a grant under paragraph (1) to a State applicant; or

"(B) distribute the portion of the funds to an applicant that is a private not-for-profit organization under paragraph (2),

the Corporation shall give preference to the private not-for-profit organization in any case in which the Corporation determines that the applicants have submitted applications of equal quality under section 130.

"(e) APPLICATION REQUIRED.—The allotment of assistance and approved national service positions to a State or Indian tribe under subsection (a), and the competitive distribution of assistance under subsection (d), shall be made by the Corporation only pursuant to an application submitted by a State or other applicant under section 130 and approved by the Corporation under section 133.

"(f) APPROVAL OF POSITIONS SUBJECT TO AVAILABLE FUNDS.—The Corporation may not approve positions as approved national service positions under this subtitle for a fiscal year in excess of the number of such positions for which the Corporation has sufficient available funds in the National Service Trust for that fiscal year to satisfy the maximum possible obligations to be incurred by the United States to provide the national service educational award corresponding to service in these positions.

"(g) SPONSORSHIP OF APPROVED NATIONAL SERVICE POSITIONS.—

"(1) SPONSORSHIP AUTHORIZED.—The Corporation may enter into agreements with persons or entities who offer to sponsor national service positions for which the person or entity will be responsible for supplying the funds necessary to provide a national service educational award. The distribution of these approved national service positions shall be made pursuant to the agreement, and the creation of these positions shall not be taken into consideration in determining the number of approved national service positions to be available for distribution under this section.

"(2) DEPOSIT OF CONTRIBUTION.—Funds provided pursuant to an agreement under paragraph (1) and any other funds contributed to the Corporation to support the activities of the Corporation under the national service laws shall be deposited in the National Service Trust established in section 145 until such time as the funds are needed.

"SEC. 130. APPLICATION FOR ASSISTANCE AND APPROVED NATIONAL SERVICE POSITIONS.

"(a) TIME, MANNER, AND CONTENT OF APPLICATION.—To be eligible to receive assistance under section 121 and approved national service positions for participants who serve in the national service programs to be carried out using the assistance, a State, subdivision of a State, Indian tribe, public or private not-for-profit organization (including a community action agency), institution of higher education, or Federal agency shall prepare and submit to the Corporation an application at such time, in such manner, and containing such information as the Corporation may reasonably require.

"(b) TYPES OF APPLICATION INFORMATION.—In order to have adequate information upon which to consider an application under section 133, the Corporation—

"(1) may require that an applicant described in subsection (a) submit an application under subsection (a) containing—

"(A) a description of the national service programs proposed to be carried out directly by the applicant using assistance provided under section 121;

"(B) a description of the national service programs that are selected by the applicant to receive a grant from assistance requested under section 121 and a description of the process and criteria by which the programs were selected;

"(C) a description of other funding sources to be used, or sought to be used, for the national service programs referred to in subparagraphs (A) and (B), and, if the application is submitted for the purpose of seeking a renewal of assistance, a description of the success of the programs in reducing their reliance on Federal funds;

"(D) a description of the extent to which the projects to be conducted using the assistance will address unmet human, educational, environmental, or public safety needs and produce a direct benefit for the community in which the projects are performed;

"(E) a description of the plan to be used to recruit participants, including economically disadvantaged youth, for the national service programs referred to in subparagraphs (A) and (B);

"(F) a description of the manner in which the national service programs referred to in subparagraphs (A) and (B) build on existing programs, including Federal programs;

"(G) a description of the manner in which the national service programs referred to in subparagraphs (A) and (B) will involve participants—

"(i) in projects that build an ethic of civic responsibility and produce a positive change in the lives of participants through training and participation in meaningful service experiences and opportunities for reflection on such experiences; and

"(ii) in leadership positions in implementing and evaluating the program;

"(H) measurable goals for the national service programs referred to in subparagraphs (A) and (B), and a strategy to achieve such goals, in terms of—

"(i) the impact to be made in meeting unmet human, educational, environmental, or public safety needs; and

"(ii) the service experience to be provided to participants in the programs;

"(I) a description of the manner and extent to which the national service programs referred to in subparagraphs (A) and (B) conform to the national service priorities established by the Corporation under section 122(c);

"(J) a description of the past experience of the applicant in operating a comparable program or in conducting a grant program in support of other comparable programs;

"(K) a description of the type and number of proposed service positions in which participants will receive the national service educational award described in subtitle D and a description of the manner in which approved national service positions will be apportioned by the applicant;

"(L) a description of the manner and extent to which participants, representatives of the community served, community-based agencies with a demonstrated record of experience in providing services, and labor organizations contributed to the development of the national service programs referred to in subparagraphs (A) and (B), including the identity of the individual representing the labor organization who was consulted and the nature of the consultation;

"(M) a description of a plan to be used to encourage women to participate in programs referred to in subparagraphs (A) and (B); and

"(N) such other information as the Corporation may reasonably require; and

"(2) shall require that the applicant submit an application under subsection (a) containing—

"(A) a description of the jobs or positions into which participants will be placed using the assistance provided under section 121, including descriptions of specific tasks to be performed by such participants; and

"(B) a description of the minimum qualifications that individuals shall meet to become participants in such programs.

"(c) APPLICATION TO RECEIVE ONLY APPROVED NATIONAL SERVICE POSITIONS.—

"(1) APPLICABILITY OF SUBSECTION.—This subsection shall apply in the case of an application in which—

"(A) the applicant is not seeking assistance under subsection (a) or (b) of section 121, but requests national service educational awards for individuals serving in service positions described in section 123; or

"(B) the applicant requests national service educational awards for service positions described in section 123, but the positions are not positions in a national service program described in section 122(a) for which assistance may be provided under subsection (a) or (b) of section 121.

"(2) SPECIAL APPLICATION REQUIREMENTS.—For the applications described in paragraph (1), the Corporation shall establish special application requirements in order to determine—

"(A) whether the service positions meet unmet human, educational, environmental, or public safety needs and meet the criteria for assistance under this subtitle; and

"(B) whether the Corporation should approve the positions as approved national service positions that include the national service educational award described in subtitle D as one of the benefits to be provided for successful service in the position.

"(d) SPECIAL RULE FOR STATE APPLICANTS.—

"(1) SUBMISSION BY STATE COMMISSION.—The application of a State for approved national service positions or for a grant under section 121(a) shall be submitted by the State Commission.

"(2) COMPETITIVE SELECTION.—The application of a State shall contain an assurance that all assistance provided under section 121(a) to the State will be used to support national service programs that were selected by the State on a competitive basis.

"(3) ASSISTANCE TO NONSTATE ENTITIES.—The application of a State shall also contain an assurance that not less than 60 percent of the assistance will be used to make grants in support of national service programs other than national service programs carried out by a State agency. The Corporation may permit a State to deviate from the percentage specified by this paragraph if the State has not received a sufficient number of acceptable applications to comply with the percentage.

"(e) SPECIAL RULE FOR CERTAIN SERVICE SPONSORS.—In the case of a program applicant that proposes to serve as the service sponsor, the application shall include the written concurrence of any local labor organization representing employees of the applicant who are engaged in the same or substantially similar work as that proposed to be carried out.

"(f) LIMITATION ON SAME PROJECT IN MULTIPLE APPLICATIONS.—No applicant shall submit an application under this section, and the Corporation shall reject an application that is submitted under this section, if the application describes a project proposed to be conducted using assistance requested by the applicant and the project is already described in another application pending before the Corporation.

"SEC. 131. NATIONAL SERVICE PROGRAM ASSISTANCE REQUIREMENTS.

"(a) IMPACT ON COMMUNITIES.—An application submitted under section 130 shall include an assurance by the applicant that any national service program carried out by the applicant using assistance provided under section 121 and any national service program supported by a grant made by the applicant using such assistance will—

"(1) address unmet human, educational, environmental, or public safety needs through services that provide a direct benefit to the community in which the service is performed; and

"(2) comply with the nonduplication and nondisplacement requirements of section 177.

"(b) IMPACT ON PARTICIPANTS.—An application submitted under section 130 shall also include an assurance by the applicant that any national service program carried out by the applicant using assistance provided under section 121 and any national service program supported by a grant made by the applicant using such assistance will—

"(1) provide participants in the national service program with the training, skills, and knowledge necessary for the projects that participants are called upon to perform;

"(2) provide support services to participants, such as the provision of appropriate information and support—

"(A) to those participants who are completing a term of service and making the transition to other educational and career opportunities; and

"(B) to those participants who are school dropouts in order to assist those participants in earning the equivalent of a high school diploma; and

"(3) provide structured opportunities for participants to reflect on their service experiences.

"(c) CONSULTATION.—An application submitted under section 130 shall also include an assurance by the applicant that any national service program carried out by the applicant using assistance provided under section 121 and any national service program supported by a grant made by the applicant using such assistance will—

"(1) provide in the design, recruitment, and operation of the program for broad-based input from the community served, individuals eligible to serve as participants in the program, community-based agencies (including community action agencies) with a demonstrated record of experience in providing services, and local labor organizations representing employees of service sponsors;

"(2) prior to the placement of participants, 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 to ensure compliance with the nondisplacement requirements specified in section 177; and

"(3) in the case of a program that is not funded through a State, consult with and coordinate activities with the State Commission for the State in which the program operates.

"(d) EVALUATION AND PERFORMANCE GOALS.—

"(1) IN GENERAL.—An application submitted under section 130 shall also include an assurance by the applicant that the applicant will—

"(A)(i) arrange for an independent evaluation of any national service program carried out using assistance provided to the applicant under section 121; or

"(ii) with the approval of the Corporation, conduct an internal evaluation of the program;

"(B) develop measurable performance goals and evaluation methods (such as the use of surveys of participants and persons served), which are to be used as part of such evaluation to determine the impact of the program—

"(i) on communities and persons served by the projects performed by the program;

"(ii) on participants who take part in the projects; and

"(iii) in such other areas as the Corporation may require; and

"(C) cooperate with any evaluation activities undertaken by the Corporation.

"(2) ALTERNATIVE EVALUATION REQUIREMENTS.—The Corporation may establish alternative evaluation requirements for national service programs based upon the amount of assistance received under section 121 or received by a grant made by a recipient of assistance under such section. The determination of whether a national service program is covered by this paragraph shall be made in such manner as the Corporation may prescribe.

"(e) LIVING ALLOWANCES AND OTHER IN-SERVICE BENEFITS.—Except as provided in section 140(c), an application submitted under section 130 shall also include an assurance by the applicant that the applicant will—

"(1) provide a living allowance and other benefits specified in section 140 to participants in any national service program carried out by the applicant using assistance provided under section 121; and

"(2) require that each national service program that receives a grant from the applicant using such assistance will also provide a living allowance and other benefits specified in section 140 to participants in the program.

"(f) SELECTION OF PARTICIPANTS FROM INDIVIDUALS RECRUITED BY CORPORATION OR STATE COMMISSIONS.—The Corporation may also require an assurance by the applicant that any national service program carried out by the applicant using assistance provided under section 121 and any national service program supported by a grant made by the applicant using such assistance will select a portion of the participants for the program from among prospective participants recruited by the Corporation or State Commissions under section 138(d). The Corporation may specify a minimum percentage of participants to be selected from the national leadership pool established under section 138(e) and may vary the percentage for different types of national service programs.

"SEC. 132. INELIGIBLE SERVICE CATEGORIES.

"An application submitted to the Corporation under section 130 shall include an assurance by the applicant that any national service program carried out using assistance provided under section 121 and any approved national service position provided to an applicant will not be used to perform service that provides a direct benefit to any—

"(1) business organized for profit;

"(2) labor union;

"(3) partisan political organization; or

"(4) organization engaged in religious activities, unless such service does not involve the use of assistance provided under section 121 or participants to give religious instruction, conduct worship services, provide instruction as part of a program that includes mandatory religious education or worship, construct, operate, or maintain facilities devoted to religious instruction or worship, or engage in any form of proselytization.

"SEC. 133. CONSIDERATION OF APPLICATIONS.

"(a) CORPORATION CONSIDERATION OF CERTAIN CRITERIA.—The Corporation shall apply the criteria described in subsections (c) and (d) in determining whether—

"(1) to approve an application submitted under section 130 and provide assistance under section 121 to the applicant; and

"(2) to approve service positions described in the application as national service positions that include the national service educational award described in subtitle D and provide such approved national service positions to the applicant.

"(b) APPLICATION TO SUBGRANTS.—

"(1) IN GENERAL.—A State or other entity that uses assistance provided under section 121(a) to support national service programs selected on a competitive basis to receive a share of the assistance shall use the criteria described in subsections (c) and (d) when considering an application submitted by a national service program to receive a portion of such assistance or an approved national service position.

"(2) CONTENTS.—The application of the State or other entity under section 130 shall contain—

"(A) a certification that the State or other entity complied with these criteria in the selection of national service programs to receive assistance;

"(B) a description of the jobs or positions into which participants will be placed using such assistance, including descriptions of specific tasks to be performed by such participants; and

"(C) a description of the minimum qualifications that individuals shall meet to become participants in such programs.

"(c) ASSISTANCE CRITERIA.—The criteria required to be applied in evaluating applications submitted under section 130 are as follows:

"(1) The quality of the national service program proposed to be carried out directly by the applicant or supported by a grant from the applicant.

"(2) The innovative aspects of the national service program, and the feasibility of replicating the program.

"(3) The sustainability of the national service program, based on evidence such as the existence—

"(A) of strong and broad-based community support for the program; and

"(B) of multiple funding sources or private funding for the program.

"(4) The quality of the leadership of the national service program, the past performance of the program, and the extent to which the program builds on existing programs.

"(5) The extent to which participants of the national service program are recruited from among residents of the communities in which projects are to be conducted, and the extent to which participants and community residents are involved in the design, leadership, and operation of the program.

"(6) The extent to which projects would be conducted in areas where such projects are needed most, such as—

"(A) communities designated as enterprise zones or redevelopment areas, targeted for special economic incentives, or otherwise identifiable as having high percentages or concentrations of low-income individuals;

"(B) areas that are environmentally distressed;

"(C) areas adversely affected by reductions in defense spending or the closure or realignment of military installations; and

"(D) areas—

"(i) that have experienced a substantial reduction in population, as determined by the Corporation; and

"(ii) with high numbers or percentages of economically disadvantaged older adults.

"(7) In the case of applicants other than States, the extent to which the application is consistent with the application under section 130 of the State in which the projects would be conducted.

"(8) Such other criteria as the Corporation considers to be appropriate.

"(d) OTHER CONSIDERATIONS.—

"(1) GEOGRAPHIC DIVERSITY.—The Corporation shall ensure that recipients of assistance provided under section 121 are geographically diverse and include projects to be conducted in those urban and rural areas in a State with the highest rates of poverty.

"(2) PRIORITIES.—

"(A) IN GENERAL.—The Corporation may designate, under such criteria as may be established by the Corporation, certain national service programs or types of national service programs described in section 122(a) for priority consideration in the competitive distribution of funds under section 129(d)(2).

"(B) PROGRAMS DESIGNATED TO RECEIVE PRIORITY.—In designating national service programs to receive priority, the Corporation may include—

"(i) national service programs carried out by another Federal agency;

"(ii) national service programs that conform to the national service priorities in effect under section 122(c);

"(iii) innovative national service programs;

"(iv) national service programs that are well established in one or more States at the time of the application and are proposed to be expanded to additional States using assistance provided under section 121;

"(v) grant programs in support of other national service programs if the grant programs are to be conducted by not-for-profit organizations (including community action agencies) with a demonstrated and extensive expertise in the provision of services to meet human, educational, environmental, or public safety needs;

"(vi) professional corps programs described in section 122(a)(8); and

"(vii) programs that—

"(I) received funding under subtitle D of this Act, as in effect on the day before the date of enactment of this subtitle;

"(II) the Corporation determines to meet the requirements of sections 142 (other than subsection (g)), 143, and 148 through 150 of this Act, as in effect on such day, in addition to the requirements of this subtitle; and

"(III) include an evaluation component.

"(C) EXCEPTION.—In making a competitive distribution of funds under section 129(d)(2), the President may give priority consideration to a national service program that is—

"(i) proposed in an application submitted by a State Commission; and

"(ii) not one of the types of programs described in clauses (i) through (vi) of subparagraph (B)

if the State Commission provides an adequate explanation of the reasons why it should not be a priority of such State to carry out any of such types of programs in the State.

"(3) REVIEW PANEL.—The President shall—

"(A) establish panels of experts for the purpose of securing recommendations on applications submitted under section 130 for more than $100,000 in assistance, or for national service positions that would require more than $100,000 in national service educational awards; and

"(B) consider the opinions of such panels prior to making such determinations.

"(e) EMPHASIS ON AREAS MOST IN NEED.—In making assistance available under section 121 and in providing approved national service positions under section 123, the Corporation shall ensure that not less than 50 percent of the total amount of assistance to be distributed to States under subsections (a) and (d)(1) of section 129 for a fiscal year is provided to carry out or support national service programs and projects that—

"(1) are conducted in areas described in any of subparagraphs (A) through (D) of subsection (c)(6) or on Federal or other public lands, to address unmet human, educational, environmental, or public safety needs in such areas or on such lands; and

"(2) place a priority on the recruitment of participants who are residents of areas described in any of subparagraphs (A) through (D) of subsection (c)(6) or Federal or other public lands.

"(f) REJECTION OF STATE APPLICATIONS.—

"(1) NOTIFICATION OF STATE APPLICANTS.—If the Corporation rejects an application submitted by a State Commission under section 130 for funds described in section 129(a)(1), the Corporation shall promptly notify the State Commission of the reasons for the rejection of the application.

"(2) RESUBMISSION AND RECONSIDERATION.—The Corporation shall provide a State Commission notified under paragraph (1) with a reasonable opportunity to revise and resubmit the application. At the request of the State Commission, the Corporation shall provide technical assistance to the State Commission as part of the resubmission process. The Corporation shall promptly reconsider an application resubmitted under this paragraph.

"(3) REALLOTMENT.—The amount of any State's allotment under section 129(a) for a fiscal year that the Corporation determines will not be provided for that fiscal year shall be available for distribution by the Corporation as provided in paragraph (3) of such subsection.

"PART III—NATIONAL SERVICE PARTICIPANTS

"SEC. 137. DESCRIPTION OF PARTICIPANTS.

"(a) IN GENERAL.—For purposes of this subtitle, an individual shall be considered to be a participant in a national service program carried out using assistance provided under section 121 if the individual—

"(1) meets such eligibility requirements, directly related to the tasks to be accomplished, as may be established by the program;

"(2) is selected by the program to serve in a position with the program;

"(3) will serve in the program for a term of service specified in section 139 to be performed before, during, or after attendance at an institution of higher education;

"(4) is 17 years of age or older at the time the individual begins the term of service;

"(5)(A)(i) has received a high school diploma or its equivalent; or

"(ii) agrees to obtain a high school diploma or its equivalent and the individual did not drop out of an elementary or secondary school to enroll in the program; or

"(B)(i) is enrolled at an institution of higher education on the basis of meeting the standard described in paragraph (1) or (2) of section 484(d) of the Higher Education Act of 1965 (20 U.S.C. 1091(d)); and

"(ii) meets the requirements of section 484(a) of such Act; and

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

"(b) SPECIAL RULES FOR CERTAIN YOUTH PROGRAMS.—An individual shall be considered to be a participant in a youth corps program described in section 122(a)(2) or a program described in section 122(a)(9) that is carried out with assistance provided under section 121(a) if the individual—

"(1) satisfies the requirements specified in subsection (a), except paragraph (4) of such subsection; and

"(2) is between the ages of 16 and 25, inclusive, at the time the individual begins the term of service.

"(c) WAIVER.—The Corporation may waive the requirements of subsection (a)(5)(A) with respect to an individual if the program in which the individual seeks to become a participant conducts an independent evaluation demonstrating that the individual is incapable of obtaining a high school diploma or its equivalent.

"SEC. 138. SELECTION OF NATIONAL SERVICE PARTICIPANTS.

"(a) SELECTION PROCESS.—Subject to subsections (b) and (c) and section 131(f), the actual recruitment and selection of an individual to serve in a national service program receiving assistance under section 121 or to fill an approved national service position shall be conducted by the State, subdivision of a State, Indian tribe, public or private not-for-profit organization, institution of higher education, Federal agency, or other entity to which the assistance and approved national service positions are provided.

"(b) NONDISCRIMINATION AND NONPOLITICAL SELECTION OF PARTICIPANTS.—The recruitment and selection of individuals to serve in national service programs receiving assistance under section 121 or to fill approved national service positions shall be consistent with the requirements of section 175.

"(c) SECOND TERM.—Acceptance into a national service program to serve a second term of service under section 139 shall only be available to individuals who perform satisfactorily in their first term of service.

"(d) RECRUITMENT AND PLACEMENT.—The Corporation and each State Commission shall establish a system to recruit individuals who desire to perform national service and to assist the placement of these individuals in approved national service positions, including positions available under title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951). The Corporation and State Commissions shall disseminate information regarding available approved national service positions through cooperation with secondary schools, institutions of higher education, employment service offices, State vocational rehabilitation agencies within the meaning of the Rehabilitation Act of 1973 and other State agencies that primarily serve individuals with disabilities, and other appropriate entities, particularly those organizations that provide outreach to economically disadvantaged youths or youths who are individuals with disabilities.

"(e) NATIONAL LEADERSHIP POOL.—

"(1) SELECTION AND TRAINING.—From among individuals recruited under subsection (d), the Corporation may select individuals with significant leadership potential, as determined by the Corporation, to receive special training to enhance their leadership ability. The leadership training shall be provided by the Corporation directly or through a grant or contract.

"(2) EMPHASIS ON CERTAIN INDIVIDUALS.—In selecting individuals to receive leadership training under this subsection, the Corporation shall make special efforts to select individuals who have served—

"(A) in the Peace Corps;

"(B) as VISTA volunteers;

"(C) as participants in national service programs receiving assistance under section 121; or

"(D) as participants in programs receiving assistance under subtitle D of the National and Community Service Act of 1990, as in effect on the day before the date of enactment of this subtitle.

"(3) ASSIGNMENT.—At the request of a program that receives assistance under the national service laws, the Corporation may assign an individual who receives leadership training under paragraph (1) to work with the program in a leadership position and carry out assignments not otherwise performed by regular participants. An individual assigned to a program shall be considered to be a participant of the program.

"SEC. 139. TERMS OF SERVICE.

"(a) IN GENERAL.—As a condition of receiving a national service education award under subtitle D, a participant in an approved national service position shall be required to perform full- or part-time national service for at least one term of service specified in subsection (b).

"(b) TERM OF SERVICE.—

"(1) FULL-TIME SERVICE.—An individual performing full-time national service in an approved national service position shall agree to participate in the program sponsoring the position for not less than 1,700 hours during a period of not less than 9 months and not more than 1 year.

"(2) PART-TIME SERVICE.—Except as provided in paragraph (3), an individual performing part-time national service in an approved national service position shall agree to participate in the program sponsoring the position for not less than 1,700 hours during a period of—

"(A) not less than 1 year and not more than 2 years; or

"(B) not less than 1 year and not more than 3 years if the individual is enrolled in an institution of higher education while performing all or a majority of the hours of such service.

"(3) REDUCTION IN HOURS OF PART-TIME SERVICE.—The Corporation may reduce the number of hours required to be served to successfully complete part-time national service to a level determined by the Corporation, except that any reduction in the required term of service shall include a corresponding reduction in the amount of any national service educational award that may be available under subtitle D with regard to that service.

"(c) RELEASE FROM COMPLETING TERM OF SERVICE.—

"(1) RELEASE AUTHORIZED.—A recipient of assistance under section 121 or a program sponsoring an approved national service position may release a participant from completing a term of service in the position—

"(A) for compelling personal circumstances as demonstrated by the participant; or

"(B) for cause.

"(2) EFFECT OF RELEASE.—If the released participant was serving in an approved national service position, the participant may receive a portion of the national service educational award corresponding to that service in the manner provided in section 147(b), except that a participant released for cause may not receive any portion of the national service educational award.

"SEC. 140. LIVING ALLOWANCES FOR NATIONAL SERVICE PARTICIPANTS.

"(a) PROVISION OF LIVING ALLOWANCE.—

"(1) LIVING ALLOWANCE PERMITTED.—Subject to paragraph (3), a national service program carried out using assistance provided under section 121 shall provide to each participant in the program a living allowance in such an amount as may be established by the program.

"(2) LIMITATION ON FEDERAL SHARE.—The amount of the annual living allowance provided under paragraph (1) that may be paid using assistance provided under section 121 and using any other Federal funds shall not exceed the lesser of—

"(A) 85 percent of the total average annual subsistence allowance provided to VISTA volunteers under section 105 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4955); and

"(B) 85 percent of the annual living allowance established by the national service program involved.

"(3) MAXIMUM LIVING ALLOWANCE.—Except as provided in subsection (c), the total amount of an annual living allowance that may be provided to a participant in a national service program shall not exceed 200 percent of the average annual subsistence allowance provided to VISTA volunteers under section 105 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4955).

"(4) PRORATION OF LIVING ALLOWANCE.—The amount provided as a living allowance under this subsection shall be prorated in the case of a participant who is authorized to serve a reduced term of service under section 139(b)(3).

"(b) COVERAGE OF CERTAIN EMPLOYMENT-RELATED TAXES.—To the extent a national service program that receives assistance under section 121 is subject, with respect to the participants in the program, to the taxes imposed on an employer under sections 3111 and 3301 of the Internal Revenue Code of 1986 (26 U.S.C. 3111, 3301) and taxes imposed on an employer under a workmen's compensation act, the assistance provided to the program under section 121 shall include an amount sufficient to cover 85 percent of such taxes based upon the lesser of—

"(1) the total average annual subsistence allowance provided to VISTA volunteers under section 105 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4955); and

"(2) the annual living allowance established by the program.

"(c) EXCEPTION FROM MAXIMUM LIVING ALLOWANCE FOR CERTAIN ASSISTANCE.—A professional corps program described in section 122(a)(8) that desires to provide a living allowance in excess of the maximum allowance authorized in subsection (a)(3) may still apply for such assistance, except that—

"(1) any assistance provided to the applicant under section 121 may not be used to pay for any portion of the allowance;

"(2) the applicant shall apply for such assistance only by submitting an application to the Corporation for assistance on a competitive basis; and

"(3) the national service program shall be operated directly by the applicant and shall meet urgent, unmet human, educational, environmental, or public safety needs, as determined by the Corporation.

"(d) HEALTH INSURANCE.—

"(1) IN GENERAL.—A State or other recipient of assistance under section 121 shall provide a basic health care policy for each full-time participant in a national service program carried out or supported using the assistance if the participant is not otherwise covered by a health care policy. Not more than 85 percent of the cost of a premium shall be provided by the Corporation, with the remaining cost paid by the entity receiving assistance under section 121. The Corporation shall establish minimum standards that all plans shall meet in order to qualify for payment under this part, any circumstances in which an alternative health care policy may be substituted for the basic

health care policy, and mechanisms to prohibit participants from dropping existing coverage.

"(2) OPTION.—A State or other recipient of assistance under section 121 may elect to provide from the funds of the State or recipient a health care policy for participants that does not meet all of the standards established by the Corporation if the fair market value of such policy is equal to or greater than the fair market value of a plan that meets the minimum standards established by the Corporation, and is consistent with other applicable laws.

"(e) CHILD CARE.—

"(1) AVAILABILITY.—A State or other recipient of assistance under section 121 shall—

"(A) make child care available for children of each full-time participant who serves in a national service program carried out or supported by the recipient using the assistance, including individuals who need such child care in order to participate in the program; or

"(B) provide a child care allowance to each full-time participant in a national service program who needs such assistance in order to participate in the program.

"(2) GUIDELINES.—The Corporation shall establish guidelines regarding the circumstances under which child care shall be made available under this subsection and the value of any allowance to be provided.

"(f) WAIVER OF LIMITATION ON FEDERAL SHARE.—The Corporation may waive in whole or in part the limitation on the Federal share specified in this section with respect to a particular national service program in any fiscal year if the Corporation determines that such a waiver would be equitable due to a lack of available financial resources at the local level.

"SEC. 141. NATIONAL SERVICE EDUCATIONAL AWARDS.

"(a) ELIGIBILITY GENERALLY.—A participant in a national service program carried out using assistance provided to an applicant under section 121 shall be eligible for the national service educational award described in subtitle D if the participant—

"(1) serves in an approved national service position; and

"(2) satisfies the eligibility requirements specified in section 146 with respect to service in that approved national service position.

"(b) SPECIAL RULE FOR VISTA VOLUNTEERS.—A VISTA volunteer who serves in an approved national service position shall be ineligible for a national service educational award if the VISTA volunteer accepts the stipend authorized under section 105(a)(1) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4955(a)(1)).".

(b) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101-610; 104 Stat. 3127) is amended by striking the items relating to subtitle C of title I of such Act and inserting the following new items:

"Subtitle C—National Service Trust Program

"PART I—INVESTMENT IN NATIONAL SERVICE

"Sec. 121. Authority to provide assistance and approved national service positions.
"Sec. 122. Types of national service programs eligible for program assistance.
"Sec. 123. Types of national service positions eligible for approval for national service educational awards.
"Sec. 124. Types of program assistance.
"Sec. 125. Training and technical assistance.
"Sec. 126. Other special assistance.

"PART II—APPLICATION AND APPROVAL PROCESS

"Sec. 129. Provision of assistance and approved national service positions by competitive and other means.
"Sec. 130. Application for assistance and approved national service positions.
"Sec. 131. National service program assistance requirements.
"Sec. 132. Ineligible service categories.
"Sec. 133. Consideration of applications.

"PART III—NATIONAL SERVICE PARTICIPANTS

"Sec. 137. Description of participants.
"Sec. 138. Selection of national service participants.
"Sec. 139. Terms of service.
"Sec. 140. Living allowances for national service participants.
"Sec. 141. National service educational awards.".

SEC. 102. NATIONAL SERVICE TRUST AND PROVISION OF NATIONAL SERVICE EDUCATIONAL AWARDS.

(a) ESTABLISHMENT OF TRUST; PROVISION OF AWARDS.—Subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.) is amended to read as follows:

"Subtitle D—National Service Trust and Provision of National Service Educational Awards

"SEC. 145. ESTABLISHMENT OF THE NATIONAL SERVICE TRUST.

"(a) ESTABLISHMENT.—There is established in the Treasury of the United States an account to be known as the National Service Trust. The Trust shall consist of—

"(1) from the amounts appropriated to the Corporation and made available to carry out this subtitle pursuant to section 501(a)(2), such amounts as the Corporation may designate to be available for the payment of—

"(A) national service educational awards; and

"(B) interest expenses pursuant to subsection 148(e);

"(2) any amounts received by the Corporation as gifts, bequests, devise, or otherwise pursuant to section 196(a)(2); and

"(3) the interest on, and proceeds from the sale or redemption of, any obligations held by the Trust.

"(b) INVESTMENT OF TRUST.—It shall be the duty of the Secretary of the Treasury to invest in full the amounts appropriated to the Trust. Except as otherwise expressly provided in instruments concerning a gift, bequest, devise, or other donation and agreed to by the Corporation, such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the marketplace. Any obligation acquired by the Trust may be sold by the Secretary at the market price.

"(c) EXPENDITURES FROM TRUST.—Amounts in the Trust shall be available for payments of national service educational awards in accordance with section 148.

"(d) REPORTS TO CONGRESS ON RECEIPTS AND EXPENDITURES.—The Corporation shall submit an annual report to the Congress on the financial status of the Trust. Such report shall—

"(1) specify the amount deposited to the Trust from the most recent appropriation to the Corporation, the amount received by the Corporation as gifts or bequest during the period covered by the report, and any amounts obtained by the Trust pursuant to subsection (a)(3);

"(2) identify the number of individuals who are currently performing service to qualify, or have qualified, for national service educational awards;

"(3) identify the number of individuals whose ability to claim national service educational awards during the period covered by the report—

"(A) has been reduced pursuant to section 147(b); or

"(B) has lapsed pursuant to section 146(d); and

"(4) estimate the number of additional approved national service positions which the Corporation will be able to make available under subtitle C on the basis of any accumulated surplus in the Trust above the amount required to provide national service educational awards to individuals identified under paragraph (2), including any amounts available as a result of the circumstances referred to in paragraph (3).

"SEC. 146. INDIVIDUALS ELIGIBLE TO RECEIVE A NATIONAL SERVICE EDUCATIONAL AWARD FROM THE TRUST.

"(a) ELIGIBLE INDIVIDUALS.—An individual shall be eligible to receive a national service educational award from the National Service Trust if the individual—

"(1) successfully completes the required term of service described in subsection (b) in an approved national service position;

"(2) was 17 years of age or older at the time the individual began serving in the approved national service position or was an out-of-school youth serving in an approved national service position with a youth corps program described in section 122(a)(2) or a program described in section 122(a)(9);

"(3) at the time the individual uses the national service educational award—

"(A) has received a high school diploma, or the equivalent of such diploma;

"(B)(i) is enrolled at an institution of higher education on the basis of meeting the standard described in paragraph (1) or (2) of section 484(d) of the Higher Education Act of 1965 (20 U.S.C. 1091(d)); and

"(ii) meets the requirements of section 484(a) of such Act; or

"(C) has received a waiver described in section 137(c); and

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

"(b) TERM OF SERVICE.—The term of service for an approved national service position shall not be less than the full- or part-time term of service specified in section 139(b).

"(c) LIMITATION ON NUMBER OF TERMS OF SERVICE FOR AWARDS.—Although an individual may serve more than 2 terms of service described in subsection (b) in an approved national service position, the individual shall receive a national service educational award from the National Service Trust only on the basis of the first and second of such terms of service.

"(d) TIME FOR USE OF EDUCATIONAL AWARD.—

"(1) FIVE-YEAR REQUIREMENT.—An individual eligible to receive a national service educational award under this section may not use such award after the end of the 5-year period beginning on the date the individual completes the term of service in an approved national service position that is the basis of the award.

"(2) EXCEPTION.—The Corporation may extend the period within which an individual

may use a national service educational award if the Corporation determines that the individual—

"(A) was unavoidably prevented from using the national service educational award during the original 5-year period; or

"(B) performed another term of service in an approved national service position during that period.

"SEC. 147. DETERMINATION OF THE AMOUNT OF THE NATIONAL SERVICE EDUCATIONAL AWARD.

"(a) AMOUNT GENERALLY.—Except as provided in subsection (b), an individual described in section 146(a) who successfully completes a required term of service in an approved national service position shall receive a national service educational award having a value equal to $5,000 for each of not more than 2 of such terms of service.

"(b) AWARD FOR PARTIAL COMPLETION OF SERVICE.—If an individual serving in an approved national service position is released in accordance with section 139(c)(1)(A) from completing the term of service agreed to by the individual, the Corporation may provide the individual with that portion of the national service educational award approved for the individual that corresponds to the quantity of the term of service actually completed by the individual.

"SEC. 148. DISBURSEMENT OF NATIONAL SERVICE EDUCATIONAL AWARDS.

"(a) IN GENERAL.—Amounts in the Trust shall be available—

"(1) to repay student loans in accordance with subsection (b);

"(2) to pay all or part of the cost of attendance at an institution of higher education in accordance with subsection (c);

"(3) to pay expenses incurred in participating in an approved school-to-work program in accordance with subsection (d); and

"(4) to pay interest expenses in accordance with regulations prescribed pursuant to subsection (e).

"(b) USE OF EDUCATIONAL AWARD TO REPAY OUTSTANDING STUDENT LOANS.—

"(1) APPLICATION BY ELIGIBLE INDIVIDUALS.—An eligible individual under section 146 who desires to apply the national service educational award of the individual to the repayment of qualified student loans shall submit, in a manner prescribed by the Corporation, an application to the Corporation that—

"(A) identifies, or permits the Corporation to identify readily, the holder or holders of such loans;

"(B) indicates, or permits the Corporation to determine readily, the amounts of principal and interest outstanding on the loans;

"(C) specifies the qualified student loan to which the individual desires to apply the national service educational award, in any case in which the total of the amounts described in subparagraph (B) is greater than the amount of the national service educational award to which the individual is entitled; and

"(D) contains or is accompanied by such other information as the Corporation may require.

"(2) DISBURSEMENT OF REPAYMENTS.—Upon receipt of an application from an eligible individual of an application that complies with paragraph (1), the Corporation shall, as promptly as practicable consistent with paragraph (5), disburse the amount of the national service educational award to which the eligible individual is entitled. Such disbursement shall be made by check or other means that is payable to the holder of the loan and requires the endorsement or other certification by the eligible individual.

"(3) APPLICATION OF DISBURSED AMOUNTS.—If the amount disbursed under paragraph (2) is less than the principal and accrued interest on any qualified student loan, such amount shall first be applied to the repayment of principal. In a case described in paragraph (1)(C), such amount shall be applied to the loan described in paragraph (1)(C).

"(4) REPORTS BY HOLDERS.—Any holder receiving a loan payment pursuant to this subsection shall submit to the Corporation such information as the Corporation may require to verify that such payment was applied in accordance with this subsection and any regulations prescribed to carry out this subsection.

"(5) AUTHORITY TO AGGREGATE PAYMENTS.—The Corporation may, by regulation, provide for the aggregation of payments to holders under this subsection.

"(6) NOTIFICATION.—On disbursing a national service educational award to which an individual is entitled under paragraph (2) and applying the award to a loan, the Corporation shall notify the individual of the amount disbursed for each such loan and the date of the disbursal.

"(7) DEFINITIONS.—As used in this subsection:

"(A) QUALIFIED STUDENT LOAN.—The term 'qualified student loan' means—

"(i) any loan made, insured, or guaranteed pursuant to title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.), other than a loan to a parent of a student pursuant to section 428B of such Act (20 U.S.C. 1078–2); and

"(ii) any loan made pursuant to title VII or VIII of the Public Health Service Act (42 U.S.C. 292a et seq.).

"(B) HOLDER.—The term 'holder' with respect to any eligible loan means the original lender or, if the loan is subsequently sold, transferred, or assigned to some other person, and such other person acquires a legally enforceable right to receive payments from the borrower, such other person.

"(c) USE OF EDUCATIONAL AWARDS TO PAY CURRENT EDUCATIONAL EXPENSES.—

"(1) APPLICATION BY ELIGIBLE INDIVIDUAL.—An eligible individual under section 146 who desires to apply the national service educational award of the individual to the payment of full-time or part-time educational expenses, that have been incurred by the individual prior to the service of the individual under subtitle C, shall, on a form prescribed by the Corporation, submit an application to the institution of higher education in which the student will be enrolled that contains such information as the Corporation may require to verify the individual's eligibility.

"(2) SUBMISSION OF REQUESTS FOR PAYMENT BY INSTITUTIONS.—An institution of higher education that receives one or more applications that comply with paragraph (1) shall submit to the Corporation a statement, in a manner prescribed by the Corporation, that—

"(A) identifies each eligible individual filing an application under paragraph (1) for a disbursement of the individual's national service educational award under this subsection;

"(B) specifies the amounts for which such eligible individuals are, consistent with paragraph (6), qualified for disbursement under this subsection;

"(C) certifies that—

"(i) the institution of higher education has in effect a program participation agreement under section 487 of the Higher Education Act of 1965 (20 U.S.C. 1094); and

"(ii) the institution's eligibility to participate in any of the programs under title IV of such Act (20 U.S.C. 1070 et seq.) has not been limited, suspended, or terminated; and

"(D) contains such provisions concerning financial compliance as the Corporation may require.

"(3) DISBURSEMENT OF PAYMENTS.—Upon receipt of a statement from an institution of higher education that complies with paragraph (2), the Corporation shall, subject to paragraph (4), disburse the total amount of the national service educational awards for which eligible individuals who have submitted applications to that institution under paragraph (1) are qualified. Such disbursement shall be made by check or other means that is payable to the institution and requires the endorsement or other certification by the eligible individual.

"(4) MULTIPLE DISBURSEMENTS REQUIRED.—The total amount required to be disbursed to an institution of higher education under paragraph (3) for any period of enrollment shall be disbursed by the Corporation in 2 or more installments, none of which exceeds ½ of such total amount. The interval between the first and second such installment shall not be less than ½ of such period of enrollment, except as necessary to permit the second installment to be paid at the beginning of the second semester, quarter, or similar division of such period of enrollment.

"(5) REFUND RULES.—The Corporation shall, by regulation, provide for the refund to the Corporation (and the crediting to the national service educational award of an eligible individual) of amounts disbursed to institutions for the benefit of eligible individuals who withdraw or otherwise fail to complete the period of enrollment for which the assistance was provided. Such regulations shall be consistent with the fair and equitable refund policies required of institutions pursuant to section 484B of the Higher Education Act of 1965 (20 U.S.C. 1091b). Amounts refunded to the Trust pursuant to this paragraph may be used by the Corporation to fund additional approved national service positions under subtitle C.

"(6) MAXIMUM AWARD.—The portion of an eligible individual's total available national service educational award that may be disbursed under this subsection for any period of enrollment shall not exceed the difference between—

"(A) the eligible individual's cost of attendance for such period of enrollment, determined in accordance with section 472 of the Higher Education Act of 1965 (20 U.S.C. 1087ll); and

"(B) the sum of—

"(i) the student's estimated financial assistance for such period under part A of title IV of such Act (20 U.S.C. 1070 et seq.); and

"(ii) the student's veterans' education benefits, determined in accordance with section 480(c) of such Act (20 U.S.C. 1087vv(c)).

"(d) USE OF EDUCATIONAL AWARD TO PARTICIPATE IN APPROVED SCHOOL-TO-WORK PROGRAMS.—The Corporation shall by regulation provide for the payment of national service educational awards to permit eligible individuals to participate in school-to-work programs approved by the Secretaries of Labor and Education.

"(e) INTEREST PAYMENTS DURING FORBEARANCE ON LOAN REPAYMENT.—The Corporation may provide by regulation for the payment on behalf of an eligible individual of interest that accrues during a period for which such individual has obtained forbearance in the repayment of a qualified student loan (as defined in subsection (b)(7)), if the eligible individual successfully completes the required

term of service (as determined under section 146(b)) of the individual. Such regulations shall be prescribed after consultation with the Secretary of Education.

"(f) EXCEPTION.—

"(1) OPTION.—With the approval of the President, a national service program that receives assistance under section 121 may offer to each participant in the program the option of—

"(A) waiving the right of the participant to receive a national service education award; and

"(B) receiving an alternative post-service benefit.

"(2) SOURCES OF FUNDING.—In providing for the alternative post-service benefit, the program may not use funds made available under this Act or any other Federal law.

"(g) DEFINITION OF INSTITUTION OF HIGHER EDUCATION.—Notwithstanding section 101 of this Act, for purposes of this section the term 'institution of higher education' has the meaning provided by section 481(a) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)).".

(b) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101-610; 104 Stat. 3127) is amended by striking the items relating to subtitle D of title I of such Act and inserting the following new items:

"Subtitle D—National Service Trust and Provision of National Service Educational Awards

"Sec. 145. Establishment of the National Service Trust.

"Sec. 146. Individuals eligible to receive a national service educational award from the Trust.

"Sec. 147. Determination of the amount of the national service educational award.

"Sec. 148. Disbursement of national service educational awards.".

(c) CONFORMING AMENDMENTS.—

(1) ELIGIBILITY FOR SUBSIDIZED STAFFORD LOANS.—Section 428(a)(2)(C)(i) of the Higher Education Act of 1965 (20 U.S.C. 1078(a)(2)(C)(i)) is amended by inserting "any national service educational award such student will receive under subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12751 et seq.)," after "parts C and E of this title,".

(2) FORBEARANCE IN THE COLLECTION OF STAFFORD LOANS.—Section 428 of the Higher Education Act of 1965 is amended—

(A) in subsection (b)(1)—

(i) by redesignating subparagraphs (W), (X), and (Y) as subparagraphs (X), (Y), and (Z), respectively; and

(ii) by inserting after subparagraph (V) the following new subparagraph:

"(W)(i) provides that, upon written request, a lender shall grant a borrower forbearance on such terms as are otherwise consistent with the regulations of the Secretary, during periods in which the borrower is serving in a national service position, for which the borrower receives a national service educational award under the National and Community Service Trust Act of 1993;

"(ii) provides that clauses (iii) and (iv) of subparagraph (V) shall also apply to a forbearance granted under this subparagraph; and

"(iii) provides that interest shall continue to accrue on a loan for which a borrower receives forbearance under this subparagraph and shall be capitalized or paid by the borrower;"; and

(B) in subsection (c)(3)(A), by striking "subsection (b)(1)(V)" and inserting "subparagraphs (V) and (W) of subsection (b)(1)".

(3) ELIGIBILITY FOR STAFFORD LOAN FORGIVENESS.—Section 428J of the Higher Education Act of 1965 (20 U.S.C. 1078-10) is amended—

(A) in subsection (b)(1), is amended by striking "October 1, 1992" and inserting "October 1, 1989"; and

(B) in subsection (c), by adding at the end the following new paragraph:

"(5) INELIGIBILITY OF NATIONAL SERVICE EDUCATIONAL AWARD RECIPIENTS.—No student borrower may, for the same volunteer service, receive a benefit under both this section and subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12751 et seq.).".

(4) ELIGIBILITY FOR PERKINS LOAN FORGIVENESS.—Section 465(a) of the Higher Education Act of 1965 (20 U.S.C. 1087ee(a)) is amended by adding at the end the following new paragraph:

"(6) No borrower may, for the same volunteer service, receive a benefit under both this section and subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12751 et seq.).".

(5) IMPACT ON GENERAL NEEDS ANALYSIS.—Section 480(j) of such Act (20 U.S.C. 1087vv(j)) is amended by adding at the end the following new paragraph:

"(3) Notwithstanding paragraph (1), any national service educational award such student will receive under subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12751 et seq.) shall not be taken into account in determining estimated financial assistance not received under this title.".

SEC. 103. SCHOOL-BASED AND COMMUNITY-BASED SERVICE-LEARNING PROGRAMS.

(a) AMENDMENTS TO SERVE-AMERICA PROGRAMS.—

(1) PURPOSE.—The purpose of this subsection is to improve the Serve-America programs established under part I of subtitle B of the National and Community Service Act of 1990, and to enable the Corporation for National and Community Service, and the entities receiving financial assistance under such part, to—

(A) work with teachers in elementary schools and secondary schools within a community, and with community-based agencies, to create and offer service-learning opportunities for all school-age youth;

(B) educate teachers, and faculty providing teacher training and retraining, about service-learning, and incorporate service-learning opportunities into classroom teaching to strengthen academic learning;

(C) coordinate the work of adult volunteers who work with elementary and secondary schools as part of their community service activities; and

(D) work with employers in the communities to ensure that projects introduce the students to various careers and expose the students to needed further education and training.

(2) PROGRAMS.—Subtitle B of title I of the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.) is amended by striking the subtitle heading and all that follows through the end of part I and inserting the following:

"Subtitle B—School-Based and Community-Based Service-Learning Programs

"PART I—SERVE-AMERICA PROGRAMS

"Subpart A—School-Based Programs for Students

"SEC. 111. AUTHORITY TO ASSIST STATES AND INDIAN TRIBES.

"(a) USE OF FUNDS.—The Corporation, in consultation with the Secretary of Education, may make grants under section 112(b)(1), and allotments under subsections (a) and (b)(2) of section 112, to States (through State educational agencies), and to Indian tribes, to pay for the Federal share of—

"(1) planning and building the capacity of the States or Indian tribes (which may be accomplished through grants or contracts with qualified organizations) to implement school-based service-learning programs, including—

"(A) providing training for teachers, supervisors, personnel from community-based agencies (particularly with regard to the utilization of participants), and trainers, to be conducted by qualified individuals or organizations that have experience with service-learning;

"(B) developing service-learning curricula to be integrated into academic programs, including the age-appropriate learning component described in section 114(d)(5)(B);

"(C) forming local partnerships described in paragraph (2) or (4) to develop school-based service-learning programs in accordance with this subpart;

"(D) devising appropriate methods for research and evaluation of the educational value of service-learning and the effect of service-learning activities on communities; and

"(E) establishing effective outreach and dissemination of information to ensure the broadest possible involvement of community-based agencies with demonstrated effectiveness in working with school-age youth in their communities;

"(2) implementing, operating, or expanding school-based service-learning programs, which may include paying for the cost of the recruitment, training, supervision, placement, salaries, and benefits of service-learning coordinators, through State distribution of Federal funds made available under this subpart to projects operated by local partnerships among—

"(A) local educational agencies; and

"(B) one or more community partners that—

"(i) shall include a public or private not-for-profit organization that—

"(I) has demonstrated expertise in the provision of services to meet human, educational, environmental, or public safety needs;

"(II) was in existence 1 year before the date on which the organization submitted an application under section 114; and

"(III) will make projects available for participants, who shall be students; and

"(ii) may include a private for-profit business or private elementary or secondary school;

"(3) planning of school-based service-learning programs through State distribution of Federal funds made available under this subpart to local educational agencies, which planning may include paying for the cost of—

"(A) the salaries and benefits of service-learning coordinators; or

"(B) the recruitment, training, supervision, and placement of service-learning coordinators who are participants in a program under subtitle C or receive a national service educational award under subtitle D,

who will identify the community partners described in paragraph (2)(B) and assist in the design and implementation of a program described in paragraph (2); and

"(4) implementing, operating, or expanding school-based service-learning programs involving adult volunteers to utilize service-

learning to improve the education of students through State distribution of Federal funds made available under this part to local partnerships among—

"(A) local educational agencies; and

"(B) one or more—

"(i) public or private not-for-profit organizations;

"(ii) other educational agencies; or

"(iii) private for-profit businesses,

that coordinate and operate projects for participants, who shall be students.

"(b) DUTIES OF SERVICE-LEARNING COORDINATOR.—A service-learning coordinator referred to in paragraph (2) or (3) of subsection (a) shall provide services to a local educational agency by—

"(1) expanding the awareness of teachers of the potential of service-learning in strengthening the educational achievement, leadership development, and substantive learning, of students;

"(2) providing technical assistance and information to, and facilitating the training of, teachers who want to use service-learning in their classrooms;

"(3) assisting local partnerships described in subsection (a) in the planning, development, and execution of service-learning projects;

"(4) recruiting and supervising adult volunteers, or individuals who are participants in a program under subtitle C or receive a national service educational award under subtitle D, to expand service-learning opportunities; and

"(5) coordinating the activities of the service-learning coordinator with the activities of the committee described in section 114(d)(1), and, where appropriate, assisting the committee.

"(c) RELATED EXPENSES.—A partnership, local educational agency, or other qualified organization that receives financial assistance under this subpart may, in carrying out the activities described in subsection (a), use such assistance to pay for the Federal share of reasonable costs related to the supervision of participants, program administration, transportation, insurance, evaluations, and for other reasonable expenses related to the activities.

"SEC. 111A. AUTHORITY TO ASSIST LOCAL APPLICANTS IN NONPARTICIPATING STATES.

"In any fiscal year in which a State does not submit an application under section 113, for an allotment under subsection (a) or (b)(2) of section 112, that meets the requirements of section 113 and such other requirements as the President may determine to be appropriate, the Corporation may use the allotment of that State to make direct grants to pay for the Federal share of the cost of—

"(1) carrying out the activities described in paragraph (2) or (4) of section 111(a), to a local partnership described in such paragraph; or

"(2) carrying out the activities described in paragraph (3) of such section, to an agency described in such paragraph,

that is located in the State.

"SEC. 111B. AUTHORITY TO ASSIST PUBLIC OR PRIVATE NOT-FOR-PROFIT ORGANIZATIONS.

"(a) IN GENERAL.—The Corporation may make a grant under section 112(b)(1) to a public or private not-for-profit organization that—

"(1) has experience with service-learning;

"(2) was in existence 1 year before the date on which the organization submitted an application under section 114(a); and

"(3) meets such other criteria as the President may establish.

"(b) USE OF FUNDS.—Such an organization may use a grant made under subsection (a) to make grants to partnerships described in paragraph (2) or (4) of section 111(a) to implement, operate, or expand school-based service-learning programs as described in such section and provide technical assistance and training to appropriate persons.

"SEC. 112. GRANTS AND ALLOTMENTS.

"(a) INDIAN TRIBES AND TERRITORIES.—Of the amounts appropriated to carry out this subpart for any fiscal year, the Corporation shall reserve an amount of not more than 1 percent for payments to Indian tribes, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, to be allotted in accordance with their respective needs. The Corporation may also make payments from such amount to Palau, in accordance with its needs, until such time as the Compact of Free Association with Palau is ratified.

"(b) GRANTS AND ALLOTMENTS THROUGH STATES.—The Corporation shall use the remainder of the funds appropriated to carry out this subpart for any fiscal year as follows:

"(1) GRANTS.—Except as provided in paragraph (3), from 25 percent of such funds, the Corporation may make grants, on a competitive basis, to—

"(A) States and Indian tribes; or

"(B) as described in section 111B, to grantmaking entities.

"(2) ALLOTMENTS.—

"(A) SCHOOL-AGE YOUTH.—Except as provided in paragraph (3), from 37.5 percent of such funds, the Corporation shall allot to each State an amount that bears the same ratio to 37.5 percent of such funds as the number of school-age youth in the State bears to the total number of school-age youth of all States.

"(B) ALLOCATION UNDER ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—Except as provided in paragraph (3), from 37.5 percent of such funds, the Corporation shall allot to each State an amount that bears the same ratio to 37.5 percent of such funds as the allocation to the State for the previous fiscal year under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711 et seq.) bears to such allocations to all States.

"(3) MINIMUM AMOUNT.—No State shall receive, under paragraph (2), an allotment that is less than the allotment such State received for fiscal year 1993 under section 112(b) of this Act, as in effect on the day before the date of enactment of this part. If the amount of funds made available in a fiscal year to carry out paragraph (2) is insufficient to make such allotments, the Corporation shall make available sums from the 25 percent described in paragraph (1) for such fiscal year to make such allotments.

"(4) DEFINITION.—Notwithstanding section 101(27), for purposes of this subsection, the term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, and an Indian tribe.

"(c) REALLOTMENT.—If the Corporation determines that the allotment of a State or Indian tribe under this section will not be required for a fiscal year because the State or Indian tribe does not submit an application for the allotment under section 113 that meets the requirements of such section and such other requirements as the President may determine to be appropriate, the Corporation shall, after making any grants under section 111A to a partnership or agency described in such section, make any remainder of such allotment available for reallotment to such other States, and Indian tribes, with approved applications submitted under section 113, as the Corporation may determine to be appropriate.

"(d) EXCEPTION.—Notwithstanding subsections (a) and (b), if less than $20,000,000 is appropriated for any fiscal year to carry out this subpart, the Corporation shall award grants to States and Indian tribes, from the amount so appropriated, on a competitive basis to pay for the Federal share of the activities described in section 111.

"SEC. 113. STATE OR TRIBAL APPLICATIONS.

"(a) SUBMISSION.—To be eligible to receive a grant under section 112(b)(1), an allotment under subsection (a) or (b)(2) of section 112, a reallotment under section 112(c), or a grant under section 112(d), a State, acting through the State educational agency, or an Indian tribe, shall prepare, submit to the Corporation, and obtain approval of, an application at such time and in such manner as the President may reasonably require.

"(b) CONTENTS.—An application that is submitted under subsection (a) with respect to service-learning programs described in section 111 shall include—

"(1) a 3-year strategic plan, or a revision of a previously approved 3-year strategic plan, for promoting service-learning through the programs, which plan shall contain such information as the President may reasonably require, such as—

"(A) a description of the goals to be attained in promoting service-learning through such programs;

"(B) a description of the resources and organization needed to achieve the goals of such programs within elementary schools and secondary schools; and

"(C) a description of the manner in which—

"(i) such programs and the activities to be carried out under such programs relate to the goals described in subparagraph (A);

"(ii) the applicant will evaluate the success of the programs and the extent of community involvement in the programs, and measure the extent to which the programs meet the goals described in subparagraph (A);

"(iii) in reviewing applications that are submitted under section 114(c), the applicant will rank the applications according to the criteria described in section 115(b), will consider the factors described in section 115(a), and will review the applications in a manner that ensures the equitable treatment of all such applications;

"(iv) the programs will be coordinated with—

"(I) the education reform efforts of the applicant;

"(II) other efforts to meet the National Education Goals;

"(III) other service activities in the State or serving the Indian tribe; and

"(IV) other education programs, training programs, social service programs, and appropriate programs that serve school-age youth, that are authorized under Federal law;

"(v) the applicant will disseminate information, conduct outreach, and take other measures, to encourage cooperative efforts among the local educational agencies, local government agencies, community-based agencies, State agencies, and private for-profit businesses that will carry out the service-learning programs proposed by the applicant, to develop and provide projects, including those that involve the participation of urban, suburban, and rural students working together;

"(vi) the applicant will promote appropriate projects in such programs for economically disadvantaged students, students with limited basic skills, students in foster care who are becoming too old for foster care, students of limited-English proficiency, homeless students, and students who are individuals with disabilities;

"(vii) service-learning training and technical assistance will be provided through the programs—

"(I) to State and local educational agency personnel, federally assisted education specialists in the State or serving the Indian tribe, and local recipients of grants under this subpart, to raise the awareness of service-learning among such personnel, specialists, and recipients; and

"(II) by qualified and experienced individuals employed by the State or Indian tribe or through grants or contracts with such individuals;

"(viii) a service-learning network will be established for the State or Indian tribe, comprised of expert teachers and administrators who have carried out successful service-learning activities within the State or serving the Indian tribe; and

"(ix) the applicant will use payments from sources described in section 116(a)(2)(B) to expand projects for students through the programs proposed by the applicant;

"(2) assurances that—

"(A) the applicant will keep such records and provide such information to the Corporation with respect to the programs as may be required for fiscal audits and program evaluation; and

"(B) the applicant will comply with the nonduplication and nondisplacement requirements of section 177 and the grievance procedure requirements of section 176(f); and

"(3) such additional information as the President may reasonably require.

"SEC. 114. LOCAL APPLICATIONS.

"(a) APPLICATION TO CORPORATION TO MAKE GRANTS FOR SCHOOL-BASED SERVICE-LEARNING PROGRAMS.—

"(1) IN GENERAL.—To be eligible to receive a grant in accordance with section 111B(a) to make grants relating to school-based service-learning programs described in section 111(a)(2), a grantmaking entity shall prepare, submit to the Corporation, and obtain approval of, an application.

"(2) SUBMISSION.—Such application shall be submitted at such time and in such manner, and shall contain such information, as the President may reasonably require.

"(b) DIRECT APPLICATION TO CORPORATION TO CARRY OUT SCHOOL-BASED SERVICE-LEARNING PROGRAMS IN NONPARTICIPATING STATES.—To be eligible to receive a grant from the Corporation in the circumstances described in section 111A to carry out an activity described in such section, a partnership or agency described in such section shall prepare, submit to the Corporation, and obtain approval of, an application. Such application shall be submitted at such time and in such manner, and shall contain such information, as the President may reasonably require.

"(c) APPLICATION TO STATE OR INDIAN TRIBE TO RECEIVE ASSISTANCE TO CARRY OUT SCHOOL-BASED SERVICE-LEARNING PROGRAMS.—

"(1) IN GENERAL.—Any—

"(A) qualified organization that desires to receive financial assistance under this subpart from a State or Indian tribe for an activity described in section 111(a)(1);

"(B) partnership described in section 111(a)(2) that desires to receive such assistance from a State, Indian tribe, or grantmaking entity for an activity described in section 111(a)(2);

"(C) agency described in section 111(a)(3) that desires to receive such assistance from a State or Indian tribe for an activity described in such section; or

"(D) partnership described in section 111(a)(4) that desires to receive such assistance from a State or Indian tribe for an activity described in such section,

to be carried out through a service-learning program described in section 111, shall prepare, submit to the State educational agency, Indian tribe, or grantmaking entity, and obtain approval of, an application for the program.

"(2) SUBMISSION.—Such application shall be submitted at such time and in such manner, and shall contain such information, as the agency, tribe, or entity may reasonably require.

"(d) CONTENTS OF APPLICATION.—An application that is submitted under subsection (a), (b), or (c) with respect to a service-learning program described in section 111 shall, at a minimum, contain a proposal that includes—

"(1) information specifying the membership and role of an established advisory committee, consisting of representatives of community-based agencies including service recipients, students, parents, teachers, administrators, representatives of agencies that serve school-age youth or older adults, school board members, representatives of local labor organizations, and representatives of business, that will provide advice with respect to the program;

"(2) a description of—

"(A) the goals of the program which shall include goals that are quantifiable and demonstrate any benefits from the program to participants and the community;

"(B) service-learning projects to be provided under the program, and evidence that participants will make a sustained commitment to service in the projects;

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

"(D) training for supervisors, teachers, service sponsors, and participants in the program;

"(E) the manner in which exemplary service will be recognized under the program; and

"(F) any resources that will permit continuation of the program, if needed, after the assistance received under this subpart for the program has ended;

"(3) information that shall include—

"(A) a disclosure of whether or not the participants will receive academic credit for participation in the program;

"(B) the expected number of participants in the program and the hours of service that such participants will provide individually and as a group;

"(C) the proportion of expected participants in the program who are economically disadvantaged, including participants who are individuals with disabilities; and

"(D) any role of adult volunteers in implementing the program, and the manner in which such volunteers will be recruited;

"(4) in the case of an application submitted by a local partnership, a written agreement, between the members of the local partnership, stating that the program was jointly developed by the members and that the program will be jointly executed by the members;

"(5) assurances that—

"(A) prior to the placement of a participant, the entity carrying out 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, to prevent the displacement and protect the rights of such employees;

"(B) the entity carrying out the program will develop an age-appropriate learning component for participants in the program that shall include a chance for participants to analyze and apply their service experiences; and

"(C) the entity carrying out the program will comply with the nonduplication and nondisplacement requirements of section 177 and the grievance procedure requirements of section 176(f); and

"(6) in the case of an application submitted by a grantmaking entity, information demonstrating that the entity will make grants for a program to—

"(A) carry out activities described in section 111B(b) in two or more States, under circumstances in which the activities carried out under such program can be carried out more efficiently through one program than through two or more programs; and

"(B) carry out the same activities, such as training activities or activities related to exchanging information on service experiences, through each of the projects assisted through the program.

"(e) LIMITATION ON SAME PROJECT IN MULTIPLE APPLICATIONS.—No applicant shall submit an application under section 113 or this section, and the Corporation shall reject an application that is submitted under section 113 or this section, if the application describes a project proposed to be conducted using assistance requested by the applicant and the project is already described in another application pending before the Corporation.

"SEC. 115. CONSIDERATION OF APPLICATIONS.

"(a) CRITERIA FOR APPLICATIONS.—In approving applications for financial assistance under subsection (a), (b), (c), or (d) of section 112, the Corporation shall consider such criteria with respect to sustainability, replicability, innovation, and quality of programs under this subpart as the President may by regulation specify. In providing assistance under this subpart, a State educational agency, Indian tribe, or grantmaking entity shall consider such criteria.

"(b) PRIORITY FOR LOCAL APPLICATIONS.—

"(1) IN GENERAL.—In providing assistance under this subpart, a State educational agency or Indian tribe, or the Corporation if section 111A or 111B applies, shall give priority to entities that submit applications under section 114 with respect to service-learning programs described in section 111 that—

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

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

"(C) involve—

"(i) students from public elementary or secondary schools, and students from private elementary or secondary schools, serving together; or

"(ii) students of different ages, races, sexes, ethnic groups, disabilities, or economic backgrounds, serving together; or

"(D) are integrated into the academic program of the participants.

"(c) REJECTION OF APPLICATIONS.—If the Corporation rejects an application submitted by a State under section 113 for an allotment

under subsection (b)(2) of section 112, the Corporation shall promptly notify the State of the reasons for the rejection of the application. The Corporation shall provide the State with a reasonable opportunity to revise and resubmit the application and shall provide technical assistance, if needed, to the State as part of the resubmission process. The Corporation shall promptly reconsider such resubmitted application.

"SEC. 115A. PARTICIPATION OF STUDENTS AND TEACHERS FROM PRIVATE SCHOOLS.

"(a) IN GENERAL.—To the extent consistent with the number of students in the State or Indian tribe or in the school district of the local educational agency involved who are enrolled in private not-for-profit elementary and secondary schools, such State, Indian tribe, or agency shall (after consultation with appropriate private school representatives) make provision—

"(1) for the inclusion of services and arrangements for the benefit of such students so as to allow for the equitable participation of such students in the programs implemented to carry out the objectives and provide the benefits described in this subpart; and

"(2) for the training of the teachers of such students so as to allow for the equitable participation of such teachers in the programs implemented to carry out the objectives and provide the benefits described in this subpart.

"(b) WAIVER.—If a State, Indian tribe, or local educational agency is prohibited by law from providing for the participation of students or teachers from private not-for-profit schools as required by subsection (a), or if the Corporation determines that a State, Indian tribe, or local educational agency substantially fails or is unwilling to provide for such participation on an equitable basis, the President shall waive such requirements and shall arrange for the provision of services to such students and teachers. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with paragraphs (3) and (4) of section 1017(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2727(b)).

"SEC. 116. FEDERAL, STATE, AND LOCAL CONTRIBUTIONS.

"(a) SHARE.—

"(1) IN GENERAL.—The Federal share attributable to this subpart of the cost of carrying out a program for which a grant or allotment is made under this subpart may not exceed—

"(A) 90 percent of the total cost of the program for the first year for which the program receives assistance under this subpart;

"(B) 80 percent of the total cost of the program for the second year for which the program receives assistance under this subpart;

"(C) 70 percent of the total cost of the program for the third year for which the program receives assistance under this subpart; and

"(D) 50 percent of the total cost of the program for the fourth year, and for any subsequent year, for which the program receives assistance under this subpart.

"(2) CALCULATION.—In providing for the remaining share of the cost of carrying out such a program, each recipient of assistance under this subpart—

"(A) shall provide for such share through a payment in cash or in kind, fairly evaluated, including facilities, equipment, or services; and

"(B) may provide for such share through State sources, local sources, or Federal sources (other than funds made available under the national service laws).

"(b) WAIVER.—The President may waive the requirements of subsection (a) in whole or in part with respect to any such program in any fiscal year if the Corporation determines that such a waiver would be equitable due to a lack of available financial resources at the local level.

"SEC. 116A. LIMITATIONS ON USES OF FUNDS.

"(a) ADMINISTRATIVE COSTS.—

"(1) LIMITATION.—Not more than 5 percent of the amount of assistance provided to a State educational agency, Indian tribe, or grantmaking entity that is the original recipient of a grant or allotment under subsection (a), (b), (c), or (d) of section 112 for a fiscal year may be used to pay for administrative costs incurred by—

"(A) the original recipient; or

"(B) the entity carrying out the service-learning programs supported with the assistance.

"(2) RULES ON USE.—The President may by rule prescribe the manner and extent to which—

"(A) such assistance may be used to cover administrative costs; and

"(B) that portion of the assistance available to cover administrative costs should be distributed between—

"(i) the original recipient; and

"(ii) the entity carrying out the service-learning programs supported with the assistance.

"(b) CAPACITY-BUILDING ACTIVITIES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), not less than 10 percent and not more than 15 percent of the amount of assistance provided to a State educational agency or Indian tribe that is the original recipient of a grant or allotment under subsection (a), (b), (c), or (d) of section 112 for a fiscal year may be used to build capacity through training, technical assistance, curriculum development, and coordination activities, described in section 111(a)(1).

"(2) WAIVER.—The President may waive the requirements of paragraph (1) in order to permit an agency or a tribe to use not less than 10 percent and not more than 25 percent of such amount to build capacity as provided in paragraph (1). To be eligible to receive such a waiver such an agency or tribe shall submit an application to the President at such time, in such manner, and containing such information as the President may require.

"(c) LOCAL USES OF FUNDS.—Funds made available under this subpart may not be used to pay any stipend, allowance, or other financial support to any student who is a participant under this subtitle, except reimbursement for transportation, meals, and other reasonable out-of-pocket expenses directly related to participation in a program assisted under this subpart.

"SEC. 116B. DEFINITIONS.

"As used in this subpart:

"(1) GRANTMAKING ENTITY.—The term 'grantmaking entity' means an organization described in section 111B(a).

"(2) SCHOOL-BASED.—The term 'school-based' means based in an elementary school or a secondary school.

"(3) STUDENT.—Notwithstanding section 101(30), the term 'student' means an individual who is enrolled in an elementary or secondary school on a full- or part-time basis.

"Subpart B—Community-Based Service Programs for School-Age Youth

"SEC. 117. DEFINITIONS.

"As used in this subpart:

"(1) COMMUNITY-BASED SERVICE PROGRAM.—The term 'community-based service program' means a program described in section 117A(b)(1)(A).

"(2) GRANTMAKING ENTITY.—The term 'grantmaking entity' means a qualified organization that—

"(A) submits an application under section 117C(a) to make grants to qualified organizations;

"(B) was in existence 1 year before the date on which the organization submitted the application;

"(C) has experience with service-learning; and

"(D) meets such other criteria as the President shall establish.

"(3) QUALIFIED ORGANIZATION.—The term 'qualified organization' means a public or private not-for-profit organization with experience working with school-age youth that meets such criteria as the President may establish.

"SEC. 117A. GENERAL AUTHORITY.

"(a) GRANTS.—From the funds appropriated to carry out this subpart for a fiscal year, the Corporation may make grants to State Commissions, grantmaking entities, and qualified organizations to pay for the Federal share of the implementation, operation, expansion, or replication of community-based service programs.

"(b) USE OF FUNDS.—

"(1) STATE COMMISSIONS AND GRANTMAKING ENTITIES.—A State Commission or grantmaking entity may use a grant made under subsection (a)—

"(A) to make a grant to a qualified organization to implement, operate, expand, or replicate a community-based service program that provides for meaningful human, educational, environmental, or public safety service by participants, who shall be school-age youth; or

"(B) to provide training and technical assistance to such an organization.

"(2) QUALIFIED ORGANIZATIONS.—A qualified organization, other than a grantmaking entity, may use a grant made under subsection (a) to implement, operate, expand, or replicate a program described in paragraph (1)(A).

"SEC. 117B. STATE APPLICATIONS.

"(a) IN GENERAL.—To be eligible to receive a grant under section 117A(a), a State Commission shall prepare, submit to the Corporation, and obtain approval of, an application.

"(b) SUBMISSION.—Such application shall be submitted to the Corporation at such time and in such manner, and shall contain such information, as the President may reasonably require.

"(c) CONTENTS.—Such an application shall include, at a minimum, a State plan that contains the descriptions, proposals, and assurance described in section 117C(d) with respect to each community-based service program proposed to be carried out through funding distributed by the State Commission under this subpart.

"SEC. 117C. LOCAL APPLICATIONS.

"(a) APPLICATION TO CORPORATION TO MAKE GRANTS FOR COMMUNITY-BASED SERVICE PROGRAMS.—To be eligible to receive a grant from the Corporation under section 117A(a) to make grants under section 117A(b)(1), a grantmaking entity shall prepare, submit to the Corporation, and obtain approval of, an application that proposes a community-based service program to be carried out through grants made to qualified organizations. Such application shall be submitted at

such time and in such manner, and shall contain such information, as the President may reasonably require.

"(b) DIRECT APPLICATION TO CORPORATION TO CARRY OUT COMMUNITY-BASED SERVICE PROGRAMS.—To be eligible to receive a grant from the Corporation under section 117A(a) to implement, operate, expand, or replicate a community service program, a qualified organization shall prepare, submit to the Corporation, and obtain approval of, an application that proposes a community-based service program to be carried out at multiple sites, or that proposes a model or an innovative community-based service program. Such application shall be submitted at such time and in such manner, and shall contain such information, as the President may reasonably require.

"(c) APPLICATION TO STATE COMMISSION OR GRANTMAKING ENTITY TO RECEIVE GRANTS TO CARRY OUT COMMUNITY-BASED SERVICE PROGRAMS.—To be eligible to receive a grant from a State Commission or grantmaking entity under section 117A(b)(1), a qualified organization shall prepare, submit to the Commission or entity, and obtain approval of, an application. Such application shall be submitted at such time and in such manner, and shall contain such information, as the Commission or entity may reasonably require.

"(d) REQUIREMENTS OF APPLICATION.—An application submitted under subsection (a), (b), or (c) shall, at a minimum, contain—

"(1) a description of any community-based service program proposed to be implemented, operated, expanded, or replicated directly by the applicant using assistance provided under this subpart;

"(2) a description of any grant program proposed to be conducted by the applicant with assistance provided under this subpart to support a community-based service program;

"(3) a proposal for carrying out the community-based service program that describes the manner in which the entity carrying out the program will—

"(A) provide preservice and inservice training, for supervisors and participants, that will be conducted by qualified individuals, or qualified organizations, that have experience in community-based service programs;

"(B) include economically disadvantaged individuals as participants in the program proposed by the applicant;

"(C) provide an age-appropriate service-learning component described in section 114(d)(5)(B);

"(D) conduct an appropriate evaluation of the program;

"(E) provide for appropriate community involvement in the program;

"(F) provide service experiences that promote leadership abilities among participants in the program, including experiences that involve such participants in program design;

"(G) involve participants in projects approved by community-based agencies;

"(H) establish and measure progress toward the goals of the program; and

"(I) if appropriate, organize participants in the program into teams, with team leaders who may be participants in a program under subtitle C or individuals who receive a national service educational award under subtitle D;

"(4) an assurance that the entity carrying out the program proposed by the applicant will comply with the nonduplication and nondisplacement provisions of section 177 and the grievance procedure requirements of section 176(f);

"(5) an assurance that the entity carrying out the program will, prior to placing a participant in the program, consult with any local labor organization representing employees in the area in which the program will be carried out that are engaged in the same or similar work as the work proposed to be carried out by the program, to prevent the displacement of such employees; and

"(6) in the case of an application submitted by a grantmaking entity, information demonstrating that the entity will make grants for a program to—

"(A) carry out activities described in section 117A(b)(1) in two or more States, under circumstances in which the activities carried out under such program can be carried out more efficiently through one program than through two or more programs; and

"(B) carry out the same activities, such as training activities or activities related to exchanging information on service experiences, through each of the projects assisted through the program.

"(e) LIMITATION ON SAME PROJECT IN MULTIPLE APPLICATIONS.—No applicant shall submit an application under section 117B or this section, and the Corporation shall reject an application that is submitted under section 117B or this section, if the application describes a project proposed to be conducted using assistance requested by the applicant and the project is already described in another application pending before the Corporation.

"SEC. 117D. CONSIDERATION OF APPLICATIONS.

"(a) APPLICATION OF CRITERIA.—The Corporation shall apply the criteria described in subsection (b) in determining whether to approve an application submitted under section 117B or under subsection (a) or (b) of section 117C and to provide assistance under section 117A to the applicant on the basis of the application.

"(b) ASSISTANCE CRITERIA.—In evaluating such an application with respect to a program under this subpart, the Corporation shall consider the criteria established for national service programs under section 133(c).

"(c) APPLICATION TO SUBGRANTS.—A State Commission or grantmaking entity shall apply the criteria described in subsection (b) in determining whether to approve an application under section 117C(c) and to make a grant under section 117A(b)(1) to the applicant on the basis of the application.

"SEC. 117E. FEDERAL, STATE, AND LOCAL CONTRIBUTIONS.

"(a) FEDERAL SHARE.—

"(1) IN GENERAL.—The Federal share attributable to this subpart of the cost of carrying out a program for which a grant is made under this subpart may not exceed the percentage specified in subparagraph (A), (B), (C), or (D) of section 116(a)(1), as appropriate.

"(2) CALCULATION.—Each recipient of assistance under this subpart shall comply with section 116(a)(2).

"(b) WAIVER.—The President may waive the requirements of subsection (a), in whole or in part, as provided in section 116(b).

"SEC. 117F. LIMITATIONS ON USES OF FUNDS.

"(a) ADMINISTRATIVE COSTS.—Not more than 5 percent of the amount of assistance provided to a State Commission, grantmaking entity, or qualified organization that is the original recipient of a grant under section 117A(a) for a fiscal year may be used to pay for administrative costs incurred by—

"(1) the original recipient; or

"(2) the entity carrying out the community-based service programs supported with the assistance.

"(b) RULES ON USE.—The President may by rule prescribe the manner and extent to which—

"(1) such assistance may be used to cover administrative costs; and

"(2) that portion of the assistance available to cover administrative costs should be distributed between—

"(A) the original recipient; and

"(B) the entity carrying out the community-based service programs supported with the assistance.

"Subpart C—Clearinghouse

"SEC. 118. SERVICE-LEARNING CLEARINGHOUSE.

"(a) IN GENERAL.—The Corporation shall provide financial assistance, from funds appropriated to carry out subtitle H, to agencies described in subsection (b) to establish a clearinghouse, which shall carry out activities, either directly or by arrangement with another such entity, with respect to information about service-learning.

"(b) PUBLIC AND PRIVATE NOT-FOR-PROFIT AGENCIES.—Public and private not-for-profit agencies that have extensive experience with service-learning, including use of adult volunteers to foster service-learning, shall be eligible to receive assistance under subsection (a).

"(c) FUNCTION OF CLEARINGHOUSE.—An entity that receives assistance under subsection (a) may—

"(1) assist entities carrying out State or local service-learning programs with needs assessments and planning;

"(2) conduct research and evaluations concerning service-learning;

"(3)(A) provide leadership development and training to State and local service-learning program administrators, supervisors, service sponsors, and participants; and

"(B) provide training to persons who can provide the leadership development and training described in subparagraph (A);

"(4) facilitate communication among entities carrying out service-learning programs and participants in such programs;

"(5) provide information, curriculum materials, and technical assistance relating to planning and operation of service-learning programs, to States and local entities eligible to receive financial assistance under this title;

"(6)(A) gather and disseminate information on successful service-learning programs, components of such successful programs, innovative youth skills curricula related to service-learning, and service-learning projects; and

"(B) coordinate the activities of the Clearinghouse with appropriate entities to avoid duplication of effort;

"(7) make recommendations to State and local entities on quality controls to improve the quality of service-learning programs;

"(8) assist organizations in recruiting, screening, and placing service-learning coordinators; and

"(9) carry out such other activities as the President determines to be appropriate.".

(b) HIGHER EDUCATION INNOVATIVE PROJECTS.—Subtitle B of title I of the National and Community Service Act of 1990 (42 U.S.C. 12531 et seq.) is amended by striking part II and inserting the following:

"PART II—HIGHER EDUCATION INNOVATIVE PROGRAMS FOR COMMUNITY SERVICE

"SEC. 119. HIGHER EDUCATION INNOVATIVE PROGRAMS FOR COMMUNITY SERVICE.

"(a) PURPOSE.—It is the purpose of this part to expand participation in community service by supporting innovative community

service programs carried out through institutions of higher education, acting as civic institutions to meet the human, educational, environmental, or public safety needs of neighboring communities.

"(b) GENERAL AUTHORITY.—The Corporation, in consultation with the Secretary of Education, is authorized to make grants to, and enter into contracts with, institutions of higher education (including a combination of such institutions), and partnerships comprised of such institutions and of other public agencies or not-for-profit private organizations, to pay for the Federal share of the cost of—

"(1) enabling such an institution or partnership to create or expand an organized community service program that—

"(A) engenders a sense of social responsibility and commitment to the community in which the institution is located; and

"(B) provides projects for participants, who shall be students, faculty, administration, or staff of the institution, or residents of the community;

"(2) supporting student-initiated and student-designed community service projects through the program;

"(3) strengthening the leadership and instructional capacity of teachers at the elementary, secondary, and post secondary levels, with respect to service-learning, by—

"(A) including service-learning as a key component of the preservice teacher education of the institution; and

"(B) encouraging the faculty of the institution to use service-learning methods throughout their curriculum;

"(4) facilitating the integration of community service carried out under the program into academic curricula, including integration of clinical programs into the curriculum for students in professional schools, so that students can obtain credit for their community service projects;

"(5) supplementing the funds available to carry out work-study programs under part C of title IV of the Higher Education Act of 1965 (42 U.S.C. 2751 et seq.) to support service-learning and community service through the community service program;

"(6) strengthening the service infrastructure within institutions of higher education in the United States through the program; and

"(7) providing for the training of teachers, prospective teachers, related education personnel, and community leaders in the skills necessary to develop, supervise, and organize service-learning.

"(c) FEDERAL SHARE.—

"(1) SHARE.—

"(A) IN GENERAL.—The Federal share of the cost of carrying out a community service project for which a grant or contract is awarded under this part may not exceed 50 percent.

"(B) CALCULATION.—Each recipient of assistance under this part shall comply with section 116(a)(2).

"(2) WAIVER.—The President may waive the requirements of paragraph (1), in whole or in part, as provided in section 116(b).

"(d) APPLICATION FOR GRANT.—

"(1) SUBMISSION.—To receive a grant or enter into a contract under this part, an institution or partnership described in subsection (b) shall prepare, submit to the Corporation, and obtain approval of, an application at such time and in such manner as the President may reasonably require.

"(2) CONTENTS.—An application submitted under paragraph (1) shall contain—

"(A) such information as the President may reasonably require, such as a description of—

"(i) the proposed program to be established with assistance provided under the grant or contract;

"(ii) the human, educational, environmental, or public safety service that participants will perform and the community need that will be addressed under such program;

"(iii) whether or not students will receive academic credit for community service projects under the program;

"(iv) the procedure for training supervisors and participants and for supervising and organizing participants in such program;

"(v) the procedures to ensure that the program provides an opportunity for participants to reflect on their service experiences and includes the age-appropriate learning component described in section 114(d)(5)(B);

"(vi) the roles played by students and community members, including service recipients, in the design and implementation of the program; and

"(vii) the budget for the program;

"(B) assurances that—

"(i) prior to the placement of a participant, the applicant 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, to prevent the displacement and protect the rights of such employees; and

"(ii) the applicant will comply with the nonduplication and nondisplacement provisions of section 177 and the grievance procedure requirements of section 176(f); and

"(C) such other assurances as the President may reasonably require.

"(e) PRIORITY.—

"(1) IN GENERAL.—In making grants and entering into contracts under subsection (b), the Corporation shall give priority to applicants that submit applications containing proposals that—

"(A) demonstrate the commitment of the institution of higher education, other than by demonstrating the commitment of the students, to supporting the community service projects carried out under the program;

"(B) specify the manner in which the institution will promote faculty, administration, and staff participation in the community service projects;

"(C) specify the manner in which the institution will provide service to the community through organized programs, including, where appropriate, clinical programs for students in professional schools;

"(D) describe any partnership that will participate in the community service projects, such as a partnership comprised of—

"(i) the institution;

"(ii)(I) a community-based agency;

"(II) a local government agency; or

"(III) a not-for-profit entity that serves or involves school-age youth or older adults; and

"(iii) a student organization;

"(E) demonstrate community involvement in the development of the proposal;

"(F) specify that the institution will use such assistance to strengthen the service infrastructure in institutions of higher education; or

"(G) with respect to projects involving delivery of service, specify projects that involve leadership development of school-age youth.

"(2) DETERMINATION.—In giving priority to applicants under paragraph (1), the Corporation shall give increased priority to such an applicant for each characteristic described in subparagraphs (A) through (G) of paragraph (1) that is reflected in the application submitted by the applicant.

"(f) NATIONAL SERVICE EDUCATIONAL AWARD.—A participant in a program funded under this part shall be eligible for the national service educational award described in subtitle D, if the participant served in an approved national service position.

"(g) DEFINITION.—Notwithstanding section 101(30), as used in this part, the term 'student' means an individual who is enrolled in an institution of higher education on a full- or part-time basis.".

(c) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101-610; 104 Stat. 3127) is amended by striking the items relating to subtitle B of title I of such Act and inserting the following:

"Subtitle B—School-Based and Community-Based Service-Learning Programs

"PART I—SERVE-AMERICA PROGRAMS

"SUBPART A—SCHOOL-BASED PROGRAMS FOR STUDENTS

"Sec. 111. Authority to assist States and Indian tribes.
"Sec. 111A. Authority to assist local applicants in nonparticipating States.
"Sec. 111B. Authority to assist public or private not-for-profit organizations.
"Sec. 112. Grants and allotments.
"Sec. 113. State or tribal applications.
"Sec. 114. Local applications.
"Sec. 115. Consideration of applications.
"Sec. 115A. Participation of students and teachers from private schools.
"Sec. 116. Federal, State, and local contributions.
"Sec. 116A. Limitations on uses of funds.
"Sec. 116B. Definitions.

"SUBPART B—COMMUNITY-BASED SERVICE PROGRAMS FOR SCHOOL-AGE YOUTH

"Sec. 117. Definitions.
"Sec. 117A. General authority.
"Sec. 117B. State applications.
"Sec. 117C. Local applications.
"Sec. 117D. Consideration of applications.
"Sec. 117E. Federal, State, and local contributions.
"Sec. 117F. Limitations on uses of funds.

"SUBPART C—CLEARINGHOUSE

"Sec. 118. Service-learning clearinghouse.

"PART II—HIGHER EDUCATION INNOVATIVE PROGRAMS FOR COMMUNITY SERVICE

"Sec. 119. Higher education innovative programs for community service.".

SEC. 104. QUALITY AND INNOVATION ACTIVITIES.

(a) REPEAL.—Subtitle E of title I of the National and Community Service Act of 1990 (42 U.S.C. 12591 et seq.) is repealed.

(b) TRANSFER.—Title I of the National and Community Service Act of 1990 is amended—

(1) by redesignating subtitle H (42 U.S.C. 12653 et seq.) as subtitle E;

(2) by inserting subtitle E (as redesignated by paragraph (1) of this subsection) after subtitle D; and

(3) by redesignating sections 195 through 195O as sections 151 through 166, respectively.

(c) INVESTMENT FOR QUALITY AND INNOVATION.—Title I of the National and Community Service Act of 1990 (as amended by subsection (b) of this section) is amended by adding at the end the following new subtitle:

"Subtitle H—Investment for Quality and Innovation

"SEC. 198. ADDITIONAL CORPORATION ACTIVITIES TO SUPPORT NATIONAL SERVICE.

"(a) METHODS OF CONDUCTING ACTIVITIES.—The Corporation may carry out this section directly or through grants, contracts, and cooperative agreements with other entities.

"(b) INNOVATION AND QUALITY IMPROVEMENT.—

"(1) ACTIVITIES.—The Corporation may undertake activities to improve the quality of national service programs and to support innovative and model programs, including—

"(A) programs, including programs for rural youth, under subtitle B or C;

"(B) employer-based retiree programs;

"(C) intergenerational programs;

"(D) programs involving individuals with disabilities as participants providing service; and

"(E) programs sponsored by Governors.

"(2) INTERGENERATIONAL PROGRAM.—An intergenerational program referred to in paragraph (1)(C) may include a program in which older adults provide services to children who participate in Head Start programs.

"(c) SUMMER PROGRAMS.—The Corporation may support service programs intended to be carried out between May 1 and October 1, except that such a program may also include a year-round component.

"(d) COMMUNITY-BASED AGENCIES.—The Corporation may provide training and technical assistance and other assistance to service sponsors and other community-based agencies that provide volunteer placements in order to improve the ability of such agencies to use participants and other volunteers in a manner that results in high-quality service and a positive service experience for the participants and volunteers.

"(e) IMPROVE ABILITY TO APPLY FOR ASSISTANCE.—The Corporation shall provide training and technical assistance, where necessary, to individuals, programs, local labor organizations, State educational agencies, State Commissions, local educational agencies, local governments, community-based agencies, and other entities to enable them to apply for funding under one of the national service laws, to conduct high-quality programs, to evaluate such programs, and for other purposes.

"(f) NATIONAL SERVICE FELLOWSHIPS.—The Corporation may award national service fellowships.

"(g) CONFERENCES AND MATERIALS.—The Corporation may organize and hold conferences, and prepare and publish materials, to disseminate information and promote the sharing of information among programs for the purpose of improving the quality of programs and projects.

"(h) PEACE CORPS AND VISTA TRAINING.—The Corporation may provide training assistance to selected individuals who volunteer to serve in the Peace Corps or a program authorized under title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.). The training shall be provided as part of the course of study of the individual at an institution of higher education, shall involve service-learning, and shall cover appropriate skills that the individual will use in the Peace Corps or VISTA.

"(i) PROMOTION AND RECRUITMENT.—The Corporation may conduct a campaign to solicit funds for the National Service Trust and other programs and activities authorized under the national service laws and to promote and recruit participants for programs that receive assistance under the national service laws.

"(j) TRAINING.—The Corporation may support national and regional participant and supervisor training, including leadership training and training in specific types of service and in building the ethic of civic responsibility.

"(k) RESEARCH.—The Corporation may support research on national service, including service-learning.

"(l) INTERGENERATIONAL SUPPORT.—The Corporation may assist programs in developing a service component that combines students, out-of-school youths, and older adults as participants to provide needed community services.

"(m) PLANNING COORDINATION.—The Corporation may coordinate community-wide planning among programs and projects.

"(n) YOUTH LEADERSHIP.—The Corporation may support activities to enhance the ability of youth and young adults to play leadership roles in national service.

"(o) NATIONAL PROGRAM IDENTITY.—The Corporation may support the development and dissemination of materials, including training materials, and arrange for uniforms and insignia, designed to promote unity and shared features among programs that receive assistance under the national service laws.

"(p) SERVICE-LEARNING.—The Corporation shall support innovative programs and activities that promote service-learning.

"(q) NATIONAL YOUTH SERVICE DAY.—

"(1) DESIGNATION.—April 19, 1994, and April 18, 1995 are each designated as 'National Youth Service Day'. The President of the United States is authorized and directed to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

"(2) FEDERAL ACTIVITIES.—In order to observe National Youth Service Day at the Federal level, the Corporation may organize and carry out appropriate ceremonies and activities.

"(3) ACTIVITIES.—The Corporation may make grants to not-for-profit organizations with demonstrated ability to carry out appropriate activities, in order to support such activities on National Youth Service Day.

"SEC. 198A. CLEARINGHOUSES.

"(a) ASSISTANCE.—The Corporation shall provide assistance to appropriate entities to establish one or more clearinghouses, including the clearinghouse described in section 118.

"(b) APPLICATION.—To be eligible to receive assistance under subsection (a), an entity shall submit an application to the Corporation at such time, in such manner, and containing such information as the Corporation may require.

"(c) FUNCTION OF CLEARINGHOUSES.—An entity that receives assistance under subsection (a) may—

"(1) assist entities carrying out State or local community service programs with needs assessments and planning;

"(2) conduct research and evaluations concerning community service;

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

"(B) provide training to persons who can provide the leadership development and training described in subparagraph (A);

"(4) facilitate communication among entities carrying out community service programs and participants;

"(5) provide information, curriculum materials, technical assistance relating to planning and operation of community service programs, to States and local entities eligible to receive funds under this title;

"(6)(A) gather and disseminate information on successful community service programs, components of such successful programs, innovative youth skills curriculum, and community service projects; and

"(B) coordinate the activities of the clearinghouse with appropriate entities to avoid duplication of effort;

"(7) make recommendations to State and local entities on quality controls to improve the delivery of community service programs and on changes in the programs under this title; and

"(8) carry out such other activities as the President determines to be appropriate.

"SEC. 198B. PRESIDENTIAL AWARDS FOR SERVICE.

"(a) PRESIDENTIAL AWARDS.—

"(1) IN GENERAL.—The President of the United States, acting through the Corporation, may make Presidential awards for service to individuals providing significant service, and to outstanding service programs.

"(2) INDIVIDUALS AND PROGRAMS.—Notwithstanding section 101(20)—

"(A) an individual receiving an award under this subsection need not be a participant in a program authorized under this Act; and

"(B) a program receiving an award under this subsection need not be a program authorized under this Act.

"(3) NATURE OF AWARD.—In making an award under this section to an individual or program, the President of the United States, acting through the Corporation—

"(A) is authorized to incur necessary expenses for the honorary recognition of the individual or program; and

"(B) is not authorized to make a cash award to such individual or program.

"(b) INFORMATION.—The President of the United States, acting through the Corporation, shall ensure that information concerning individuals and programs receiving awards under this section is widely disseminated.

"SEC. 198C. MILITARY INSTALLATION CONVERSION DEMONSTRATION PROGRAMS.

"(a) PURPOSES.—The purposes of this section are to—

"(1) provide meaningful training and paid employment to economically disadvantaged youth;

"(2) fully utilize military installations affected by closures or realignments;

"(3) encourage communities affected by such closures or realignments to convert the installations to community use; and

"(4) foster a sense of community pride in the youth in the community.

"(b) DEFINITIONS.—As used in this section:

"(1) AFFECTED MILITARY INSTALLATION.—The term 'affected military installation' means a military installation described in section 325(e)(1) of the Job Training Partnership Act (29 U.S.C. 1662d(e)(1)).

"(2) COMMUNITY.—The term 'community' includes a county.

"(3) CONVERT TO COMMUNITY USE.—The term 'convert to community use', used with respect to an affected military installation, includes—

"(A) conversion of the installation or a part of the installation to—

"(i) a park;

"(ii) a community center;

"(iii) a recreational facility; or

"(iv) a facility for a Head Start program under the Head Start Act (42 U.S.C. 9831 et seq.); and

"(B) carrying out, at the installation, a construction or economic development project that is of substantial benefit, as determined by the President, to—

"(i) the community in which the installation is located; or

"(ii) a community located within such distance of the installation as the President may determine by regulation to be appropriate.

"(4) DEMONSTRATION PROGRAM.—The term 'demonstration program' means a program described in subsection (c).

"(c) DEMONSTRATION PROGRAMS.—

"(1) GRANTS.—The Corporation may make grants to communities and community-based agencies to pay for the Federal share of establishing and carrying out military installation conversion demonstration programs, to assist in converting to community use affected military installations located—

"(A) within the community; or

"(B) within such distance from the community as the President may by regulation determine to be appropriate.

"(2) DURATION.—In carrying out such a demonstration program, the community or community-based agency may carry out—

"(A) a program of not less than 6 months in duration; or

"(B) a full-time summer program.

"(d) USE OF FUNDS.—

"(1) SALARY.—A community or community-based agency that receives a grant under subsection (c) to establish and carry out a project through a demonstration program may use the funds made available through such grant to pay for a portion of the salary of the participants in the project.

"(2) LIMITATION ON AMOUNT OF SALARY.—The amount of the salary provided to a participant under paragraph (1) that may be paid using assistance provided under this section and using any other Federal funds shall not exceed the lesser of—

"(A) 85 percent of the total average annual subsistence allowance provided to VISTA volunteers under section 105 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4955); and

"(B) 85 percent of the salary established by the demonstration program involved.

"(e) PARTICIPANTS.—

"(1) ELIGIBILITY.—A person shall be eligible to be selected as a participant in a project carried out through a demonstration program if the person is—

"(A) an economically disadvantaged individual; and

"(B)(i) a person described in section 153(b);

"(ii) a youth described in section 154(a); or

"(iii) an eligible youth described in section 423 of the Job Training Partnership Act (29 U.S.C. 1693).

"(2) PARTICIPATION.—Persons desiring to participate in such a project shall enter into an agreement with the service sponsor of the project to participate—

"(A) on a full-time or a part-time basis; and

"(B) for the duration referred to in subsection (f)(2)(C).

"(f) APPLICATION.—

"(1) IN GENERAL.—To be eligible to receive a grant under subsection (c), a community or community-based agency shall submit an application to the President at such time, in such manner, and containing such information as the President may require.

"(2) CONTENTS.—At a minimum, such application shall contain—

"(A) a description of the demonstration program proposed to be conducted by the applicant;

"(B) a proposal for carrying out the program that describes the manner in which the applicant will—

"(i) provide preservice and inservice training, for supervisors and participants, that will be conducted by qualified individuals or qualified organizations;

"(ii) conduct an appropriate evaluation of the program; and

"(iii) provide for appropriate community involvement in the program;

"(C) information indicating the duration of the program; and

"(D) an assurance that the applicant will comply with the nonduplication and nondisplacement provisions of section 177 and the grievance procedure requirements of section 176(f).

"(g) LIMITATION ON GRANT.—In making a grant under subsection (c) with respect to a demonstration program to assist in converting an affected military installation, the Corporation shall not make a grant for more than 25 percent of the total cost of the conversion.".

(d) TABLE OF CONTENTS.—

(1) CIVILIAN COMMUNITY CORPS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101-610; 104 Stat. 3127) is amended by striking the items relating to subtitle E of title I of such Act and inserting the following:

"Subtitle E—Civilian Community Corps

"Sec. 151. Purpose.
"Sec. 152. Establishment of Civilian Community Corps Demonstration Program.
"Sec. 153. National service program.
"Sec. 154. Summer national service program.
"Sec. 155. Civilian Community Corps.
"Sec. 156. Training.
"Sec. 157. Service projects.
"Sec. 158. Authorized benefits for Corps personnel under Federal law.
"Sec. 159. Administrative provisions.
"Sec. 160. Status of Corps members and Corps personnel under Federal law.
"Sec. 161. Contract and grant authority.
"Sec. 162. Responsibilities of other departments.
"Sec. 163. Advisory board.
"Sec. 164. Annual evaluation.
"Sec. 165. Funding limitation.
"Sec. 166. Definitions.".

(2) QUALITY AND INNOVATION.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101-610; 104 Stat. 3127) is amended by striking the items relating to subtitle H of title I of such Act and inserting the following:

"Subtitle H—Investment for Quality and Innovation

"Sec. 198. Additional corporation activities to support national service.
"Sec. 198A. Clearinghouses.
"Sec. 198B. Presidential awards for service.
"Sec. 198C. Military installation conversion demonstration programs.".

(e) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993.—

(A) Section 1091(f)(2) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484) is amended by striking "195G" and inserting "158".

(B) Paragraphs (1) and (2) of section 1092(b), and sections 1092(c), 1093(a), and 1094(a) of such Act are amended by striking "195A" and inserting "152".

(C) Sections 1091(f)(2), 1092(b)(1), and 1094(a), and subsections (a) and (c) of section 1095 of such Act are amended by striking "subtitle H" and inserting "subtitle E".

(D) Section 1094(b)(1) and subsections (b) and (c)(1) of section 1095 of such Act are amended by striking "subtitles B, C, D, E, F, and G" and inserting "subtitles B, C, D, F, G, and H".

(2) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—

(A) Section 153(a) of the National and Community Service Act of 1990 (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653b(a)) is amended by striking "195A(a)" and inserting "152(a)".

(B) Section 154(a) of such Act (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653c(a)) is amended by striking "195A(a)" and inserting "152(a)".

(C) Section 155 of such Act (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653d) is amended—

(i) in subsection (a), by striking "195H(c)(1)" and inserting "159(c)(1)";

(ii) in subsection (c)(2), by striking "195H(c)(2)" and inserting "159(c)(2)"; and

(iii) in subsection (d)(3), by striking "195K(a)(3)" and inserting "162(a)(3)".

(D) Section 156 of such Act (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653e) is amended—

(i) in subsection (c)(1), by striking "195H(c)(2)" and inserting "159(c)(2)"; and

(ii) in subsection (d), by striking "195K(a)(3)" and inserting "162(a)(3)".

(E) Section 159 of such Act (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653h) is amended—

(i) in subsection (a)—

(I) by striking "195A" and inserting "152"; and

(II) in paragraph (2), by striking "195" and inserting "151"; and

(ii) in subsection (c)(2)(C)(i), by striking "195K(a)(2)" and inserting "section 162(a)(2)".

(F) Section 161(b)(1)(B) of such Act (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653j(b)(1)(B)) is amended by striking "195K(a)(3)" and inserting "162(a)(3)".

(G) Section 162(a)(2)(A) of such Act (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653k(a)(2)(A)) is amended by striking "195(3)" and inserting "151(3)".

(H) Section 166 of such Act (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653o) is amended—

(i) in paragraph (2), by striking "195D" and inserting "155";

(ii) in paragraph (8), by striking "195A" and inserting "152";

(iii) in paragraph (10), by striking "195D(d)" and inserting "155(d)"; and

(iv) in paragraph (11), by striking "195D(c)" and inserting "155(c)".

(f) EXTENSION OF AUTHORITY TO CONDUCT CIVILIAN COMMUNITY CORPS.—Section 1092(c) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2534), as amended by subsection (e)(1) of this section, is further amended by adding at the end the following new sentence: "The amount made available for the Civilian Community Corps Demonstration Program pursuant to this subsection shall remain available for expenditure during fiscal years 1993 and 1994.".

(g) PARTICIPANTS.—

(1) NATIONAL SERVICE PROGRAM.—Section 153 of the National and Community Service Act of 1990 (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653b) is amended—

(A) by striking subsection (d); and

(B) by redesignating subsection (e) as subsection (d).

(2) SUMMER NATIONAL SERVICE PROGRAM.—Section 154 of the National and Community Service Act of 1990 (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653c) is amended—

(A) by striking subsection (b); and

(B) by redesignating subsection (c) as subsection (b).

(h) ADDITIONAL AMENDMENT REGARDING CIVILIAN COMMUNITY CORPS.—Section 158 of the National and Community Service Act of 1990 (as redesignated in subsection (b)(3) of this section) (42 U.S.C. 12653g) is amended by striking subsections (f), (g), and (h) and inserting the following new subsections:

"(f) NATIONAL SERVICE EDUCATIONAL AWARDS.—A Corps member who successfully completes a period of agreed service in the Corps may receive the national service educational award described in subtitle D if the Corps member—

"(1) serves in an approved national service position; and

"(2) satisfies the eligibility requirements specified in section 146 with respect to service in that approved national service position.

"(g) ALTERNATIVE BENEFIT.—If a Corps member who successfully completes a period of agreed service in the Corps is ineligible for the national service educational award described in subtitle D, the Director may provide for the provision of a suitable alternative benefit for the Corps member.".

Subtitle B—Related Provisions

SEC. 111. DEFINITIONS.

(a) IN GENERAL.—Section 101 of the National and Community Service Act of 1990 (42 U.S.C. 12511) is amended to read as follows:

"SEC. 101. DEFINITIONS.

"For purposes of this title:

"(1) ADULT VOLUNTEER.—The term 'adult volunteer' means an individual, such as an older adult, an individual with a disability, a parent, or an employee of a business or public or private not-for-profit agency, who—

"(A) works without financial remuneration in an educational institution to assist students or out-of-school youth; and

"(B) is beyond the age of compulsory school attendance in the State in which the educational institution is located.

"(2) APPROVED NATIONAL SERVICE POSITION.—The term 'approved national service position' means a national service position for which the Corporation has approved the provision of a national service educational award described in section 147 as one of the benefits to be provided for successful service in the position.

"(3) CARRY OUT.—The term 'carry out', when used in connection with a national service program described in section 122, means the planning, establishment, operation, expansion, or replication of the program.

"(4) COMMUNITY ACTION AGENCY.—The term 'community action agency' means an entity or organization referred to in section 675(c)(2)(A) of the Community Services Block Grant Act (42 U.S.C. 9904(c)(2)(A)).

"(5) COMMUNITY-BASED AGENCY.—The term 'community-based agency' means a private not-for-profit organization, including a church or other religious entity, that is representative of a community and that is engaged in meeting human, educational, environmental, or public safety community needs.

"(6) CORPORATION.—The term 'Corporation' means the Corporation for National and Community Service established under section 191.

"(7) ECONOMICALLY DISADVANTAGED.—The term 'economically disadvantaged' means, with respect to an individual, an individual who is determined by the President to be low-income according to the latest available data from the Department of Commerce.

"(8) 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)).

"(9) INDIAN.—The term 'Indian' means a person who is a member of an Indian tribe.

"(10) 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 an Indian or Indian tribe, and any real property held by an Indian or Indian tribe that is subject to restrictions on alienation imposed by the United States.

"(11) INDIAN TRIBE.—The term 'Indian tribe' means an Indian tribe, band, nation, or other organized group or community, including any Native village, Regional Corporation, or Village Corporation, as defined in subsection (c), (g), or (j), respectively, of section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602 (c), (g), or (j)), that is recognized as eligible for the special programs and services provided by the United States under Federal law to Indians because of their status as Indians.

"(12) INDIVIDUAL WITH A DISABILITY.—Except as provided in section 175(a), the term 'individual with a disability' has the meaning given the term in section 7(8) of the Rehabilitation Act of 1973 (29 U.S.C. 706(8)).

"(13) 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)).

"(14) 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)).

"(15) NATIONAL SERVICE LAWS.—The term 'national service laws' means this Act and the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.).

"(16) 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.

"(17) PARTICIPANT.—

"(A) IN GENERAL.—The term 'participant' means—

"(i) for purposes of subtitle C, an individual in an approved national service position; and

"(ii) for purposes of any other provision of this Act, an individual enrolled in a program that receives assistance under this title.

"(B) RULE.—A participant shall not be considered to be an employee of the program in which the participant is enrolled.

"(18) PARTNERSHIP PROGRAM.—The term 'partnership program' means a program through which an adult volunteer, a public or private not-for-profit agency, an institution of higher education, or a business assists a local educational agency.

"(19) PRESIDENT.—The term 'President', except when used as part of the term 'President of the United States' means the President of the Corporation appointed under section 193.

"(20) PROGRAM.—The term 'program', except when used as part of the term 'academic program', means a program described in section 111(a) (other than a program referred to in paragraph (3)(B) of such section), 117A(a), 119(b)(1), or 122(a), in paragraph (1) or (2) of section 152(b), or in section 198.

"(21) PROJECT.—The term 'project' means an activity, carried out through a program that receives assistance under this title, that results in a specific identifiable service or improvement 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.

"(22) SCHOOL-AGE YOUTH.—The term 'school-age youth' means—

"(A) individuals between the ages of 5 and 17, inclusive; and

"(B) children with disabilities, as defined in section 602(a)(1) of the Individuals with Disabilities Education Act, who receive services under part B of such Act.

"(23) 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)).

"(24) SERVICE-LEARNING.—The term 'service-learning' means a method—

"(A) under which students or participants learn and develop through active participation in thoughtfully organized service that—

"(i) is conducted in and meets the needs of a community;

"(ii) is coordinated with an elementary school, secondary school, institution of higher education, or community service program, and with the community; and

"(iii) helps foster civic responsibility; and

"(B) that—

"(i) is integrated into and enhances the academic curriculum of the students, or the educational components of the community service program in which the participants are enrolled; and

"(ii) provides structured time for the students or participants to reflect on the service experience.

"(25) SERVICE-LEARNING COORDINATOR.—The term 'service-learning coordinator' means an individual who provides services as described in subsection (a)(3) or (b) of section 111.

"(26) SERVICE SPONSOR.—The term 'service sponsor' means an organization, or other entity, that has been selected to provide a placement for a participant.

"(27) 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, and the Commonwealth of the Northern Mariana Islands. The term also includes Palau, until such time as the Compact of Free Association is ratified.

"(28) STATE COMMISSION.—The term 'State Commission' means a State Commission on National and Community Service maintained by a State pursuant to section 178. Except when used in section 178, the term includes an alternative administrative entity for a State approved by the Corporation under such section to act in lieu of a State Commission.

"(29) 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)).

"(30) 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.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 182(a)(2) of the National and Community Service Act of 1990 (42 U.S.C 12642(a)(2)) is amended by striking "adult volunteer and partnership" each place the term appears and inserting "partnership".

(2) Section 182(a)(3) of the National and Community Service Act of 1990 (42 U.S.C 12642(a)(3)) is amended by striking "adult volunteer and partnership" and inserting "partnership".

(3) Section 441(c)(2) of the Higher Education Act of 1965 (42 U.S.C. 2751(c)(2)) is amended by striking "service opportunities or youth corps as defined in section 101 of the National and Community Service Act of 1990, and service in the agencies, institutions and activities designated in section 124(a) of the National and Community Service Act of 1990" and inserting "a project, as defined in section 101(21) of the National and Community Service Act of 1990 (42 U.S.C. 12511(18))".

(4) Section 1122(a)(2)(C) of the Higher Education Act of 1965 (20 U.S.C. 1137a(a)(2)(C)) is amended by striking "youth corps as defined in section 101(30) of the National and Community Service Act of 1990" and inserting "youth corps programs, as described in section 122(a)(1) of the National and Community Service Act of 1990".

(5) Section 1201(p) of the Higher Education Act of 1965 (20 U.S.C. 1141(p)) is amended by striking "section 101(22) of the National and Community Service Act of 1990" and inserting "section 101(24) of the National and Community Service Act of 1990 (42 U.S.C. 12511(21))".

SEC. 112. AUTHORITY TO MAKE STATE GRANTS.

Section 102 of the National and Community Service Act of 1990 (42 U.S.C. 12512) is repealed.

SEC. 113. FAMILY AND MEDICAL LEAVE.

(a) IN GENERAL.—Section 171 of the National and Community Service Act of 1990 (42 U.S.C. 12631) is amended to read as follows:

"SEC. 171. FAMILY AND MEDICAL LEAVE.

"(a) PARTICIPANTS IN PRIVATE, STATE, AND LOCAL PROJECTS.—For purposes of title I of the Family and Medical Leave Act of 1993 (29 U.S.C. 2601 et seq.), if—

"(1) a participant has provided service for the period required by section 101(2)(A)(i) (29 U.S.C. 2611(2)(A)(i)), and has met the hours of service requirement of section 101(2)(A)(ii), of such Act with respect to a project; and

"(2) the service sponsor of the project is an employer described in section 101(4) of such Act (other than an employing agency within the meaning of subchapter V of chapter 63 of title 5, United States Code),

the participant shall be considered to be an eligible employee of the service sponsor.

"(b) PARTICIPANTS IN FEDERAL PROJECTS.—For purposes of subchapter V of chapter 63 of title 5, United States Code, if—

"(1) a participant has provided service for the period required by section 6381(1)(B) of such title with respect to a project; and

"(2) the service sponsor of the project is an employing agency within the meaning of such subchapter,

the participant shall be considered to be an employee of the service sponsor.".

(b) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101-610; 104 Stat. 3127) is amended by striking the item relating to section 171 of such Act and inserting the following:

"Sec. 171. Family and medical leave.".

SEC. 114. REPORTS.

Section 172 of the National and Community Service Act of 1990 (42 U.S.C. 12632) is amended—

(1) in subsection (a)(3)(A), by striking "sections 177 and 113(9)" and inserting "section 177"; and

(2) in subsection (b)(1), by striking "this title" and inserting "the national service laws".

SEC. 115. NONDISCRIMINATION.

Section 175 of the National and Community Service Act of 1990 (42 U.S.C. 12635) is amended to read as follows:

"SEC. 175. NONDISCRIMINATION.

"(a) IN GENERAL.—

"(1) BASIS.—An individual with responsibility for the operation of a project that receives assistance under this title shall not discriminate against a participant in, or member of the staff of, such project on the basis of race, color, national origin, sex, age, or political affiliation of such participant or member, or on the basis of disability, if the participant or member is a qualified individual with a disability.

"(2) DEFINITION.—As used in paragraph (1), the term 'qualified individual with a disability' has the meaning given the term in section 101(8) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12111(8)).

"(b) FEDERAL FINANCIAL ASSISTANCE.—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.), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), and shall constitute Federal financial assistance to an education program or activity for purposes of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.).

"(c) RELIGIOUS DISCRIMINATION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), an individual with responsibility for the operation of a project that receives assistance under this title shall not discriminate on the basis of religion against a participant in such project or a member of the staff of such project who is paid with funds received under this title.

"(2) EXCEPTION.—Paragraph (1) shall not apply to the employment, with assistance provided under this title, of any member of the staff, of a project that receives assistance under this title, who was employed with the organization operating the project on the date the grant under this title was awarded.

"(d) RULES AND REGULATIONS.—The President 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.".

SEC. 116. NOTICE, HEARING, AND GRIEVANCE PROCEDURES.

(a) DECERTIFICATION OF POSITIONS.—Section 176(a) of the National and Community Service Act of 1990 (42 U.S.C. 12636(a)) is amended—

(1) in paragraph (1), by inserting ", or revoke the designation of positions, related to the grant or contract, as approved national service positions," before "whenever the Commission"; and

(2) in paragraph (2)(B), by inserting "or revoked" after "terminated".

(b) CONSTRUCTION.—Section 176(e) of such Act (42 U.S.C. 12636(e)) is amended by adding before the period the following ", other than assistance provided pursuant to this Act".

(c) GRIEVANCE PROCEDURE.—Section 176(f) of such Act is amended to read as follows:

"(f) GRIEVANCE PROCEDURE.—

"(1) IN GENERAL.—A State or local applicant that receives assistance under this title shall establish and maintain a procedure for the filing and adjudication of grievances from participants, labor organizations, and other interested individuals concerning projects 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 of the event that is the subject of the grievance.

"(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 after the filing of such grievance.

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

"(4) ARBITRATION.—

"(A) IN GENERAL.—

"(i) JOINTLY SELECTED ARBITRATOR.—In the event of a decision on a grievance that is adverse to the party who filed such grievance, or 60 days after the filing of such grievance if no decision has been reached, such party shall be permitted to submit such grievance to binding arbitration before a qualified arbitrator who is jointly selected and independent of the interested parties.

"(ii) APPOINTED ARBITRATOR.—If the parties cannot agree on an arbitrator, the President shall appoint an arbitrator from a list of qualified arbitrators within 15 days after receiving a request for such appointment from one of the parties to the grievance.

"(B) DEADLINE FOR PROCEEDING.—An arbitration proceeding shall be held not later than 45 days after the request for such arbitration proceeding, or, if the arbitrator is appointed by the President in accordance with subparagraph (A)(ii), not later than 30 days after the appointment of such arbitrator.

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

"(D) COST.—

"(i) IN GENERAL.—Except as provided in clause (ii), the cost of an arbitration proceeding shall be divided evenly between the parties to the arbitration.

"(ii) EXCEPTION.—If a participant, labor organization, or other interested individual described in paragraph (1) prevails under a binding arbitration proceeding, the State, local agency, public or private not-for-profit organization, or partnership of such agencies and organizations, that is a party to such grievance shall pay the total cost of such proceeding and the attorneys' fees of such participant, labor organization, or individual, as the case may be.

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

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

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

"(B) termination of such payments;

"(C) prohibition of the placement described in paragraph (5); and

"(D) in a case in which the grievance involves a violation of subsection (a) or (b) of section 177 and the employer of the displaced employee is the recipient of assistance under this title—

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

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

"(iii) reestablishment of other relevant terms, conditions, and privileges of employment of the displaced employee; and

"(iv) such equitable relief as is necessary to correct any violation of subsection (a) or (b) of section 177 or to make the displaced employee whole.

"(7) ENFORCEMENT.—Suits to enforce arbitration awards under this section may be brought in any district court of the United States having jurisdiction of the parties, without regard to the amount in controversy and without regard to the citizenship of the parties.".

SEC. 117. NONDISPLACEMENT.

Section 177(b)(3) of the National and Community Service Act of 1990 (42 U.S.C. 12637(b)(3)) is amended—

(1) in subparagraph (B), to read as follows:

"(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—

"(i) will supplant the hiring of employed workers; or

"(ii) are services, duties, or activities with respect to which an individual has recall rights pursuant to a collective bargaining agreement or applicable personnel procedures."; and

(2) in subparagraph (C)(iii), to read as follows:

"(iii) employee who—

"(I) is subject to a reduction in force; or

"(II) has recall rights pursuant to a collective bargaining agreement or applicable personnel procedures;".

SEC. 118. EVALUATION.

Section 179 of the National and Community Service Act of 1990 (42 U.S.C. 12639) is amended—

(1) in subsection (a)(2)—

(A) in the matter preceding subparagraph (A), by striking "for purposes of the reports required by subsection (j)," and inserting "with respect to the programs authorized under subtitle C,"; and

(B) in subparagraph (A), by striking "older American volunteer programs" and inserting "National Senior Volunteer Corps programs";

(2) in subsection (g)—

(A) in the matter preceding paragraph (1), by striking "subtitle D" and inserting "subtitle C"; and

(B) in paragraphs (3) and (9), by striking "older American volunteer programs" and inserting "National Senior Volunteer Corps programs";

(3) by striking subsections (i) and (j); and

(4) by adding at the end the following:

"(i) INDEPENDENT EVALUATION AND REPORT OF DEMOGRAPHICS OF NATIONAL SERVICE PARTICIPANTS AND COMMUNITIES.—

"(1) INDEPENDENT EVALUATION.—

"(A) IN GENERAL.—The Corporation shall, on an annual basis, arrange for an independent evaluation of the programs assisted under subtitle C.

"(B) PARTICIPANTS.—

"(i) IN GENERAL.—The entity conducting such evaluation shall determine the demographic characteristics of the participants in such programs.

"(ii) CHARACTERISTICS.—The entity shall determine, for the year covered by the evaluation, the total number of participants in the programs, and the number of participants within the programs in each State, by sex, age, economic background, education level, ethnic group, disability classification, and geographic region.

"(iii) CATEGORIES.—The Corporation shall determine appropriate categories for analysis of each of the characteristics referred to in clause (ii) for purposes of such an evaluation.

"(C) COMMUNITIES.—In conducting the evaluation, the entity shall determine the amount of assistance provided under section 121 during the year that has been expended for projects conducted under the programs in areas described in section 133(c)(6).

"(2) REPORT.—The entity conducting the evaluation shall submit a report to the President, Congress, the Corporation, and each State Commission containing the results of the evaluation—

"(A) with respect to the evaluation covering the year beginning on the date of enactment of this subsection, not later than 18 months after such date; and

"(B) with respect to the evaluation covering each subsequent year, not later than 18 months after the first day of each such year.".

SEC. 119. ENGAGEMENT OF PARTICIPANTS.

Section 180 of the National and Community Service Act of 1990 (42 U.S.C. 12640) is amended by striking "post-service benefits" and inserting "national service educational awards".

SEC. 120. CONTINGENT EXTENSION.

(a) IN GENERAL.—Section 181 of the National and Community Service Act of 1990 (42 U.S.C. 12641) is amended to read as follows:

"SEC. 181. CONTINGENT EXTENSION.

"Section 414 of the General Education Provisions Act (20 U.S.C. 1226a) shall apply to this Act.".

(b) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101-610; 104 Stat. 3127) is amended by striking the item relating to sections 181 of such Act and inserting the following:

"Sec. 181. Contingent extension.".

SEC. 121. AUDITS.

(a) IN GENERAL.—Section 183 of the National and Community Service Act of 1990 (42 U.S.C. 12643) is amended to read as follows:

"SEC. 183. RIGHTS OF ACCESS, EXAMINATION, AND COPYING.

"(a) COMPTROLLER GENERAL.—The Comptroller General, or any of the duly authorized representatives of the Comptroller General, shall have access to, and the right to examine and copy, any books, documents, papers, records, and other recorded information in any form—

"(1) within the possession or control of the Corporation or any State or local government, Indian tribe, or public or private not-for-profit organization receiving assistance directly or indirectly under this Act; and

"(2) that the Comptroller General, or his representative, considers necessary to the performance of an evaluation, audit, or review.

"(b) CHIEF FINANCIAL OFFICER.—The Chief Financial Officer of the Corporation shall have access to, and the right to examine and copy, any books, documents, papers, records, and other recorded information in any form—

"(1) within the possession or control of the Corporation or any State or local government, Indian tribe, or public or private not-for-profit organization receiving assistance directly or indirectly under this Act; and

"(2) that relate to the duties of the Chief Financial Officer.".

(b) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101-610; 104 Stat. 3127) is amended by striking the item relating to section 183 of such Act and inserting the following:

"Sec. 183. Rights of access, examination, and copying.".

SEC. 122. REPEALS.

(a) IN GENERAL.—Subtitle F of title I of the National and Community Service Act of 1990 (42 U.S.C. 12631 et seq.) is amended by repealing sections 185 and 186.

(b) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101-610; 104 Stat. 3127) is amended by striking the item relating to section 185 of such Act.

SEC. 123. EFFECTIVE DATE.

This title, and the amendments made by this title, shall take effect on October 1, 1993.

TITLE II—ORGANIZATION

SEC. 201. STATE COMMISSIONS ON NATIONAL AND COMMUNITY SERVICE.

(a) COMPOSITION AND DUTIES OF STATE COMMISSIONS.—Subtitle F of title I of the National and Community Service Act of 1990 is amended by striking section 178 (42 U.S.C. 12638) and inserting the following new section:

"SEC. 178. STATE COMMISSIONS ON NATIONAL AND COMMUNITY SERVICE.

"(a) EXISTENCE REQUIRED.—

"(1) STATE COMMISSION.—Except as provided in paragraph (2), to be eligible to receive a grant or allotment under subtitle B or C or to receive a distribution of approved national service positions under subtitle C, a State shall maintain a State Commission on National and Community Service that satisfies the requirements of this section.

"(2) ALTERNATIVE ADMINISTRATIVE ENTITY.—The chief executive officer of a State may apply to the Corporation for approval to use an alternative administrative entity to carry out the duties otherwise entrusted to a State Commission under this Act. The chief executive officer shall ensure that any alternative administrative entity used in lieu of a State Commission still provides for the individuals described in paragraph (1), and some of the individuals described in paragraph (2), of subsection (c) to play a significant policymaking role in carrying out the duties otherwise entrusted to a State Commission, including the submission of applications on behalf of the State under sections 117B and 130.

"(b) APPOINTMENT AND SIZE.—Except as provided in subsection (c)(3), the members of a State Commission for a State shall be appointed by the chief executive officer of the State. A State Commission shall consist of not less than 7 voting members and not more than 25 voting members.

"(c) COMPOSITION AND MEMBERSHIP.—

"(1) REQUIRED MEMBERS.—The State Commission for a State shall include as voting members at least one representative from each of the following categories:

"(A) Individuals between the ages of 16 and 25 who are participants or supervisors in programs.

"(B) National service programs, such as youth corps programs.

"(C) School-based or community-based programs for school-age youth.

"(D) Programs in which older adults are participants.

"(E) Local and State governmental entities in the State, including the State educational agency (from which at least one such member shall be appointed).

"(F) Local labor organizations.

"(2) SOURCES OF OTHER MEMBERS.—The State Commission for a State may include as voting members the following:

"(A) Representatives of community-based organizations or community-based agencies, including community action agencies.

"(B) Members selected from among participants in service programs who are youths.

"(C) Members selected from among local educators.

"(D) Members selected from among experts in the delivery of human, educational, environmental, or public safety services to communities and persons.

"(E) Representatives of businesses and business groups.

"(F) Representatives of Indian tribes.

"(G) Representatives of groups serving economically disadvantaged individuals.

"(H) Members selected from among out-of-school youth or other at-risk youth.

"(I) Members selected from among older adults who are volunteers or participants in national service programs.

"(3) CORPORATION REPRESENTATIVE.—The representative of the Corporation designated under section 195(b) for a State shall be a voting member of the State Commission or alternative administrative entity for that State.

"(4) EX OFFICIO STATE REPRESENTATIVES.—The chief executive officer of a State shall appoint, as an ex officio nonvoting member of the State Commission for the State, the Corporation employee responsible for volunteer service programs in the State, if such employee is not the representative described in paragraph (3). The chief executive officer may appoint, as ex officio nonvoting members of the State Commission for the State, representatives selected from among officers and employees of State agencies operating community service, youth service, education, social service, senior service, and job training programs.

"(5) LIMITATION ON NUMBER OF STATE EMPLOYEES AS MEMBERS.—The number of voting members of a State Commission selected under paragraph (1) or (2) who are officers or employees of the State may not exceed 25 percent (reduced to the nearest whole number) of the total membership of the State Commission.

"(d) MISCELLANEOUS MATTERS.—

"(1) MEMBERSHIP BALANCE.—The chief executive officer of a State shall ensure, to the maximum extent practicable, that the membership of the State Commission for the State is diverse with respect to race, ethnicity, age, gender, and disability characteristics. Not more than 50 percent of the voting members of a State Commission, plus one additional member, may be from the same political party.

"(2) TERMS.—Each member of the State Commission for a State shall serve for a term of 3 years, except that the chief executive officer of a State shall initially appoint a portion of the members to terms of 1 year and 2 years.

"(3) VACANCIES.—As vacancies occur on a State Commission, new members shall be appointed by the chief executive of the State and serve for the remainder of the term for which the predecessor of such member was appointed. The vacancy shall not affect the power of the remaining members to execute the duties of the State Commission.

"(4) COMPENSATION.—A member of a State Commission or alternative administrative entity shall not receive any additional compensation by reason of service on the State Commission or alternative administrative entity, except that the State may authorize the reimbursement of travel expenses, including a per diem in lieu of subsistence, in the same manner as other employees serving intermittently in the service of the State.

"(5) CHAIRPERSON.—The voting members of a State Commission shall elect one of the voting members to serve as chairperson of the State Commission.

"(e) DUTIES OF A STATE COMMISSION.—The State Commission or alternative administrative entity for a State shall be responsible for the following duties:

"(1) Preparation of a national service plan for the State that—

"(A) covers a 3-year period;

"(B) is updated annually;

"(C) contains such information as the State Commission or alternative administrative entity considers to be appropriate or as the Corporation may require; and

"(D) ensures outreach to diverse community-based agencies that serve under-represented populations, by—

"(i) using established networks, and registries, at the State level; or

"(ii) establishing such networks and registries.

"(2) Preparation of the applications of the State under sections 117B and 130 for financial assistance, in such a manner as to ensure that any decision regarding whether to include a program in the application shall be made on the basis of the criteria described in section 133(c), applied in a fair and equitable manner by an impartial decisionmaker.

"(3) Assistance in the preparation of the application of the State educational agency for assistance under section 113.

"(4) Preparation of the application of the State under section 130 for the approval of service positions that include the national service educational award described in subtitle D.

"(5) Assistance in the provision of health care and child care benefits under section 140 to participants in national service programs that receive assistance under section 121.

"(6) Development of a State system for the recruitment and placement of participants in national service programs that receive assistance under section 121 and dissemination of information concerning national service programs that receive assistance and approved national service positions.

"(7) Administration of the grant program in support of national service programs that is conducted by the State using assistance provided to the State under section 121, including selection, oversight, and evaluation of grant recipients.

"(8) Development of projects, training methods, curriculum materials, and other materials and activities related to national service programs that receive assistance directly from the Corporation (to be made available in a case in which such a program requests such a project, method, material, or activity) or from the State using assistance provided under section 121, for use by programs that request such projects, methods, materials, and activities.

"(f) ACTIVITY INELIGIBLE FOR ASSISTANCE.—A State Commission or alternative administrative entity may not directly carry out any national service program that receives assistance under section 121.

"(g) DELEGATION.—Subject to such requirements as the Corporation may prescribe, a State Commission may delegate non-policymaking duties to a State agency or public or private not-for-profit organization.

"(h) APPROVAL OF STATE COMMISSION OR ALTERNATIVE.—

"(1) SUBMISSION TO CORPORATION.—The chief executive officer for a State shall notify the Corporation of the establishment or designation of the State Commission or use of an alternative administrative entity for the State. The notification shall include a description of—

"(A) the composition and membership of the State Commission or alternative administrative entity; and

"(B) the authority of the State Commission or alternative administrative entity regarding national service activities carried out by the State.

"(2) APPROVAL OF ALTERNATIVE ADMINISTRATIVE ENTITY.—Any designation of a State Commission or use of an alternative administrative entity to carry out the duties of a State Commission shall be subject to the approval of the Corporation.

"(3) REJECTION.—The Corporation may reject a State Commission if the Corporation determines that the composition, membership, or duties of the State Commission do not comply with the requirements of this section. The Corporation shall reject a request to use an alternative administrative entity in lieu of a State Commission if the Corporation determines that use of the alternative administrative entity does not allow the individuals described in paragraph (1), and some of the individuals described in paragraph (2), of subsection (c) to play a significant policymaking role in carrying out the duties otherwise entrusted to a State Commission. If the Corporation rejects a State Commission or alternative administrative entity under this paragraph, the Corporation shall promptly notify the State of the reasons for the rejection.

"(4) RESUBMISSION AND RECONSIDERATION.—The Corporation shall provide a State notified under paragraph (3) with a reasonable opportunity to revise the rejected State Commission or alternative administrative entity. At the request of the State, the Corporation shall provide technical assistance to the State as part of the revision process. The Corporation shall promptly reconsider any resubmission of a notification under paragraph (1) or application to use an alternative administrative entity under paragraph (2).

"(5) SUBSEQUENT CHANGES.—This subsection shall also apply to any change in the composition or duties of a State Commission or an alternative administrative entity made after approval of the State Commission or the alternative administrative entity.

"(i) COORDINATION.—

"(1) COORDINATION WITH OTHER STATE AGENCIES.—The State Commission or alternative administrative entity for a State shall coordinate the activities of the Commission or entity under this Act with the activities of other State agencies that administer Federal financial assistance programs under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.) or other appropriate Federal financial assistance programs.

"(2) COORDINATION WITH VOLUNTEER SERVICE PROGRAMS.—

"(A) IN GENERAL.—The State Commission or alternative administrative entity for a State shall coordinate functions of the Commission or entity (including recruitment, public awareness, and training activities) with such functions of any division of ACTION, or of the Corporation, that carries out volunteer service programs in the State.

"(B) AGREEMENT.—In coordinating functions under this paragraph, such Commission

or entity, and such division, may enter into an agreement to—

"(i) carry out such a function jointly;

"(ii) to assign responsibility for such a function to the Commission or entity; or

"(iii) to assign responsibility for such a function to the division.

"(C) INFORMATION.—The State Commission or alternative entity for a State, and the head of any such division, shall exchange information about—

"(i) the programs carried out in the State by the Commission, entity, or division, as appropriate; and

"(ii) opportunities to coordinate activities.

"(j) LIABILITY.—

"(1) LIABILITY OF STATE.—Except as provided in paragraph (2)(B), a State shall agree to assume liability with respect to any claim arising out of or resulting from any act or omission by a member of the State Commission or alternative administrative entity of the State, within the scope of the service of the member on the State Commission or alternative administrative entity.

"(2) OTHER CLAIMS.—

"(A) IN GENERAL.—A member of the State Commission or alternative administrative entity shall have no personal liability with respect to any claim arising out of or resulting from any act or omission by such person, within the scope of the service of the member on the State Commission or alternative administrative entity.

"(B) LIMITATION.—This paragraph shall not be construed to limit personal liability for criminal acts or omissions, willful or malicious misconduct, acts or omissions for private gain, or any other act or omission outside the scope of the service of such member on the State Commission or alternative administrative entity.

"(3) EFFECT ON OTHER LAW.—This subsection shall not be construed—

"(A) to affect any other immunities and protections that may be available to such member under applicable law with respect to such service;

"(B) to affect any other right or remedy against the State under applicable law, or against any person other than a member of the State Commission or alternative administrative entity; or

"(C) to limit or alter in any way the immunities that are available under applicable law for State officials and employees not described in this subsection.".

(b) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101-610; 104 Stat. 3127) is amended by striking the item relating to section 178 and inserting the following new item:

"Sec. 178. State Commissions on National and Community Service.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1993.

(d) TRANSITIONAL PROVISIONS.—

(1) USE OF ALTERNATIVES TO STATE COMMISSION.—If a State does not have a State Commission on National and Community Service that satisfies the requirements specified in section 178 of the National and Community Service Act of 1990, as amended by subsection (a), the Corporation for National and Community Service may authorize the chief executive of the State to use an existing agency of the State to perform the duties otherwise reserved to a State Commission under subsection (e) of such section.

(2) APPLICATION OF SUBSECTION.—This subsection shall apply only during the 1-year period beginning on the date of the enactment of this Act.

SEC. 202. INTERIM AUTHORITIES OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE AND ACTION AGENCY.

(a) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—Subtitle G of title I of the National and Community Service Act of 1990 (42 U.S.C. 12651) is amended to read as follows:

"Subtitle G—Corporation for National and Community Service

"SEC. 191. CORPORATION FOR NATIONAL AND COMMUNITY SERVICE.

"There is established a Corporation for National and Community Service that shall administer the programs established under this Act. The Corporation shall be a Government corporation, as defined in section 103 of title 5, United States Code.

"SEC. 192. BOARD OF DIRECTORS.

"(a) COMPOSITION.—

"(1) IN GENERAL.—There shall be in the Corporation a Board of Directors (referred to in this subtitle as the 'Board') that shall be composed of—

"(A) 15 members, including an individual between the ages of 16 and 25 who—

"(i) has served in a school-based or community-based service-learning program; or

"(ii) is a participant or a supervisor in a program,

to be appointed by the President of the United States, by and with the advice and consent of the Senate;

"(B) the President of the Corporation, who shall serve as an ex officio nonvoting member; and

"(C) the ex officio nonvoting members described in paragraph (3).

"(2) QUALIFICATIONS.—To the maximum extent practicable, the President of the United States shall appoint members—

"(A) who have extensive experience in volunteer or service activities, such as—

"(i) activities funded under the national service laws; and

"(ii) Federal financial assistance activities, such as—

"(I) activities under the Head Start Act (42 U.S.C. 9831 et seq.);

"(II) activities under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.); or

"(III) antipoverty activities under other Federal law;

that have a volunteer or service focus;

"(B) who represent a broad range of viewpoints;

"(C) who are experts in the delivery of human, educational, environmental, or public safety services;

"(D) that include at least one representative of local educators and at least one representative of community-based agencies;

"(E) so that the Board shall be diverse with respect to race, ethnicity, age, gender, and disability characteristics; and

"(F) so that no more than 8 appointed members of the Board are from a single political party.

"(3) EX OFFICIO MEMBERS.—The Secretary of Education, the Secretary of Health and Human Services, the Secretary of Labor, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Housing and Urban Development, the Secretary of Defense, the Attorney General, the Director of the Peace Corps, and the Administrator of the Environmental Protection Agency shall serve as ex officio nonvoting members of the Board.

"(b) OFFICERS.—

"(1) CHAIRPERSON AND VICE CHAIRPERSON.—The Board shall elect a Chairperson and a Vice Chairperson from among its membership.

"(2) OTHER OFFICERS.—The Board may elect from among its membership such additional officers of the Board as the Board determines to be appropriate.

"(c) TERMS.—Each appointed member of the Board shall serve for a term of 3 years, except that 5 of the members first appointed to the Board after the date of enactment of this section shall serve for a term of 1 year and 5 shall serve for a term of 2 years, as designated by the President of the United States.

"(d) VACANCIES.—As vacancies occur on the Board, new members shall be appointed by the President of the United States, by and 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. The vacancy shall not affect the power of the remaining members to execute the duties of the Board.

"SEC. 192A. AUTHORITIES AND DUTIES OF THE BOARD OF DIRECTORS.

"(a) MEETINGS.—The Board shall meet not less than 3 times each year. The Board shall hold additional meetings at the call of the Chairperson of the Board, or if 6 members of the Board request such meetings in writing.

"(b) QUORUM.—A majority of the appointed members of the Board shall constitute a quorum.

"(c) AUTHORITIES OF OFFICERS.—

"(1) CHAIRPERSON.—The Chairperson of the Board may call and conduct meetings of the Board.

"(2) VICE CHAIRPERSON.—The Vice Chairperson of the Board may conduct meetings of the Board in the absence of the Chairperson.

"(d) EXPENSES.—While away from their homes or regular places of business on the business of the Board, members of such Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for persons employed intermittently in the Government service.

"(e) SPECIAL GOVERNMENT EMPLOYEES.—For purposes of the provisions of chapter 11 of part I of title 18, United States Code, and any other provision of Federal law, a member of the Board (to whom such provisions would not otherwise apply except for this subsection) shall be a special Government employee.

"(f) STATUS OF MEMBERS.—

"(1) TORT CLAIMS.—For the purposes of the tort claims provisions of chapter 171 of title 28, United States Code, a member of the Board shall be considered to be a Federal employee.

"(2) OTHER CLAIMS.—A member of the Board shall have no personal liability under Federal law with respect to any claim arising out of or resulting from any act or omission by such person, within the scope of the service of the member on the Board, in connection with any transaction involving the provision of financial assistance by the Corporation. This paragraph shall not be construed to limit personal liability for criminal acts or omissions, willful or malicious misconduct, acts or omissions for private gain, or any other act or omission outside the scope of the service of such member on the Board.

"(3) EFFECT ON OTHER LAW.—This subsection shall not be construed—

"(A) to affect any other immunities and protections that may be available to such member under applicable law with respect to such transactions;

"(B) to affect any other right or remedy against the Corporation, against the United

States under applicable law, or against any person other than a member of the Board participating in such transactions; or

"(C) to limit or alter in any way the immunities that are available under applicable law for Federal officials and employees not described in this subsection.

"(g) DUTIES.—The Board shall—

"(1) review and approve the strategic plan described in section 193A(b)(1), and annual updates of the plan;

"(2) review and approve the proposal described in section 193A(b)(2)(A), with respect to the grants, allotments, contracts, financial assistance, payment, and positions referred to in such section;

"(3) review and approve the proposal described in section 193A(b)(3)(A), regarding the regulations, standards, policies, procedures, programs, and initiatives referred to in such section;

"(4) review and approve the evaluation plan described in section 193A(b)(4)(A);

"(5)(A) review, and advise the President regarding, the actions of the President with respect to the personnel of the Corporation, and with respect to such standards, policies, procedures, programs, and initiatives as are necessary or appropriate to carry out this Act; and

"(B) inform the President of any aspects of the actions of the President that are not in compliance with the annual strategic plan referred to in paragraph (1), the proposals referred to in paragraphs (2) and (3), or the plan referred to in paragraph (4), or are not consistent with the objectives of this Act;

"(6) receive, and act on, the reports issued by the Inspector General of the Corporation;

"(7) make recommendations relating to a program of research for the Corporation with respect to national and community service programs, including service-learning programs;

"(8) advise the President of the United States and the Congress concerning developments in national and community service that merit the attention of the President of the United States and the Congress; and

"(9) ensure effective dissemination of information regarding the programs and initiatives of the Corporation.

"(h) ADMINISTRATION.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to the Board.

"SEC. 193. PRESIDENT.

"(a) APPOINTMENT.—The Corporation shall be headed by an individual who shall serve as President of the Corporation, and who shall be appointed by the President of the United States, by and with the advice and consent of the Senate.

"(b) COMPENSATION.—The President shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code.

"(c) REGULATIONS.—The President shall prescribe such rules and regulations as are necessary or appropriate to carry out this Act.

"SEC. 193A. AUTHORITIES AND DUTIES OF THE PRESIDENT.

"(a) GENERAL POWERS AND DUTIES.—The President shall be responsible for the exercise of the powers and the discharge of the duties of the Corporation that are not reserved to the Board, and shall have authority and control over all personnel of the Corporation, except as provided in section 194(b)(4).

"(b) DUTIES.—In addition to the duties conferred on the President under any other provision of this Act, the President shall—

"(1) prepare and submit to the Board a strategic plan every 3 years, and annual updates of the plan, for the Corporation with respect to the major functions and operations of the Corporation;

"(2)(A) prepare and submit to the Board a proposal with respect to such grants and allotments, contracts, other financial assistance, and designation of positions as approved national service positions, as are necessary or appropriate to carry out this Act; and

"(B) after receiving and reviewing an approved proposal under section 192A(g)(2), make such grants and allotments, enter into such contracts, award such other financial assistance, make such payments (in lump sum or installments, and in advance or by way of reimbursement, and in the case of financial assistance otherwise authorized under this Act, with necessary adjustments on account of overpayments and underpayments), and designate such positions as approved national service positions as are necessary or appropriate to carry out this Act;

"(3)(A) prepare and submit to the Board a proposal regarding, the regulations established under section 195(a)(4)(B)(i), and such other standards, policies, procedures, programs, and initiatives as are necessary or appropriate to carry out this Act; and

"(B) after receiving and reviewing an approved proposal under section 192A(g)(3)—

"(i) establish such standards, policies, and procedures as are necessary or appropriate to carry out this Act; and

"(ii) establish and administer such programs and initiatives as are necessary or appropriate to carry out this Act;

"(4)(A) prepare and submit to the Board a plan for the evaluation of programs established under this Act, in accordance with section 179; and

"(B) after receiving an approved proposal under section 192A(g)(4)—

"(i) establish measurable performance goals and objectives for such programs, in accordance with section 179; and

"(ii) provide for periodic evaluation of such programs to assess the manner and extent to which the programs achieve the goals and objectives, in accordance with such section;

"(5) consult with appropriate Federal agencies in administering the programs and initiatives;

"(6) suspend or terminate payments and positions described in paragraph (2)(B), in accordance with section 176;

"(7) prepare and submit to the Board an annual report, and such interim reports as may be necessary, describing the major actions of the President with respect to the personnel of the Corporation, and with respect to such standards, policies, procedures, programs, and initiatives;

"(8) inform the Board of, and provide an explanation to the Board regarding, any substantial differences regarding the implementation of this Act between—

"(A) the actions of the President; and

"(B)(i) the strategic plan approved by the Board under section 192A(g)(1);

"(ii) the proposals approved by the Board under paragraph (2) or (3) of section 192A(g); or

"(iii) the evaluation plan approved by the Board under section 192A(g)(4); and

"(9) prepare and submit to the appropriate committees of Congress an annual report, and such interim reports as may be necessary, describing—

"(A) the services referred to in paragraph (1), and the money and property referred to in paragraph (2), of section 196(a) that have been accepted by the Corporation;

"(B) the manner in which the Corporation used or disposed of such services, money, and property; and

"(C) information on the results achieved by the programs funded under this Act during the year preceding the year in which the report is prepared.

"(c) POWERS.—In addition to the authority conferred on the President under any other provision of this Act, the President may—

"(1) establish, alter, consolidate, or discontinue such organizational units or components within the Corporation as the President considers necessary or appropriate, consistent with Federal law, and shall, to the maximum extent practicable, consolidate such units or components of the division of the Corporation that carries out volunteer service programs and the division of the Corporation that carries out financial assistance programs as may be appropriate to enable the two divisions to coordinate common support functions, such as recruiting, public awareness, or training functions;

"(2) with the approval of the President of the United States, arrange with and reimburse the heads of other Federal agencies for the performance of any of the provisions of this Act;

"(3) with their consent, utilize the services and facilities of Federal agencies with or without reimbursement, and, with the consent of any State, or political subdivision of a State, accept and utilize the services and facilities of the agencies of such State or subdivisions without reimbursement;

"(4) allocate and expend funds made available under this Act, including expenditure for construction, repairs, and capital improvements;

"(5) disseminate, without regard to the provisions of section 3204 of title 39, United States Code, data and information, in such form as the President shall determine to be appropriate to public agencies, private organizations, and the general public;

"(6) collect or compromise all obligations to or held by the President and all legal or equitable rights accruing to the President in connection with the payment of obligations in accordance with chapter 37 of title 31, United States Code (commonly known as the 'Federal Claims Collection Act of 1966');

"(7) expend funds made available for purposes of this Act for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by the President;

"(8) file a civil action in any court of record of a State having general jurisdiction or in any district court of the United States, with respect to a claim arising under this Act;

"(9) exercise the authorities of the Corporation under section 196;

"(10) consolidate the reports to Congress required under this Act, and the report required under section 9106 of title 31, United States Code, into a single report, and submit the report to Congress on an annual basis; and

"(11) generally perform such functions and take such steps consistent with the objectives and provisions of this Act, as the President determines to be necessary or appropriate to carry out such provisions.

"(d) DELEGATION.—

"(1) DEFINITION.—As used in this subsection, the term 'function' means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program.

"(2) IN GENERAL.—Except as otherwise prohibited by law or provided in this Act, the President may delegate any function under

this Act, and authorize such successive redelegations of such function as may be necessary or appropriate. No delegation of a function by the President under this subsection or under any other provision of this Act shall relieve such President of responsibility for the administration of such function.

"(3) FUNCTION OF BOARD.—The President may not delegate a function of the Board without the permission of the Board.

"(e) ACTIONS.—In an action described in subsection (c)(8)—

"(1) a district court referred to in such subsection shall have jurisdiction of such a civil action without regard to the amount in controversy;

"(2) such an action brought by the President shall survive notwithstanding any change in the person occupying the office of President or any vacancy in that office;

"(3) no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the President or the Board or property under the control of the President or the Board; and

"(4) nothing in this section shall be construed to except litigation arising out of activities under this Act from the application of sections 509, 517, 547, and 2679 of title 28, United States Code.

"SEC. 194. OFFICERS.

"(a) MANAGING DIRECTORS.—

"(1) IN GENERAL.—There shall be in the Corporation 2 Managing Directors, who shall be appointed by the President of the United States, by and with the advice and consent of the Senate, and who shall report to the President.

"(2) COMPENSATION.—The Managing Directors shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

"(3) DUTIES.—

"(A) VOLUNTEER SERVICE PROGRAMS.—One of the Managing Directors shall be primarily responsible for the volunteer service programs carried out by the Corporation.

"(B) INVESTMENT PROGRAMS.—The other Managing Director shall be primarily responsible for the financial assistance programs carried out by the Corporation.

"(b) INSPECTOR GENERAL.—

"(1) OFFICE.—There shall be in the Corporation an Office of the Inspector General.

"(2) APPOINTMENT.—The Office shall be headed by an Inspector General, appointed in accordance with the Inspector General Act of 1978.

"(3) COMPENSATION.—The Inspector General shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

"(4) PERSONNEL.—Notwithstanding paragraphs (7) and (8) of section 6(a) of the Inspector General Act of 1978, the Inspector General may—

"(A) appoint and determine the compensation of such officers and employees in accordance with section 195(a)(4); and

"(B) procure the temporary and intermittent services of and compensate such experts and consultants, in accordance with section 3109(b) of title 5, United States Code,

as may be necessary to carry out the functions, powers, and duties of the Inspector General.

"(c) CHIEF FINANCIAL OFFICER.—

"(1) OFFICE.—There shall be in the Corporation a Chief Financial Officer, who shall be appointed by the President of the United States, by and with the advice and consent of the Senate.

"(2) COMPENSATION.—The Chief Financial Officer shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

"(3) DUTIES.—The Chief Financial Officer shall—

"(A) report directly to the President regarding financial management matters;

"(B) oversee all financial management activities relating to the programs and operations of the Corporation;

"(C) develop and maintain an integrated accounting and financial management system for the Corporation, including financial reporting and internal controls;

"(D) develop and maintain any joint financial management systems with the Department of Education necessary to carry out the programs of the Corporation; and

"(E) direct, manage, and provide policy guidance and oversight of the financial management personnel, activities, and operations of the Corporation.

"SEC. 195. EMPLOYEES, CONSULTANTS, AND OTHER PERSONNEL.

"(a) EMPLOYEES.—

"(1) IN GENERAL.—Except as provided in section 194(b)(4), it is within the exclusive discretion of the President to appoint and determine the compensation of such employees as the President determines to be necessary to carry out the duties of the Corporation.

"(2) CIVIL SERVICE PROTECTIONS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the provisions of title 5, United States Code, shall apply with respect to the Corporation and the employees of the Corporation.

"(B) APPOINTMENT AND COMPENSATION.—Except as provided in section 194(b)(4), it is within the exclusive discretion of the President to appoint and determine the compensation of employees under this subsection 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 (other than the provisions described in clauses (iii) and (iv) of paragraph (4)(B)).

"(3) APPOINTMENT IN THE COMPETITIVE SERVICE AFTER EMPLOYMENT IN THE CORPORATION.—

"(A) EMPLOYEES WITH NOT LESS THAN 3 YEARS OF EMPLOYMENT.—If an employee, other than a representative described in subsection (b), is separated from the Corporation (other than by removal for cause), and has been continuously employed by the Corporation for a period of not less than 3 years, such period shall be treated as a period of service in the competitive service for purposes of chapter 33 of title 5, United States Code.

"(B) EMPLOYEES WITH NOT LESS THAN 1 BUT LESS THAN 3 YEARS OF EMPLOYMENT.—If an employee, other than a representative described in subsection (b), is separated from the Corporation (other than by removal for cause), and has been continuously employed by the Corporation for a period of not less than 1 year, but less than 3 years, such period shall be treated as a period of service in the competitive service for purposes of chapter 33 of title 5, United States Code, until the date that is 3 years after the date of separation.

"(C) DEFINITION.—As used in this paragraph, the term 'competitive service' has the meaning given the term in section 2102 of title 5, United States Code.

"(4) APPOINTMENT AND COMPENSATION.—

"(A) IN GENERAL.—The Chairperson shall appoint and determine the compensation of employees referred to in paragraph (1), in accordance with the appointment and compensation systems referred to in subparagraph (B).

"(B) CORPORATION APPOINTMENT AND COMPENSATION SYSTEMS.—

"(i) ESTABLISHMENT OF SYSTEM.—The President, after reviewing the approved proposal of the Board under section 192A(g)(3) and after obtaining the approval of the Director of the Office of Personnel Management, shall issue regulations establishing appointment and compensation systems for the Corporation.

"(ii) CONTENT AND CONSIDERATIONS.—In issuing such regulations, the President shall—

"(I) establish appropriate appointment and compensation mechanisms for the representatives described in subsection (b); and

"(II) take into consideration the need for flexibility in such a system.

"(iii) APPOINTMENT SYSTEM.—The appointment system shall require that the appointment of such an employee be—

"(I) on the basis of the qualifications of applicants and the requirements of the position, in accordance with the merit system principles set forth in section 2301(b) of title 5, United States Code; and

"(II) through a competitive process.

"(iv) COMPENSATION SYSTEM.—

"(I) IN GENERAL.—The compensation system shall include a scheme for the classification of positions in the Corporation. The system shall require that the compensation of such an employee be determined based in part on the job performance of the employee, and in a manner consistent with the principles described in section 5301 of title 5, United States Code.

"(II) LIMITATION ON EMPLOYEE COMPENSATION.—The rate of compensation for each employee compensated through the system shall not exceed the annual rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

"(III) LIMITATION ON COMPENSATION OF REPRESENTATIVE.—The rate of pay for a representative described in subsection (b) shall not exceed the maximum rate of basic pay payable for grade GS-13 of the General Schedule under section 5332 of title 5, United States Code.

"(5) RETENTION OF CIVIL SERVICE RIGHTS.—

"(A) RETENTION OF COMPETITIVE SERVICE RIGHTS.—An individual who—

"(i) was an employee of ACTION or the Commission on National and Community Service who served under a permanent appointment on the day before the date of enactment of this subtitle in—

"(I) a position in the competitive service; or

"(II) a career appointee position in the Senior Executive Service;

"(ii) is transferred to the Corporation under section 202(c) or 203(c) of the National and Community Service Trust Act of 1993; and

"(iii) accepts a position established under paragraph (4) in the Corporation,

shall be appointed to a position in the competitive service of the Corporation.

"(B) DURATION OF POSITION IN COMPETITIVE SERVICE.—During the period of employment of such an employee in a position, the position shall be a position in the competitive service. After such period of employment, the position shall be a position in the excepted service unless the President appoints

an individual to such position in accordance with the provisions described in subsection (a)(2).

"(C) ESTABLISHMENT OF POSITIONS.—With respect to a position vacancy or a position to be established in the Corporation, the President—

"(i) shall select the individual to be appointed to such position in accordance with the regulations promulgated under paragraph (4);

"(ii) if the individual to be appointed to the position is an individual described in subparagraph (A), shall establish the position as a position in the competitive service; and

"(iii) if the individual to be so appointed is not an individual described in subparagraph (A)—

"(I) may establish the position as a position in the excepted service; and

"(II) in an exceptional case in which the individual, immediately prior to accepting the position, served under a permanent appointment in a position described in subclause (I) or (II) of subparagraph (A)(i), may establish the position as a position in the competitive service,

in any case in which an individual described in subparagraph (A) is an employee of the Corporation and is eligible to be appointed to such position.

"(D) DEFINITIONS.—As used in this paragraph:

"(i) COMPETITIVE SERVICE.—The term 'competitive service' has the meaning given the term in section 2102 of title 5, United States Code.

"(ii) EXCEPTED SERVICE.—The term 'excepted service' has the meaning given the term in section 2103 of title 5, United States Code.

"(iii) SENIOR EXECUTIVE SERVICE.—The term 'Senior Executive Service' has the meaning given the term in section 2101a of title 5, United States Code.

"(b) CORPORATION REPRESENTATIVE IN EACH STATE.—

"(1) DESIGNATION OF REPRESENTATIVE.—The Corporation shall designate 1 employee of the Corporation for each State or group of States to serve as the representative of the Corporation in the State or States and to assist the Corporation in carrying out the activities described in this Act in the State or States.

"(2) DUTIES.—The representative designated under this subsection for a State or group of States shall serve as the liaison between—

"(A) the Corporation and the State Commission that is established in the State or States;

"(B) the Corporation and any subdivision of a State, Indian tribe, public or private nonprofit organization, or institution of higher education, in the State or States, that is awarded a grant under section 121 directly from the Corporation; and

"(C) the State Commission and the Corporation employee responsible for volunteer service programs in the State, if the employee is not the representative described in paragraph (1) for the State.

"(3) MEMBER OF STATE COMMISSION.—The representative designated under this subsection for a State or group of States shall also serve as a voting member of the State Commission established in the State or States.

"(c) CONSULTANTS.—The President may procure the temporary and intermittent services of experts and consultants and compensate the experts and consultants in accordance with section 3109(b) of title 5, United States Code.

"(d) DETAILS OF PERSONNEL.—The head of any Federal department or agency may detail on a reimbursable basis, or on a nonreimbursable basis for not to exceed 180 calendar days during any fiscal year, as agreed upon by the President and the head of the Federal agency, any of the personnel of that department or agency to the Corporation to assist the Corporation in carrying out the duties of the Corporation under this Act. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

"(e) ADVISORY COMMITTEES.—

"(1) ESTABLISHMENT.—The President, acting upon the recommendation of the Board, may establish advisory committees in the Corporation to advise the Board with respect to national service issues, such as the type of programs to be established or assisted under the national service laws, priorities and criteria for such programs, and methods of conducting outreach for, and evaluation of, such programs.

"(2) COMPOSITION.—Such an advisory committee shall be composed of members appointed by the President, with such qualifications as the President may specify.

"(3) EXPENSES.—Members of such an advisory committee may be allowed travel expenses as described in section 192A(d).

"(4) STAFF.—The President is authorized to appoint and fix the compensation of such staff as the President determines to be necessary to carry out the functions of the advisory committee, in accordance with subsection (a)(2), and without regard to the selection and compensation systems described in subsection (a)(4)(B). Such compensation shall not exceed the rate described in subsection (a)(4)(B)(iv)(III).

"SEC. 196. ADMINISTRATION.

"(a) DONATIONS.—

"(1) SERVICES.—

"(A) VOLUNTEERS.—Notwithstanding section 1342 of title 31, United States Code, the Corporation may solicit and accept the voluntary services of individuals to assist the Corporation in carrying out the duties of the Corporation under this Act, and may provide to such individuals the travel expenses described in section 192A(d).

"(B) LIMITATION.—Such a volunteer shall not be considered to be a Federal employee and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits, except that—

"(i) for the purposes of the tort claims provisions of chapter 171 of title 28, United States Code, a volunteer under this subtitle shall be considered to be a Federal employee;

"(ii) for the purposes of subchapter I of chapter 81 of title 5, United States Code, relating to compensation to Federal employees for work injuries, volunteers under this subtitle shall be considered to be employees, as defined in section 8101(1)(B) of title 5, United States Code, and the provisions of such subchapter shall apply; and

"(iii) for purposes of the provisions of chapter 11 of part I of title 18, United States Code, such a volunteer (to whom such provisions would not otherwise apply except for this subsection) shall be a special Government employee.

"(C) INHERENTLY GOVERNMENTAL FUNCTION.—

"(i) IN GENERAL.—Such a volunteer shall not carry out an inherently governmental function.

"(ii) REGULATIONS.—The President shall promulgate regulations to carry out this subparagraph.

"(iii) INHERENTLY GOVERNMENTAL FUNCTION.—As used in this subparagraph, the term 'inherently governmental function' means any activity that is so intimately related to the public interest as to mandate performance by an officer or employee of the Federal Government, including an activity that requires either the exercise of discretion in applying the authority of the Government or the use of value judgment in making a decision for the Government.

"(2) PROPERTY.—

"(A) IN GENERAL.—The Corporation may solicit, accept, hold, administer, use, and dispose of, in furtherance of the purposes of this Act, donations of any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise. Donations accepted under this subparagraph shall be used as nearly as possible in accordance with the terms, if any, of such donation.

"(B) TAX.—For purposes of Federal income, estate, and gift taxes, money or property accepted under subparagraph (A) shall be considered to be a gift, devise, or bequest to, or for the use of, the United States.

"(C) RULES.—The President shall establish written rules to ensure that the solicitation, acceptance, holding, administration, and use of property described in subparagraph (A)—

"(i) will not reflect unfavorably upon the ability of the Corporation, or of any officer or employee of the Corporation, to carry out the responsibilities or official duties of the Corporation in a fair and objective manner; and

"(ii) will not compromise the integrity of the programs of the Corporation or any official or employee of the Corporation involved in such programs.

"(D) DISPOSITION.—Upon completion of the use by the Corporation of any property accepted pursuant to subparagraph (A) (other than money or monetary proceeds from sales of property so accepted), such completion shall be reported to the General Services Administration and such property shall be disposed of in accordance with title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.).

"(3) VOLUNTEER.—As used in this subsection, the term 'volunteer' does not include a participant.

"(b) CONTRACTS.—Subject to the Federal Property and Administrative Services Act of 1949, the Corporation may enter into contracts, and cooperative and interagency agreements, with Federal and State agencies, private firms, institutions, and individuals to conduct activities necessary to assist the Corporation in carrying out the duties of the Corporation under this Act.

"(c) OFFICE OF MANAGEMENT AND BUDGET.—Appropriate circulars of the Office of Management and Budget shall apply to the Corporation.".

(b) DOMESTIC VOLUNTEER SERVICE ACT OF 1973.—Section 401 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5041) is amended by inserting after the second sentence the following: "The Director shall report directly to the President of the Corporation for National and Community Service.".

(c) TRANSFER OF FUNCTIONS OF COMMISSION ON NATIONAL AND COMMUNITY SERVICE.—

(1) DEFINITIONS.—For purposes of this subsection, unless otherwise provided or indicated by the context, each term specified in section 203(c)(1) shall have the meaning given the term in such section.

(2) TRANSFER OF FUNCTIONS.—There are transferred to the Corporation the functions that the Board of Directors or Executive Director of the Commission on National and Community Service exercised before the effective date of this subsection (including all related functions of any officer or employee of the Commission).

(3) APPLICATION.—The provisions of paragraphs (3) through (10) of section 203(c) shall apply with respect to the transfer described in paragraph (2), except that—

(A) for purposes of such application, references to the term "ACTION Agency" shall be deemed to be references to the Commission on National and Community Service; and

(B) paragraph (10) of such section shall not preclude the transfer of the members of the Board of Directors of the Commission to the Corporation if, on the effective date of this subsection, the Board of Directors of the Corporation has not been confirmed.

(d) CONTINUING PERFORMANCE OF CERTAIN FUNCTIONS.—The individuals who, on the day before the date of enactment of this Act, are performing any of the functions required by section 190 of the National and Community Service Act of 1990 (42 U.S.C. 12651), as in effect on such date, to be performed by the members of the Board of Directors of the Commission on National and Community Service may, subject to section 193A of the National and Community Service Act of 1990, as added by subsection (a) of this section, continue to perform such functions until the date on the Board of Directors of the Corporation for National and Community Service conducts the first meeting of the Board. The service of such individuals as members of the Board of Directors of such Commission, and the employment of such individuals as special government employees, shall terminate on such date.

(e) JOB SEARCH ASSISTANCE.—The President of the Corporation shall establish a program to provide, or shall seek to enter into a memorandum of understanding with the Director of the Office of Personnel Management to provide, job search and related assistance to employees of the ACTION agency who are not transferred to the Corporation for National and Community Service under section 203(c). The President of the Corporation shall make available funds appropriated under section 501(a)(4) of the National and Community Service Act of 1990 in order to provide such assistance.

(f) GOVERNMENT CORPORATION CONTROL.—

(1) WHOLLY OWNED GOVERNMENT CORPORATION.—Section 9101(3) of title 31, United States Code, is amended by inserting after subparagraph (D) the following:

"(E) the Corporation for National and Community Service.".

(2) AUDITS.—Section 9105(a)(1) of title 31, United States Code, is amended by inserting ", or under other Federal law," before "or by an independent".

(g) DISPOSAL OF PROPERTY.—Section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)) is amended by adding at the end the following:

"(5)(A) Under such regulations as the Administrator may prescribe, the Administrator is authorized, in the discretion of the Administrator, to assign to the President of the Corporation for National and Community Service for disposal such surplus property as is recommended by the President as being needed for national service activities.

"(B) Subject to the disapproval of the Administrator, within 30 days after notice to the Administrator by the President of the Corporation for National and Community Service of a proposed transfer of property for such activities, the President, through such officers or employees of the Corporation as the President may designate, may sell, lease, or donate such property to any entity that receives financial assistance under the National and Community Service Act of 1990 for such activities.

"(C) In fixing the sale or lease value of such property, the President of the Corporation for National and Community Service shall comply with the requirements of paragraph (1)(C).".

(h) INSPECTOR GENERAL.—Section 11 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in paragraph (1), by inserting "; the Board of Directors of the Corporation for National and Community Service;" after "Thrift Depositor Protection Oversight Board"; and

(2) in paragraph (2), by inserting ", the Corporation for National and Community Service," after "United States Information Agency".

(i) TABLE OF CONTENTS.—Section 1(b) of the National and Community Service Act of 1990 (Public Law 101-610; 104 Stat. 3127) is amended by striking the items relating to subtitle G of title I of such Act and inserting the following:

"Subtitle G—Corporation for National and Community Service

"Sec. 191. Corporation for National and Community Service.
"Sec. 192. Board of Directors.
"Sec. 192A. Authorities and duties of the Board of Directors.
"Sec. 193. President.
"Sec. 193A. Authorities and duties of the President.
"Sec. 194. Officers.
"Sec. 195. Employees, consultants, and other personnel.
"Sec. 196. Administration.".

(j) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on October 1, 1993.

(2) ESTABLISHMENT AND APPOINTMENT AUTHORITIES.—Sections 191, 192, and 193 of the National and Community Service Act of 1990, as added by subsection (a), shall take effect on the date of enactment of this Act.

SEC. 203. FINAL AUTHORITIES OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE.

(a) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—

(1) APPLICATION.—

(A) EVALUATION.—Subsections (a), (d), and (e) of section 179 of the National and Community Service Act of 1990 (42 U.S.C. 12639) is amended by striking "this title" and inserting "the national service laws".

(B) CORPORATION.—Subtitle I of the National and Community Service Act of 1990 (as amended by section 202 of this Act) is amended in section 191, section 192A(g)(5), section 193(c), subsections (b), (c) (other than paragraph (8)), and (d) of section 193A, subsections (b) and (d) of section 195, and subsections (a) and (b) of section 196, by striking "this Act" each place the term appears and inserting "the national service laws".

(2) GRANTS.—Section 192A(g) of the National and Community Service Act of 1990 (as added by section 202 of this Act) is amended—

(A) by striking "and" at the end of paragraph (8);

(B) by redesignating paragraph (9) as paragraph (10); and

(C) by inserting after paragraph (8) the following:

"(9) notwithstanding any other provision of law, make grants to or contracts with Federal or other public departments or agencies and private nonprofit organizations for the assignment or referral of volunteers under the provisions of the Domestic Volunteer Service Act of 1973 (except as provided in section 108 of the Domestic Volunteer Service Act of 1973), which may provide that the agency or organization shall pay all or a part of the costs of the program; and".

(3) RECRUITMENT AND PUBLIC AWARENESS FUNCTIONS.—Section 193A of the National and Community Service Act of 1993 (as added by section 202 of this Act) is amended by adding at the end the following:

"(f) RECRUITMENT AND PUBLIC AWARENESS FUNCTIONS.—

"(1) EFFORT.—The President shall ensure that the Corporation, in carrying out the recruiting and public awareness functions of the Corporation, shall expend at least the level of effort on recruitment and public awareness activities related to the programs referred to in section 194(a)(3)(A) as ACTION expended on recruitment and public awareness activities related to programs under the Domestic Volunteer Service Act of 1973 during fiscal year 1993.

"(2) PERSONNEL.—The President shall assign or hire, as necessary, such additional national, regional, and State personnel to carry out such recruiting and public awareness functions as may be necessary to ensure that such functions are carried out in a timely and effective manner. The President shall give priority in the hiring of such additional personnel to individuals who have formerly served as volunteers in the programs referred to in section 194(a)(3)(A), or similar programs, and to individuals who have specialized experience in the recruitment of volunteers.

"(3) FUNDS.—For the first fiscal year after the effective date of this subsection, and for each fiscal year thereafter, for the purpose of carrying out such recruiting and public awareness functions, the President shall obligate not less than 1.5 percent of the amounts appropriated for the fiscal year under section 501(a) of the Domestic Volunteer Service Act of 1973.".

(4) ASSISTANT DIRECTORS.—Section 194 of the National and Community Service Act of 1990 (as added by section 202 of this Act) is amended by adding at the end the following:

"(d) ASSISTANT DIRECTORS.—

"(1) IN GENERAL.—There shall be in the Corporation four Assistant Directors, each of whom shall be appointed by the President, and who shall report directly to the Managing Director described in subsection (a)(3)(A).

"(2) DUTIES.—

"(A) VISTA AND OTHER ANTIPOVERTY PROGRAMS.—One of the Assistant Directors shall be primarily responsible for the VISTA and other antipoverty programs under title I of the Domestic Volunteer Service Act of 1973.

"(B) RETIRED AND SENIOR VOLUNTEER PROGRAMS.—One of the Assistant Directors shall be primarily responsible for the Retired and Senior Volunteer Program established under part A of title II of such Act.

"(C) FOSTER GRANDPARENT PROGRAM.—One of the Assistant Directors shall be primarily responsible for the Foster Grandparent Program established under part B of title II of such Act.

"(D) SENIOR COMPANION PROGRAM.—One of the Assistant Directors shall be primarily responsible for the Senior Companion Program

established under part C of title II of such Act.".

(b) AUTHORITIES OF ACTION AGENCY.—Sections 401 and 402 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5041 and 5042) are repealed.

(c) TRANSFER OF FUNCTIONS FROM ACTION AGENCY.—

(1) DEFINITIONS.—For purposes of this subsection, unless otherwise provided or indicated by the context—

(A) the term "Corporation" means the Corporation for National and Community Service, established under section 191 of the National and Community Service Act of 1990;

(B) the term "Federal agency" has the meaning given to the term "agency" by section 551(1) of title 5, United States Code;

(C) the term "function" means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program;

(D) the term "office" includes any office, administration, agency, institute, unit, organizational entity, or component thereof; and

(E) the term "President", except as used as part of the term "President of the United States", means the President of the Corporation.

(2) TRANSFER OF FUNCTIONS.—There are transferred to the Corporation such functions as the President of the United States determines to be appropriate that the Director of the ACTION Agency exercised before the effective date of this subsection (including all related functions of any officer or employee of the ACTION Agency).

(3) DETERMINATIONS OF CERTAIN FUNCTIONS BY THE OFFICE OF MANAGEMENT AND BUDGET.—The President of the United States may delegate to the Director of the Office of Management and Budget the authority to make any determination of the functions that are transferred under paragraph (2), if the President determines that such a delegation would be appropriate.

(4) REORGANIZATION.—The President is authorized to allocate or reallocate any function transferred under paragraph (2) among the officers of the Corporation, after providing notice of the allocation or reallocation to Congress.

(5) TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL.—Except as otherwise provided in this subsection, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred by this subsection, subject to section 1531 of title 31, United States Code, shall be transferred to the Corporation. Unexpended funds transferred pursuant to this paragraph shall be used only for the purposes for which the funds were originally authorized and appropriated.

(6) INCIDENTAL TRANSFER.—The Director of the Office of Management and Budget is authorized to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out the provisions of this subsection. The Director of the Office of Management and Budget shall provide for the termination of the affairs of all entities terminated by this subsection and for such further measures and dispositions as may be necessary to effectuate the purposes of this subsection.

(7) EFFECT ON PERSONNEL.—

(A) IN GENERAL.—Except as otherwise provided by this subsection, the transfer pursuant to this subsection of full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation, or to have the benefits of the employee reduced, for 1 year after the date of transfer of such employee under this subsection.

(B) EXECUTIVE SCHEDULE POSITIONS.—Except as otherwise provided in this subsection, any person who, on the day preceding the effective date of this subsection, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who, without a break in service, is appointed in the Corporation to a position having duties comparable to the duties performed immediately preceding such appointment shall continue to be compensated in such new position at not less than the rate provided for such previous position, for the duration of the service of such person in such new position.

(C) TERMINATION OF CERTAIN POSITIONS.—Positions whose incumbents are appointed by the President of the United States, by and with the advice and consent of the Senate, the functions of which are transferred by this subsection, shall terminate on the effective date of this subsection.

(8) SAVINGS PROVISIONS.—

(A) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(i) that have been issued, made, granted, or allowed to become effective by the President of the United States, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions that are transferred under this subsection; and

(ii) that are in effect at the time this subsection takes effect, or were final before the effective date of this subsection and are to become effective on or after the effective date of this subsection,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President of the United States, the President of the Corporation, or other authorized official, a court of competent jurisdiction, or by operation of law.

(B) PROCEEDINGS NOT AFFECTED.—The provisions of this subsection shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before the ACTION Agency at the time this subsection takes effect, with respect to functions transferred by this subsection. Such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this subsection had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subparagraph shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this subsection had not been enacted.

(C) SUITS NOT AFFECTED.—The provisions of this subsection shall not affect suits commenced before the effective date of this subsection, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this subsection had not been enacted.

(D) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the ACTION Agency, or by or against any individual in the official capacity of such individual as an officer of the ACTION Agency, shall abate by reason of the enactment of this subsection.

(E) ADMINISTRATIVE ACTIONS RELATING TO PROMULGATION OF REGULATIONS.—Any administrative action relating to the preparation or promulgation of a regulation by the ACTION Agency relating to a function transferred under this subsection may be continued by the Corporation with the same effect as if this subsection had not been enacted.

(9) SEVERABILITY.—If a provision of this subsection or its application to any person or circumstance is held invalid, neither the remainder of this subsection nor the application of the provision to other persons or circumstances shall be affected.

(10) TRANSITION.—Prior to, or after, any transfer of a function under this subsection, the President is authorized to utilize—

(A) the services of such officers, employees, and other personnel of the ACTION Agency with respect to functions that will be or have been transferred to the Corporation by this subsection; and

(B) funds appropriated to such functions for such period of time as may reasonably be needed to facilitate the orderly implementation of this subsection.

(d) DEVELOPMENT OF TRANSFER SCHEDULE.—The President of the Corporation for National and Community Service, in consultation with the Director of ACTION, shall, not later than 9 months after the date of enactment of this Act, prepare a schedule that specifies the date on which the employees of ACTION will be notified about—

(1) whether their functions will be transferred to the Corporation; and

(2) if such functions will be transferred, the date on which the transfer will occur.

(e) APPOINTMENT OF ACTION EMPLOYEES.—During the period beginning on October 1, 1993 and ending on the effective date of subsection (c)(2), in making appointments to the Corporation under the appointment system described in section 195(a)(4)(B)(iii) of the National and Community Service Act of 1990, the President of the Corporation for National and Community Service shall ensure that individuals who are employees of ACTION shall receive fair and equitable treatment.

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), this section, and the amendments made by this section, shall take effect—

(A) 18 months after the date of enactment of this Act; or

(B) on such earlier date (which shall be not earlier than 12 months after the date of the enactment of this Act) as the President of the United States shall determine to be appropriate and announce by proclamation published in the Federal Register.

(2) TRANSITION.—Subsections (c)(10), (d), and (e) shall take effect on the date of enactment of this Act.

TITLE III—REAUTHORIZATION

Subtitle A—National and Community Service Act of 1990

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 501 of the National and Community Service Act of 1990 (42 U.S.C. 12681) is amended to read as follows:

"SEC. 501. AUTHORIZATION OF APPROPRIATIONS.

"(a) TITLE I.—

"(1) SUBTITLE B.—

"(A) IN GENERAL.—There are authorized to be appropriated to provide financial assistance under subtitle B of title I, $45,000,000 for fiscal year 1994 and such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(B) PROGRAMS.—Of the amount appropriated under subparagraph (A) for a fiscal year—

"(i) not more than 63.75 percent shall be available to provide financial assistance under subpart A of part I of subtitle B of title I;

"(ii) not more than 11.25 percent shall be available to provide financial assistance under subpart B of part I of such subtitle; and

"(iii) not more than 25 percent shall be available to provide financial assistance under part II of such subtitle.

"(2) SUBTITLES C, D, AND H.—

"(A) IN GENERAL.—There are authorized to be appropriated to provide financial assistance under subtitles C and H of title I, and to provide national service educational awards under subtitle D of title I, $389,000,000 for fiscal year 1994 and such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(B) PROGRAMS.—Of the amount appropriated under subparagraph (A) for a fiscal year, 15 percent shall be made available to provide financial assistance under sections 125 and 126 and under subtitle H of title I.

"(3) SUBTITLE E.—There are authorized to be appropriated to provide financial assistance under subtitle E of title I, such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(4) ADMINISTRATION.—There are authorized to be appropriated for the administration of this Act such sums as may be necessary for each of the fiscal years 1994 through 1998.

"(b) TITLE III.—There are authorized to be appropriated to carry out title III $5,000,000 for each of the fiscal years 1994 through 1998.

"(c) AVAILABILITY OF APPROPRIATIONS.—Funds appropriated under this section shall remain available until expended.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1993.

Subtitle B—Domestic Volunteer Service Act of 1973

SEC. 311. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This subtitle may be cited as the "Domestic Volunteer Service Act Amendments of 1993".

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

CHAPTER 1—VISTA AND OTHER ANTI-POVERTY PROGRAMS

SEC. 321. PURPOSE OF THE VISTA PROGRAM.

The last sentence of section 101 (42 U.S.C. 4951) is amended to read as follows: "In addition, the objectives of this part are to generate the commitment of private sector resources, to encourage volunteer service at the local level, and to strengthen local agencies and organizations to carry out the purpose of this part.".

SEC. 322. SELECTION AND ASSIGNMENT OF VISTA VOLUNTEERS.

(a) VOLUNTEER ASSIGNMENTS.—Section 103(a) (42 U.S.C. 4953(a)) is amended—

(1) in the matter preceding paragraph (1), by striking "a public" and inserting "public";

(2) in paragraph (2), by striking "and" at the end;

(3) in paragraph (3), by striking "illiterate or functionally illiterate youth and other individuals,";

(4) in paragraph (5), by striking "and" at the end;

(5) in paragraph (6)—

(A) by striking "the Headstart act, or the Community Economic" and inserting "the Head Start Act, the Community Economic";

(B) by inserting "or other similar Acts," after "1981,"; and

(C) by striking the period and inserting "; and"; and

(6) by adding at the end the following new paragraph:

"(7) in strengthening, supplementing, and expanding efforts to address the problem of illiteracy throughout the United States.".

(b) RECRUITMENT PROCEDURES.—Section 103(b) (42 U.S.C. 4953(b)) is amended—

(1) by striking paragraphs (2), (4), (5) and (6);

(2) by redesignating paragraphs (3) and (7) as paragraphs (2) and (3), respectively;

(3) in paragraph (2) (as redesignated in paragraph (2) of this subsection), by striking "paragraph (7)" and inserting "paragraph (3)"; and

(4) in paragraph (3) (as redesignated in paragraph (2) of this subsection)—

(A) in subparagraph (A), by striking "paragraph (4)" and inserting "paragraph (2)";

(B) by striking subparagraphs (B), (C), and (E);

(C) by redesignating subparagraphs (D) and (F) as subparagraphs (C) and (D), respectively; and

(D) by inserting after subparagraph (A) the following new subparagraph:

"(B) A sponsoring organization may recruit volunteers for service under this part, subject to final approval by the Director.".

(c) PUBLIC AWARENESS AND RECRUITMENT.—Subsection (c) of section 103 (42 U.S.C. 4953(c)) is amended—

(1) in paragraph (1), to read as follows:

"(1)(A) The Director shall conduct national and local public awareness and recruitment activities in order to meet the volunteer goals of the program. In conducting such activities, the Director shall place special emphasis on recruiting volunteers for local, community-based programs that serve underrepresented populations, in situations in which volunteers might not otherwise learn about the programs. Such activities shall be coordinated with recruitment authorized under subtitle C or E of the National and Community Service Act of 1990 and may include public service announcements, advertisements, publicity on loan deferments, repayments, and cancellations available to VISTA volunteers, maintenance of a toll-free telephone system, and provision of technical assistance for the recruitment of volunteers to programs and projects receiving assistance under this part.

"(B) The Director shall take steps to recruit individuals 18 through 27 years of age, 55 years of age and older, recent graduates of institutions of higher education, and special skilled volunteers and to promote diverse participation in the program.";

(2) in paragraph (3), by adding at the end the following new sentence: "In addition, the Director shall take steps to provide opportunities for returned Peace Corps volunteers to serve in the VISTA program.";

(3) by striking paragraphs (4), (5), and (6); and

(4) by adding at the end the following new paragraph:

"(4) From the amounts appropriated under section 501(a) for fiscal year 1994 and each subsequent fiscal year, the Director shall obligate such sums as may be necessary for the purpose of carrying out this subsection in such fiscal year.".

(d) COORDINATION WITH OTHER FEDERAL AGENCIES.—Section 103 (42 U.S.C. 4953) is amended by adding at the end the following new subsection:

"(h) The Director is encouraged to enter into agreements with other Federal agencies to use VISTA volunteers in furtherance of program objectives that are consistent with the purposes described in section 101.".

SEC. 323. TERMS AND PERIODS OF SERVICE.

(a) CLARIFICATION AND PERIODS OF SERVICE.—Subsection (b) of section 104 (42 U.S.C. 4954(b)) is amended to read as follows:

"(b)(1) Volunteers serving under this part may be enrolled initially for periods of service of not less than 1 year, nor more than 2 years, except as provided in paragraph (2) or subsection (e).

"(2) Volunteers serving under this part may be enrolled for periods of service of less than 1 year if the Director determines, on an individual basis, that a period of service of less than 1 year is necessary to meet a critical scarce skill need.

"(3) Volunteers serving under this part may be reenrolled for periods of service in a manner to be determined by the Director. No volunteer shall serve for more than a total of 5 years under this part.".

(b) SUMMER PROGRAM.—Section 104 (42 U.S.C. 4954) is amended by adding at the end the following new subsection:

"(e)(1) Notwithstanding any other provision of this part, the Director may enroll full-time VISTA summer associates in a program for the summer months only, under such terms and conditions as the Director shall determine to be appropriate. Such individuals shall be assigned to projects that meet the criteria set forth in section 103(a).

"(2) In preparing reports relating to programs under this Act, the Director shall report on participants, costs, and accomplishments under the summer program separately.

"(3) The limitation on funds appropriated for grants and contracts, as contained in section 108, shall not apply to the summer program.".

SEC. 324. SUPPORT FOR VISTA VOLUNTEERS.

(a) POSTSERVICE STIPEND.—Section 105(a)(1) (42 U.S.C. 4955(a)(1)) is amended—

(1) by inserting "(A)" after "(a)(1)"; and

(2) by striking the second sentence and inserting the following:

"(B) Such stipend shall not exceed $95 per month in fiscal year 1994, but shall be set at a minimum of $125 per month during the service of the volunteer after October 1, 1994, assuming the availability of funds to accomplish this increase. The Director may provide a stipend of a minimum of $200 per month in the case of persons who have served as volunteers under this part for at least 1 year and who, in accordance with standards established in such regulations as the Director

shall prescribe, have been designated volunteer leaders on the basis of experience and special skills and a demonstrated leadership among volunteers.

"(C) The Director shall not provide a stipend under this subsection to an individual who elects to receive a national service education award under subtitle D of title I of the National and Community Service Act of 1990.".

(b) SUBSISTENCE ALLOWANCE.—Section 105(b) (42 U.S.C. 4955(b)) is amended—

(1) in paragraph (3)—

(A) by striking subparagraph (A);

(B) in subparagraph (B), by striking the subparagraph designation; and

(C) by adding at the end the following new sentence: "The Director shall review such adjustments on an annual basis to ensure that the adjustments are current."; and

(2) by striking paragraph (4).

(c) CHILD CARE.—Section 105 (42 U.S.C. 4955) is amended by adding at the end the following:

"(c)(1) The Director shall—

"(A) make child care available for children of each volunteer enrolled under this part, including volunteers who need such child care in order to participate as volunteers; or

"(B) provide a child care allowance to each such volunteer who needs such assistance in order to participate as volunteers.

"(2) The Corporation shall establish guidelines regarding the circumstances under which child care shall be made available under this subsection and the value of any child care allowance to be provided.".

SEC. 325. PARTICIPATION OF YOUNGER AND OLDER PERSONS.

Section 107 (42 U.S.C. 4957) is amended to read as follows:

"SEC. 107. PARTICIPATION OF YOUNGER AND OLDER PERSONS.

"In carrying out this part and part C, the Director shall take necessary steps, including the development of special projects, where appropriate, to encourage the fullest participation of individuals 18 through 27 years of age, and individuals 55 years of age and older, in the various programs and activities authorized under such parts.".

SEC. 326. LITERACY ACTIVITIES.

Section 109 (42 U.S.C. 4959) is amended—

(1) in subsection (g)—

(A) by striking paragraph (1); and

(B) by striking the paragraph designation of paragraph (2); and

(2) in subsection (h), by striking paragraph (3).

SEC. 327. APPLICATIONS FOR ASSISTANCE.

Section 110 (42 U.S.C. 4960) is amended to read as follows:

"SEC. 110. APPLICATIONS FOR ASSISTANCE.

"In reviewing an application for assistance under this part, the Director shall not deny such assistance to any project or program, or any public or private nonprofit organization, solely on the basis of the duration of the assistance such project, program, or organization has received under this part prior to the date of submission of the application. The Director shall grant assistance under this part on the basis of merit and to accomplish the goals of the VISTA program, and shall consider the needs and requirements of projects in existence on such date as well as potential new projects.".

SEC. 328. REPEAL OF AUTHORITY FOR STUDENT COMMUNITY SERVICE PROGRAMS.

Section 114 (42 U.S.C. 4974) is repealed.

SEC. 329. UNIVERSITY YEAR FOR VISTA.

(a) PROGRAM TITLE.—Part B of title I (42 U.S.C. 4971 et seq.) is amended—

(1) in the part heading, to read as follows:

"PART B—UNIVERSITY YEAR FOR VISTA";

(2) by striking "University Year for ACTION" each place that such term appears in such part and inserting "University Year for VISTA";

(3) by striking "UYA" each place that such term appears in such part and inserting "UYV"; and

(4) in section 112 (42 U.S.C. 4972) by striking the section heading and inserting the following new section heading:

"AUTHORITY TO OPERATE UNIVERSITY YEAR FOR VISTA PROGRAM".

(b) SPECIAL CONDITIONS.—Section 113(a) (42 U.S.C. 4973(a)) is amended—

(1) by striking "of not less than the duration of an academic year" and inserting "of not less than the duration of an academic semester or its equivalent"; and

(2) by adding at the end the following new sentence: "Volunteers may receive a living allowance and such other support or allowances as the Director determines to be appropriate.".

SEC. 330. AUTHORITY TO ESTABLISH AND OPERATE SPECIAL VOLUNTEER AND DEMONSTRATION PROGRAMS.

Section 122 (42 U.S.C. 4992) is amended to read as follows:

"SEC. 122. AUTHORITY TO ESTABLISH AND OPERATE SPECIAL VOLUNTEER AND DEMONSTRATION PROGRAMS.

"(a) IN GENERAL.—The Director is authorized to conduct special volunteer programs for demonstration programs, or award grants to or enter into contracts with public or nonprofit organizations to carry out such programs. Such programs shall encourage wider volunteer participation on a full-time, part-time, or short-term basis to further the purpose of this part, and identify particular segments of the poverty community that could benefit from volunteer and other antipoverty efforts.

"(b) ASSIGNMENT AND SUPPORT OF VOLUNTEERS.—The assignment of volunteers under this section, and the provision of support for such volunteers, including any subsistence allowances and stipends, shall be on such terms and conditions as the Director shall determine to be appropriate, but shall not exceed the level of support provided under section 105. Projects using volunteers who do not receive stipends may also be supported under this section.

"(c) CRITERIA AND PRIORITIES.—In carrying out this section and section 123, the Director shall establish criteria and priorities for awarding grants and entering into contracts under this part in each fiscal year. No grant or contract exceeding $100,000 shall be made under this part unless the recipient of the grant or contractor has been selected by a competitive process that includes public announcement of the availability of funds for such grant or contract, general criteria for the selection of recipients or contractors, and a description of the application process and application review process.".

SEC. 331. TECHNICAL AND FINANCIAL ASSISTANCE.

Section 123 (42 U.S.C. 4993) is amended to read as follows:

"SEC. 123. TECHNICAL AND FINANCIAL ASSISTANCE.

"The Director may provide technical and financial assistance to Federal agencies, State and local governments and agencies, private nonprofit organizations, employers, and other private organizations that utilize or desire to utilize volunteers in carrying out the purpose of this part.".

SEC. 332. ELIMINATION OF SEPARATE AUTHORITY FOR DRUG ABUSE PROGRAMS.

Title I (42 U.S.C. 4951 et seq.) is amended—

(1) by repealing section 124; and

(2) by redesignating section 125 as section 124.

CHAPTER 2—NATIONAL SENIOR VOLUNTEER CORPS

SEC. 341. NATIONAL SENIOR VOLUNTEER CORPS.

(a) TITLE HEADING.—The heading for title II is amended to read as follows:

"TITLE II—NATIONAL SENIOR VOLUNTEER CORPS".

(b) REFERENCES.—

(1) Section 200(1) (42 U.S.C. 5000(1)) is amended by striking "Older American Volunteer Programs" and inserting "National Senior Volunteer Corps".

(2) The heading for section 221 (42 U.S.C. 5021) is amended by striking "OLDER AMERICAN VOLUNTEER PROGRAMS" and inserting "NATIONAL SENIOR VOLUNTEER CORPS".

(3) Section 224 (42 U.S.C. 5024) is amended—

(A) in the section heading by striking "OLDER AMERICAN VOLUNTEER PROGRAMS" and inserting "NATIONAL SENIOR VOLUNTEER CORPS"; and

(B) by striking "volunteer projects for older Americans" and inserting "National Senior Volunteer Corps projects".

(4) Section 205(c) of the Older Americans Amendments of 1975 (Public Law 94-135; 89 Stat. 727; 42 U.S.C. 5001 note) is amended by striking "national older American volunteer programs" each place the term appears and inserting "National Senior Volunteer Corps programs".

SEC. 342. THE RETIRED AND SENIOR VOLUNTEER PROGRAM.

(a) PART HEADING.—The heading for part A of title II is amended by striking "RETIRED SENIOR VOLUNTEER PROGRAM" and inserting "RETIRED AND SENIOR VOLUNTEER PROGRAM".

(b) REFERENCES.—Section 200 (42 U.S.C. 5000) is amended by striking "retired senior volunteer program" each place that such term appears in such section and inserting "Retired and Senior Volunteer Program".

SEC. 343. OPERATION OF THE RETIRED AND SENIOR VOLUNTEER PROGRAM.

(a) ELIGIBILITY FOR PARTICIPANTS IN THE PROGRAM.—Section 201(a) (42 U.S.C. 5001(a)) is amended—

(1) in the matter preceding paragraph (1), by inserting "and older working persons" after "retired persons"; and

(2) in paragraph (2), by striking "aged sixty" and inserting "age 55".

(b) DELETION OF REQUIREMENT FOR STATE AGENCY REVIEW.—Section 201 (42 U.S.C. 5001) is amended—

(1) by striking subsection (c); and

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

SEC. 344. SERVICES UNDER THE FOSTER GRANDPARENT PROGRAM.

Section 211(a) (42 U.S.C. 5011(a)) is amended by striking ", including services" and all that follows through "with special needs." and inserting a period and the following: "Such services may include services by individuals serving as foster grandparents to children who are individuals with disabilities, who have chronic health conditions, who are receiving care in hospitals, who are residing in homes for dependent and neglected children, or who are receiving services provided by day care centers, schools, early intervention programs under part H of the Individuals with Disabilities Education Act (20 U.S.C. 1471 et seq.), Head Start agencies under the Head Start Act, or any of a variety of other programs, establishments,

and institutions providing services for children with special or exceptional needs. Individual foster grandparents may provide person-to-person services to one or more children, depending on the needs of the project and local site.".

SEC. 345. STIPENDS FOR LOW-INCOME VOLUNTEERS.

The second sentence of section 211(d) (42 U.S.C. 5011(d)) is amended by striking "Any stipend or allowance provided under this subsection shall not be less than $2.20 per hour until October 1, 1990, $2.35 per hour during fiscal year 1991, and $2.50 per hour on and after October 1, 1992," and inserting "Any stipend or allowance provided under this section shall not be less than $2.45 per hour on and after October 1, 1993, and shall be adjusted once prior to December 31, 1997, to account for inflation, as determined by the Director and rounded to the nearest five cents,".

SEC. 346. PARTICIPATION OF NON-LOW-INCOME PERSONS UNDER PARTS B AND C.

Subsection (f) of section 211(f) (42 U.S.C. 5011(f)) is amended to read as follows:

"(f) Individuals who are not low-income persons may serve as volunteers under parts B and C, in accordance with such regulations as the Director shall issue, at the discretion of the local project. Such individuals shall not receive any allowance, stipend, or other financial support for such service except reimbursement for transportation, meals, and out-of-pocket expenses related to such service.".

SEC. 347. CONDITIONS OF GRANTS AND CONTRACTS.

Section 212 (42 U.S.C. 5012) is repealed.

SEC. 348. EVALUATION OF THE SENIOR COMPANION PROGRAM.

Section 213(c) (42 U.S.C. 5013(c)) is amended by striking paragraph (3).

SEC. 349. AGREEMENTS WITH OTHER FEDERAL AGENCIES.

Section 221(a) (42 U.S.C. 5021(a)) is amended—

(1) by striking "(a)" and inserting "(a)(1)"; and

(2) by adding at the end the following:

"(2) The Director is encouraged to enter into agreements with—

"(A) the Department of Health and Human Services to—

"(i) involve retired or senior volunteers and foster grandparents in Head Start projects; and

"(ii) promote in-home care in cooperation with the Administration on Aging;

"(B) the Department of Education to promote intergenerational tutoring and mentoring for at-risk children; and

"(C) the Environmental Protection Agency to support conservation efforts.".

SEC. 350. PROGRAMS OF NATIONAL SIGNIFICANCE.

Section 225 (42 U.S.C. 5025) is amended—

(1) in subsection (a)—

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

"(1) The Director is authorized to make grants under parts A, B, and C to support programs that address national problems that are also of local concern. The Director may, in any fiscal year, determine which programs of national significance will receive priority in that year. In determining the priority of programs to address problems of local concern in a particular area, the Director shall solicit and consider the views of representatives of local groups serving the area.";

(B) in paragraph (2)(B), by striking "paragraph (10)" and inserting "paragraphs (10) and (12)"; and

(C) in paragraph (2)(C), by striking "and (10)" and inserting "(10), (12), (15), and (16)";

(2) in subsection (b), by adding at the end the following new paragraphs:

"(12) Programs that address environmental needs.

"(13) Programs that reach out to organizations not previously involved in addressing local needs, such as labor unions and profit-making organizations.

"(14) Programs that provide for ethnic outreach.

"(15) Programs that support criminal justice activities.

"(16) Programs that involve older volunteers working with young people in apprenticeship programs.

"(17) Programs that support the integration of individuals with disabilities into the community."; and

(3) in subsection (d), by striking paragraph (1) and inserting the following new paragraph:

"(1) Except as provided in paragraph (2), from the amounts appropriated under subsection (a), (b), (c), or (d) of section 502, for each fiscal year there shall be available to the Director such sums as may be necessary to make grants under subsection (a).".

SEC. 351. ADJUSTMENTS TO FEDERAL FINANCIAL ASSISTANCE.

Section 226 (42 U.S.C. 5026) is amended—

(1) in subsection (a)(1)—

(A) in subparagraph (A), by striking "(A)"; and

(B) by striking subparagraph (B); and

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by striking "(1)"; and

(ii) by striking "annually" and inserting ", once every 2 years"; and

(B) by striking paragraph (2).

SEC. 352. DEMONSTRATION PROGRAMS.

Title II (42 U.S.C. 5000 et seq.) is amended by adding at the end the following new part:

"PART E—DEMONSTRATION PROGRAMS

"SEC. 231. AUTHORITY OF DIRECTOR.

"(a) IN GENERAL.—The Director is authorized to make grants to or enter into contracts with public or nonprofit organizations, including organizations funded under part A, B, or C, for the purposes of demonstrating innovative activities involving older Americans as volunteers. The Director may support under this part both volunteers receiving stipends and volunteers not receiving stipends.

"(b) ACTIVITIES.—An organization that receives a grant or enters into a contract under subsection (a) may use funds made available through the grant or contract for activities such as—

"(1) linking youth groups and older American organizations in volunteer activities;

"(2) involving older volunteers in programs and activities different from programs and activities supported in the community; and

"(3) testing whether older American volunteer programs may contribute to new objectives or certain national priorities.

"SEC. 232. PROHIBITION.

"The Director may not reduce the activities, projects, or volunteers funded under the other parts of this title in order to support projects under this part.".

CHAPTER 3—ADMINISTRATION

SEC. 361. PURPOSE OF AGENCY.

Section 401 (42 U.S.C. 5041) is amended—

(1) by inserting after the first sentence the following: "Such Agency shall also promote the coordination of volunteer efforts among Federal, State, and local agencies and organizations, exchange technical assistance information among such agencies and organizations, and provide technical assistance to other nations concerning domestic volunteer programs within their countries."; and

(2) by striking "Older American Volunteer Programs" each place the term appears and inserting "National Senior Volunteer Corps".

SEC. 362. AUTHORITY OF THE DIRECTOR.

Section 402 (42 U.S.C. 5042) is amended in paragraphs (5) and (6) by inserting "solicit and" before "accept" each place the term appears.

SEC. 363. COMPENSATION FOR VOLUNTEERS.

Section 404 (42 U.S.C. 5044) is amended—

(1) in subsection (c), by inserting "from such volunteers or from beneficiaries" after "compensation";

(2) by striking subsection (f); and

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

SEC. 364. REPEAL OF REPORT.

Section 407 (42 U.S.C. 5047) is repealed.

SEC. 365. APPLICATION OF FEDERAL LAW.

Section 415(b)(4)(A) (42 U.S.C. 5055(b)(4)(A)) is amended by striking "a grade GS–7 employee" and inserting "an employee at grade GS–5 of the General Schedule under section 5332 of title 5, United States Code".

SEC. 366. EVALUATION OF PROGRAMS.

Section 416 (42 U.S.C. 5056) is amended—

(1) in subsection (a)—

(A) in the first sentence, by striking "(including the VISTA Literacy Corps which shall be evaluated as a separate program at least once every 3 years)"; and

(B) in the second sentence, by striking "at least once every 3 years" and inserting "periodically";

(2) in subsection (b) to read as follows:

"(b) In carrying out evaluations of programs under this Act, the Director shall create appropriate management information systems that will summarize information on volunteer activities and accomplishments across the programs supported under this Act. The Director shall periodically prepare and submit to the appropriate committees of Congress a report containing such information."; and

(3) by striking subsections (d), (e), (f), and (g).

SEC. 367. NONDISCRIMINATION PROVISIONS.

Section 417 (42 U.S.C. 5057) is amended to read as follows:

"SEC. 417. NONDISCRIMINATION PROVISIONS.

"(a) IN GENERAL.—

"(1) BASIS.—An individual with responsibility for the operation of a program that receives assistance under this Act shall not discriminate against a participant in, or member of the staff of, such program on the basis of race, color, national origin, sex, age, or political affiliation of such participant or member, or on the basis of disability, if the participant or member is a qualified individual with a disability.

"(2) DEFINITION.—As used in paragraph (1), the term 'qualified individual with a disability' has the meaning given the term in section 101(8) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12111(8)).

"(b) FEDERAL FINANCIAL ASSISTANCE.—Any assistance provided under this Act 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.), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.).

"(c) RELIGIOUS DISCRIMINATION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), an individual with responsibility for the operation of a program that receives assistance under this Act shall not discriminate on the basis of religion against a participant in such program or a member of the staff of such program who is paid with funds received under this Act.

"(2) EXCEPTION.—Paragraph (1) shall not apply to the employment, with assistance provided under this Act, of any member of the staff, of a program that receives assistance under this Act, who was employed with the organization operating the program on the date the grant under this Act was awarded.

"(d) RULES AND REGULATIONS.—The Director 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.".

SEC. 368. ELIMINATION OF SEPARATE REQUIREMENTS FOR SETTING REGULATIONS.

Section 420 (42 U.S.C. 5060) is repealed.

SEC. 369. CLARIFICATION OF ROLE OF INSPECTOR GENERAL.

Section 422 (42 U.S.C. 5062) is amended—

(1) in subsection (a), by inserting "or the Inspector General" after "Director"; and

(2) in subsection (b), by inserting ", the Inspector General," after "Director" each place that such term appears.

SEC. 370. COPYRIGHT PROTECTION.

Title IV (42 U.S.C. 5041 et seq.) is amended by adding at the end the following new section:

"SEC. 425. PROTECTION AGAINST IMPROPER USE.

"Whoever falsely—

"(1) advertises or represents; or

"(2) publishes or displays any sign, symbol, or advertisement, reasonably calculated to convey the impression,

that an entity is affiliated with, funded by, or operating under the authority of ACTION, VISTA, or any of the programs of the National Senior Volunteer Corps may be enjoined under an action filed by the Attorney General, on a complaint by the Director.".

SEC. 371. CENTER FOR RESEARCH AND TRAINING.

Title IV (42 U.S.C. 5041 et seq.) (as amended by section 370 of this Act) is further amended by adding at the end the following new section:

"SEC. 426. CENTER FOR RESEARCH AND TRAINING.

"The Director may establish, directly or by grant or contract, a Center for Research and Training on Volunteerism to carry out research concerning the impact of volunteerism on individuals, organizations, and communities, provide training at a State, regional, or local level to help improve programs across the United States, and carry out such other functions as the Director determines to be appropriate.".

SEC. 372. DEPOSIT REQUIREMENT CREDIT FOR SERVICE AS A VOLUNTEER.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—

(1) CREDITABLE SERVICE.—Section 8332(j) of title 5, United States Code, is amended—

(A) in paragraph (1)—

(i) in the first sentence, by inserting "the period of an individual's services as a full-time volunteer enrolled in a program of at least 1 year in duration under part A, B, or C of title I of the Domestic Volunteer Service Act of 1973," after "Economic Opportunity Act of 1964,";

(ii) in the second sentence, by inserting ", as a full-time volunteer enrolled in a program of at least 1 year in duration under part A, B, or C of title I of the Domestic Volunteer Service Act of 1973," after "Economic Opportunity Act of 1964,"; and

(iii) in the last sentence—

(I) by inserting "or under the Domestic Volunteer Service Act of 1973" after "Economic Opportunity Act of 1964"; and

(II) by inserting "or the Director of ACTION, as appropriate," after "Director of the Office of Economic Opportunity"; and

(B) by adding at the end the following new paragraph:

"(3) The provisions of paragraph (1) relating to credit for service as a volunteer or volunteer leader under the Economic Opportunity Act of 1964 or the Domestic Volunteer Service Act of 1973 shall not apply to any period of service as a volunteer or volunteer leader of an employee or Member with respect to which the employee or Member has made the deposit with interest, if any, required by section 8334(l).".

(2) DEDUCTIONS, CONTRIBUTIONS, AND DEPOSITS.—

(A) IN GENERAL.—Section 8334 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(l)(1) Each employee or Member who has performed service as a volunteer or volunteer leader under part A of title VIII of the Economic Opportunity Act of 1964, or as a full-time volunteer enrolled in a program of at least 1 year in duration under part A, B, or C of title I of the Domestic Volunteer Service Act of 1973, before the date of the separation from service on which the entitlement to any annuity under this subchapter is based may pay, in accordance with such regulations as the Office of Personnel Management shall issue, to the agency by which the employee is employed or, in the case of a Member or a congressional employee, to the Secretary of the Senate or the Clerk of the House of Representatives, as appropriate, an amount equal to 7 percent of the readjustment allowance paid to the employee or Member under title VIII of the Economic Opportunity Act of 1964 or title I of the Domestic Volunteer Service Act of 1973 for each period of service as such a volunteer or volunteer leader.

"(2) Any deposit made under paragraph (1) more than 2 years after the later of—

"(A) the date of enactment of this subsection; or

"(B) the date on which the employee or Member making the deposit first becomes an employee or Member,

shall include interest on such amount, computed and compounded annually beginning on the date of the expiration of the 2-year period. The interest rate that is applicable in computing interest in any year under this paragraph shall be equal to the interest rate that is applicable for such year under subsection (e).

"(3) Any payment received by an agency, the Secretary of the Senate, or the Clerk of the House of Representatives under this subsection shall be immediately remitted to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Fund.

"(4) The Director shall furnish such information to the Office of Personnel Management as the Office may determine to be necessary for the administration of this subsection.".

(B) CONFORMING AMENDMENT.—Section 8334(e) of title 5, United States Code, is amended in paragraphs (1) and (2) by striking "or (k)" each place that such term appears and inserting "(k), or (l)".

(b) FEDERAL EMPLOYEES RETIREMENT SYSTEM.—

(1) CREDITABLE SERVICE.—Section 8411 of title 5, United States Code, is amended—

(A) in subsection (b)(3), by striking "subsection (f)" and inserting "subsection (f) or (h)"; and

(B) by adding at the end the following new subsection:

"(h) An employee or Member shall be allowed credit for service as a volunteer or volunteer leader under part A of title VIII of the Economic Opportunity Act of 1964, or as a full-time volunteer enrolled in a program of at least 1 year in duration under part A, B, or C of title I of the Domestic Volunteer Service Act of 1973, performed at any time prior to the separation from service on which the entitlement to any annuity under this subchapter is based if the employee or Member has made a deposit with interest, if any, with respect to such service under section 8422(f).".

(2) DEDUCTIONS, CONTRIBUTIONS.—Section 8422 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(f)(1) Each employee or Member who has performed service as a volunteer or volunteer leader under part A of title VIII of the Economic Opportunity Act of 1964, or as a full-time volunteer enrolled in a program of at least 1 year in duration under part A, B, or C of title I of the Domestic Volunteer Service Act of 1973, before the date of the separation from service on which the entitlement to any annuity under this subchapter, or subchapter V of this chapter, is based may pay, in accordance with such regulations as the Office of Personnel Management shall issue, to the agency by which the employee is employed or, in the case of a Member or a congressional employee, to the Secretary of the Senate or the Clerk of the House of Representatives, as appropriate, an amount equal to 3 percent of the readjustment allowance paid to the employee or Member under title VIII of the Economic Opportunity Service Act of 1964 or title I of the Domestic Volunteer Service Act of 1973 for each period of service as such a volunteer or volunteer leader.

"(2) Any deposit made under paragraph (1) more than 2 years after the later of—

"(A) the date of enactment of this subsection, or

"(B) the date on which the employee or Member making the deposit first becomes an employee or Member,

shall include interest on such amount computed and compounded annually beginning on the date of the expiration of the 2-year period. The interest rate that is applicable in computing interest in any year under this paragraph shall be equal to the interest rate that is applicable for such year under section 8334(e).

"(3) Any payment received by an agency, the Secretary of the Senate, or the Clerk of the House of Representatives under this subsection shall be immediately remitted to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Fund.

"(4) The Director shall furnish such information to the Office of Personnel Management as the Office may determine to be necessary for the administration of this subsection.".

(c) APPLICABILITY AND OTHER PROVISIONS.—

(1) APPLICABILITY.—

(A) TIMING.—The amendments made by subsections (a) and (b) shall apply with respect to credit for service as a volunteer or

volunteer leader under the Economic Opportunity Act of 1964 or the Domestic Volunteer Service Act of 1973 to individuals who are entitled to an annuity on the basis of a separation from service occurring before, on, or after the effective date of this subtitle.

(B) SEPARATION.—In the case of any individual whose entitlement to an annuity is based on a separation from service occurring before the date of enactment of this Act, any increase in such individual's annuity on the basis of a deposit made pursuant to section 8334(l) or section 8442(f) of title 5, United States Code, as amended by this Act, shall be effective only with respect to annuity payments payable for calendar months beginning after the date of enactment of this Act.

(2) ACTION TO INFORM INDIVIDUALS.—The Director of the Office of Personnel Management shall take such action as may be necessary and appropriate to inform individuals entitled to credit under this section for service as a volunteer or volunteer leader, or to have any annuity recomputed, or to make a deposit under this section, of such entitlement.

CHAPTER 4—AUTHORIZATION OF APPROPRIATIONS AND OTHER AMENDMENTS

SEC. 381. AUTHORIZATION OF APPROPRIATIONS FOR TITLE I.

Section 501 (42 U.S.C. 5081) is amended to read as follows:

"SEC. 501. NATIONAL VOLUNTEER ANTIPOVERTY PROGRAMS.

"(a) AUTHORIZATIONS.—

"(1) VOLUNTEERS IN SERVICE TO AMERICA.—There are authorized to be appropriated to carry out part A of title I, excluding sections 104(e) and 109, $45,800,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(2) SUMMER PROGRAM.—There are authorized to be appropriated to carry out section 104(e), such sums as may be necessary for each of the fiscal years 1994 through 1998.

"(3) LITERACY ACTIVITIES.—There are authorized to be appropriated to carry out section 109, $5,600,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(4) UNIVERSITY YEAR FOR VISTA.—There are authorized to be appropriated to carry out part B of title I, such sums as may be necessary for each of the fiscal years 1994 through 1998.

"(5) SPECIAL VOLUNTEER PROGRAMS.—There are authorized to be appropriated to carry out part C of title I, excluding section 124, such sums as may be necessary for each of the fiscal years 1994 through 1998.

"(6) LITERACY CHALLENGE GRANTS.—There are authorized to be appropriated to carry out section 124, such sums as may be necessary for each of the fiscal years 1994 through 1998.

"(b) SUBSISTENCE.—The minimum level of an allowance for subsistence required under section 105(b)(2), to be provided to each volunteer under title I, may not be reduced or limited in order to provide for an increase in the number of volunteer service years under part A of title I.

"(c) LIMITATION.—No part of the funds appropriated to carry out part A of title I may be used to provide volunteers or assistance to any program or project authorized under part B or C of title I, or under title II, unless the program or project meets the antipoverty criteria of part A of title I.

"(d) AVAILABILITY.—Amounts appropriated for part A of title I shall remain available for obligation until the end of the fiscal year following the fiscal year for which the amounts were appropriated.

"(e) VOLUNTEER SERVICE REQUIREMENT.—

"(1) VOLUNTEER SERVICE YEARS.—Of the amounts appropriated under this section for parts A, B, and C of title I, including section 124, there shall first be available for part A of title I, including sections 104(e) and 109, an amount not less than the amount necessary to provide 3,700 volunteer service years in fiscal year 1994, 4,000 volunteer service years in fiscal year 1995, 4,500 volunteer service years in fiscal year 1996, 5,500 volunteer service years in fiscal year 1997, and 7,500 volunteer service years in fiscal year 1998.

"(2) PLAN.—If the Director determines that funds appropriated to carry out part A, B, or C of title I are insufficient to provide for the years of volunteer service required by paragraph (1), the Director shall submit a plan to the relevant authorizing and appropriations committees of Congress that will detail what is necessary to fully meet this requirement.".

SEC. 382. AUTHORIZATION OF APPROPRIATIONS FOR TITLE II.

Section 502 (42 U.S.C. 5082) is amended to read as follows:

"SEC. 502. NATIONAL SENIOR VOLUNTEER CORPS.

"(a) RETIRED AND SENIOR VOLUNTEER PROGRAM.—There are authorized to be appropriated to carry out part A of title II, $37,054,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(b) FOSTER GRANDPARENT PROGRAM.—There are authorized to be appropriated to carry out part B of title II, $71,284,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(c) SENIOR COMPANION PROGRAM.—There are authorized to be appropriated to carry out part C of title II, $32,509,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(d) DEMONSTRATION PROGRAMS.—There are authorized to be appropriated to carry out part E of title II, such sums as may be necessary for each of the fiscal years 1994 through 1998.".

SEC. 383. AUTHORIZATION OF APPROPRIATIONS FOR TITLE IV.

Title V (42 U.S.C. 5081 et seq.) is amended—

(1) by striking section 504;

(2) by inserting the following after section 502:

"SEC. 503. ADMINISTRATION AND COORDINATION.

"(a) IN GENERAL.—For each of the fiscal years 1994 through 1998, there are authorized to be appropriated for the administration of this Act as provided for in title IV, 20 percent of the total amount appropriated under sections 501 and 502 with respect to such year.

"(b) EVALUATION AND CENTER FOR RESEARCH AND TRAINING.—For each of the fiscal years 1994 through 1998, the Director is authorized to expend not less than one-half of 1 percent, and not more than 1 percent, from the amounts appropriated under sections 501 and 502, for the purposes prescribed in sections 416 and 426."; and

(3) by redesignating section 505 as section 504.

SEC. 384. CONFORMING AMENDMENTS; COMPENSATION FOR VISTA FECA CLAIMANTS.

Section 8143(b) of title 5, United States Code, is amended by striking "GS–7" and inserting "GS–5 of the General Schedule under section 5332 of title 5, United States Code".

SEC. 385. REPEAL OF AUTHORITY.

Title VII (42 U.S.C. 5091 et seq.) is repealed.

CHAPTER 5—GENERAL PROVISIONS

SEC. 391. TECHNICAL AND CONFORMING AMENDMENTS.

The Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.) is amended by striking "That this Act" and all that follows through the end of the table of contents and inserting the following:

"SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

"(a) SHORT TITLE.—This Act may be cited as the 'Domestic Volunteer Service Act of 1973'.

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

"Sec. 1. Short title; table of contents.
"Sec. 2. Volunteerism policy.
"TITLE I—NATIONAL VOLUNTEER ANTIPOVERTY PROGRAMS
"PART A—VOLUNTEERS IN SERVICE TO AMERICA
"Sec. 101. Statement of purpose.
"Sec. 102. Authority to operate VISTA program.
"Sec. 103. Selection and assignment of volunteers.
"Sec. 104. Terms and periods of service.
"Sec. 105. Support service.
"Sec. 106. Participation of beneficiaries.
"Sec. 107. Participation of younger and older persons.
"Sec. 108. Limitation.
"Sec. 109. VISTA Literacy Corps.
"Sec. 110. Applications for assistance.
"PART B—UNIVERSITY YEAR FOR VISTA
"Sec. 111. Statement of purpose.
"Sec. 112. Authority to operate University Year for VISTA program.
"Sec. 113. Special conditions.
"PART C—SPECIAL VOLUNTEER PROGRAMS
"Sec. 121. Statement of purpose.
"Sec. 122. Authority to establish and operate special volunteer and demonstration programs.
"Sec. 123. Technical and financial assistance.
"Sec. 124. Literacy challenge grants.
"TITLE II—NATIONAL SENIOR VOLUNTEER CORPS
"Sec. 200. Statement of purposes.
"PART A—RETIRED AND SENIOR VOLUNTEER PROGRAM
"Sec. 201. Grants and contracts for volunteer service projects.
"PART B—FOSTER GRANDPARENT PROGRAM
"Sec. 211. Grants and contracts for volunteer service projects.
"PART C—SENIOR COMPANION PROGRAM
"Sec. 213. Grants and contracts for volunteer service projects.
"PART D—GENERAL PROVISIONS
"Sec. 221. Promotion of National Senior Volunteer Corps.
"Sec. 222. Payments.
"Sec. 223. Minority group participation.
"Sec. 224. Use of locally generated contributions in National Senior Volunteer Corps.
"Sec. 225. Programs of national significance.
"Sec. 226. Adjustments to Federal financial assistance.
"Sec. 227. Multiyear grants or contracts.
"PART E—DEMONSTRATION PROGRAMS
"Sec. 231. Authority of Director.
"Sec. 232. Prohibition.
"TITLE IV—ADMINISTRATION AND COORDINATION
"Sec. 403. Political activities.
"Sec. 404. Special limitations.

"Sec. 406. Labor standards.
"Sec. 408. Joint funding.
"Sec. 409. Prohibition of Federal control.
"Sec. 410. Coordination with other programs.
"Sec. 411. Prohibition.
"Sec. 412. Notice and hearing procedures for suspension and termination of financial assistance.
"Sec. 414. Distribution of benefits between rural and urban areas.
"Sec. 415. Application of Federal law.
"Sec. 416. Evaluation.
"Sec. 417. Nondiscrimination provisions.
"Sec. 418. Eligibility for other benefits.
"Sec. 419. Legal expenses.
"Sec. 421. Definitions.
"Sec. 422. Audit.
"Sec. 423. Reduction of paperwork.
"Sec. 424. Review of project renewals.
"Sec. 425. Protection against improper use.
"Sec. 426. Center for Research and Training.
"TITLE V—AUTHORIZATION OF APPROPRIATIONS
"Sec. 501. National volunteer antipoverty programs.
"Sec. 502. National Senior Volunteer Corps.
"Sec. 503. Administration and coordination.
"Sec. 504. Availability of appropriations.
"TITLE VI—AMENDMENTS TO OTHER LAWS AND REPEALERS
"Sec. 601. Supersedence of Reorganization Plan No. 1 of July 1, 1971.
"Sec. 602. Creditable service for civil service retirement.
"Sec. 603. Repeal of title VIII of the Economic Opportunity Act.
"Sec. 604. Repeal of title VI of the Older Americans Act.".

SEC. 392. EFFECTIVE DATE.

This subtitle, and the amendments made by this subtitle shall take effect on October 1, 1993.

Subtitle C—Youth Conservation Corps Act of 1970

SEC. 399. PUBLIC LANDS CORPS.

(a) IN GENERAL.—Public Law 91-378 (16 U.S.C. 1701-1706; commonly known as the "Youth Conservation Corps Act of 1970") is amended—

(1) by inserting before section 1 the following:

"TITLE I—YOUTH CONSERVATION CORPS";

(2) by striking "Act" each place such term appears and inserting "title";

(3) by redesignating sections 1 through 6 as sections 101 through 106, respectively;

(4) in subsection (a) of section 102 (as redesignated by paragraph (3)), by inserting "in this title" after "hereinafter";

(5) in subsection (d) of section 104 (as redesignated by paragraph (3)), by striking "section 6" and inserting "section 106"; and

(6) by adding at the end the following new title:

"TITLE II—PUBLIC LANDS CORPS

"SEC. 201. SHORT TITLE.

"This title may be cited as the 'Public Lands Corps Act of 1993'.

"SEC. 202. CONGRESSIONAL FINDINGS AND PURPOSE.

"(a) FINDINGS.—The Congress finds the following:

"(1) Conserving or developing natural and cultural resources and enhancing and maintaining environmentally important lands and waters through the use of the Nation's young men and women in a Public Lands Corps can benefit those men and women by providing such men and women with education and work opportunities, furthering their understanding and appreciation of the natural and cultural resources, and providing a means to pay for higher education or to repay indebtedness such men and women have incurred to obtain higher education while at the same time benefiting the Nation's economy and environment.

"(2) Many facilities and natural resources located on public lands and on Indian lands are in disrepair or degraded and in need of labor intensive rehabilitation, restoration, and enhancement work that cannot be carried out by Federal agencies at existing personnel levels.

"(3) Youth conservation corps have established a good record of restoring and maintaining these kinds of facilities and resources in a cost effective and efficient manner, especially when the corps have worked in partnership arrangements with government land management agencies.

"(b) PURPOSE.—It is the purpose of this title to—

"(1) perform, in a cost-effective manner, appropriate conservation projects on public lands and Indian lands where such projects will not be performed by existing employees;

"(2) assist governments and Indian tribes in performing research and public education tasks associated with natural and cultural resources on public lands and Indian lands;

"(3) expose young men and women to public service while furthering their understanding and appreciation of the Nation's natural and cultural resources;

"(4) expand educational opportunities by rewarding individuals who participate in national service with an increased ability to pursue higher education or job training; and

"(5) stimulate interest among the Nation's young men and women in conservation careers by exposing such men and women to conservation professionals in land managing agencies.

"SEC. 203. DEFINITIONS.

"For purposes of this title:

"(1) APPROPRIATE CONSERVATION PROJECT.—The term 'appropriate conservation project' means any project for the conservation, restoration, construction, or rehabilitation of natural, cultural, historic, archaeological, recreational, or scenic resources.

"(2) CORPS AND PUBLIC LANDS CORPS.—The terms 'Corps' and 'Public Lands Corps' mean the Public Lands Corps established under section 204.

"(3) INDIAN TRIBE.—The term 'Indian tribe' means an Indian tribe, band, nation, or other organized group or community, including any Native village, Regional Corporation, or Village Corporation, as defined in subsection (c), (g), or (j), respectively, of section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602 (c), (g), or (j)), that is recognized as eligible for the special programs and services provided by the United States under Federal law to Indians because of their status as Indians.

"(4) INDIAN.—The term 'Indian' means a person who is a member of an Indian tribe.

"(5) INDIAN LANDS.—The term 'Indian lands' means—

"(A) any Indian reservation;

"(B) any public domain Indian allotments;

"(C) any former Indian reservation in the State of Oklahoma;

"(D) any land held by incorporated Native groups, regional corporations, and village corporations under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.); and

"(E) any land held by dependent Indian communities within the borders of the United States whether within the original or subsequently acquired territory thereof, and whether within or without the limits of a State.

"(6) PUBLIC LANDS.—The term 'public lands' means any lands or waters (or interest therein) owned or administered by the United States, except that such term does not include any Indian lands.

"(7) QUALIFIED YOUTH OR CONSERVATION CORPS.—The term 'qualified youth or conservation corps' means any program established by a State or local government, by the governing body of any Indian tribe, or by a nonprofit organization, that—

"(A) is capable of offering meaningful, full-time, productive work for individuals between the ages of 16 and 25, inclusive, in a natural or cultural resource setting;

"(B) gives participants a mix of work experience, basic and life skills, education, training, and support services; and

"(C) provides participants with the opportunity to develop citizenship values and skills through service to their community and the United States.

"(8) RESOURCE ASSISTANT.—The term 'resource assistant' means a resource assistant selected under section 206.

"(9) STATE.—The term 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

"SEC. 204. PUBLIC LANDS CORPS PROGRAM.

"(a) ESTABLISHMENT OF PUBLIC LANDS CORPS.—There is hereby established in the Department of the Interior and the Department of Agriculture a Public Lands Corps.

"(b) PARTICIPANTS.—The Corps shall consist of individuals between the ages of 16 and 25, inclusive, who are enrolled as participants in the Corps by the Secretary of the Interior or the Secretary of Agriculture. To be eligible for enrollment in the Corps, an individual shall satisfy the criteria specified in section 137(b) of the National and Community Service Act of 1990. The Secretaries may enroll such individuals in the Corps 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. The Secretaries may establish a preference for the enrollment in the Corps of individuals who are economically, physically, or educationally disadvantaged.

"(c) QUALIFIED YOUTH OR CONSERVATION CORPS.—The Secretary of the Interior and the Secretary of Agriculture are authorized to enter into contracts and cooperative agreements with any qualified youth or conservation corps to perform appropriate conservation projects referred to in subsection (d).

"(d) PROJECTS TO BE CARRIED OUT.—The Secretary of the Interior and the Secretary of Agriculture may each utilize the Corps or any qualified youth or conservation corps to carry out appropriate conservation projects that such Secretary is authorized to carry out under other authority of law on public lands. Appropriate conservation projects may also be carried out under this title on Indian lands with the approval of the Indian tribe involved.

"(e) PREFERENCE FOR CERTAIN PROJECTS.—In selecting appropriate conservation projects to be carried out under this title, the Secretary of the Interior and the Secretary of Agriculture shall give preference to those projects that—

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

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

"(3) will be labor intensive;

"(4) can be planned and initiated promptly; and

"(5) will provide academic, experiential, or environmental education opportunities.

"(f) CONSISTENCY.—Each appropriate conservation project carried out under this title on any public lands or Indian lands shall be consistent with the provisions of law and policies relating to the management and administration of such lands, with all other applicable provisions of law, and with all management, operational, and other plans and documents that govern the administration of the area.

"SEC. 205. CONSERVATION CENTERS.

"(a) ESTABLISHMENT AND USE.—The Secretary of the Interior and the Secretary of Agriculture are each authorized to provide such quarters, board, medical care, transportation, and other services, facilities, supplies, and equipment as such Secretary determines to be necessary in connection with the Public Lands Corps and appropriate conservation projects carried out under this title and to establish and use conservation centers owned and operated by such Secretary for purposes of the Corps and such projects. The Secretaries shall establish basic standards of health, nutrition, sanitation, and safety for all conservation centers established under this section and shall assure that such standards are enforced. Where necessary or appropriate, the Secretaries may enter into contracts and other appropriate arrangements with State and local government agencies and private organizations for the management of such conservation centers.

"(b) LOGISTICAL SUPPORT.—The Secretary of the Interior and the Secretary of Agriculture may make arrangements with the Secretary of Defense to have logistical support provided by the Armed Forces to the Corps and any conservation center established under this section, where feasible. Logistical support may include the provision of temporary tent shelters where needed, transportation, and residential supervision.

"(c) USE OF MILITARY INSTALLATIONS.—The Secretary of the Interior and the Secretary of Agriculture may make arrangements with the Secretary of Defense to identify military installations and other facilities of the Department of Defense and, in consultation with the adjutant generals of the State National Guards, National Guard facilities that may be used, in whole or in part, by the Corps for training or housing Corps participants.

"SEC. 206. RESOURCE ASSISTANTS.

"(a) AUTHORIZATION.—The Secretary of the Interior and the Secretary of Agriculture are each authorized to provide individual placements of resource assistants with any Federal land managing agency under the jurisdiction of such Secretary to carry out research or resource protection activities on behalf of the agency. To be eligible for selection as a resource assistant, an individual shall be at least 17 years of age. The Secretaries may select resource assistants 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. The Secretaries shall give a preference to the selection of individuals who are enrolled in an institution of higher education or are recent graduates from an institution of higher education, as defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)) with particular attention given to ensure the full representation of women and participants from historically black, Hispanic, and Native American schools.

"(b) USE OF EXISTING NONPROFIT ORGANIZATIONS.—Whenever one or more existing nonprofit organizations can provide, in the judgment of the Secretary of the Interior or the Secretary of Agriculture, appropriate recruitment and placement services to fulfill the requirements of this section, the Secretary may implement this section through such existing organizations. Participating nonprofit organizations shall contribute to the expenses of providing and supporting the resource assistants, through private sources of funding, at a level equal to 25 percent of the total costs of each participant in the Resource Assistant program who has been recruited and placed through that organization. Any such participating nonprofit conservation service organization shall be required, by the respective land managing agency, to submit an annual report evaluating the scope, size, and quality of the program, including the value of work contributed by the Resource Assistants, to the mission of the agency.

"SEC. 207. LIVING ALLOWANCES AND TERMS OF SERVICE.

"(a) LIVING ALLOWANCES.—The Secretary of the Interior and the Secretary of Agriculture shall provide each participant in the Public Lands Corps and each resource assistant with a living allowance in an amount not to exceed the maximum living allowance authorized by section 140(a)(3) of the National and Community Service Act of 1990 for participants in a national service program assisted under subtitle C of title I of such Act.

"(b) TERMS OF SERVICE.—Each participant in the Corps and each resource assistant shall agree to participate in the Corps or serve as a resource assistant, as the case may be, for such term of service as may be established by the Secretary enrolling or selecting the individual.

"SEC. 208. NATIONAL SERVICE EDUCATIONAL AWARDS.

"(a) EDUCATIONAL BENEFITS AND AWARDS.—If a participant in the Public Lands Corps or a resource assistant also serves in an approved national service position designated under subtitle C of title I of the National and Community Service Act of 1990, the participant or resource assistant shall be eligible for a national service educational award in the manner prescribed in subtitle D of such title upon successfully complying with the requirements for the award. The period during which the national service educational award may be used, the purposes for which the award may be used, and the amount of the award shall be determined as provided under such subtitle.

"(b) FORBEARANCE IN THE COLLECTION OF STAFFORD LOANS.—For purposes of section 428 of the Higher Education Act of 1965, in the case of borrowers who are either participants in the Corps or resource assistants, upon written request, a lender shall grant a borrower forbearance on such terms as are otherwise consistent with the regulations of the Secretary of Education, during periods in which the borrower is serving as such a participant or a resource assistant.

"SEC. 209. NONDISPLACEMENT.

"The nondisplacement requirements of section 177 of the National and Community Service Act of 1990 shall be applicable to all activities carried out by the Public Lands Corps, to all activities carried out under this title by a qualified youth or conservation corps, and to the selection and service of resource assistants.

"SEC. 210. FUNDING.

"(a) COST SHARING.—

"(1) PROJECTS BY QUALIFIED YOUTH OR CONSERVATION CORPS.—The Secretary of the Interior and the Secretary of Agriculture are each authorized to pay not more than 75 percent, and shall collectively pay 75 percent, of the costs of any appropriate conservation project carried out pursuant to this title on public lands by a qualified youth or conservation corps. The remaining 25 percent of the costs of such a project may be provided from non-Federal sources in the form of funds, services, facilities, materials, equipment, or any combination of the foregoing. No cost sharing shall be required in the case of any appropriate conservation project carried out on Indian lands under this title.

"(2) PUBLIC LANDS CORPS PROJECTS.—The Secretary of the Interior and the Secretary of Agriculture are each authorized to accept donations of funds, services, facilities, materials, or equipment for the purposes of operating the Public Lands Corps and carrying out appropriate conservation projects by the Corps. The Department of Agriculture and the Department of the Interior shall comply with the Federal share requirements of section 129(d)(2)(B) of the National and Community Service Act of 1990.

"(b) FUNDS AVAILABLE UNDER NATIONAL AND COMMUNITY SERVICE ACT.—In order to carry out the Public Lands Corps or to support resource assistants and qualified youth or conservation corps under this title, the Secretary of the Interior and the Secretary of Agriculture shall be eligible to apply for and receive assistance described in section 121(b) of the National and Community Service Act of 1990, from funds available under section 129(d)(2).".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1993.

TITLE IV—TECHNICAL AND CONFORMING AMENDMENTS

SEC. 401. DEFINITIONS.

Section 421 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5061) is amended—

(1) by striking "and" at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(8) the term 'Corporation' means the Corporation for National and Community Service established under section 191 of the National and Community Service Act of 1990;

"(9) the term 'foster grandparent' means a volunteer in the Foster Grandparent Program;

"(10) the term 'Foster Grandparent Program' means the program established under part B of title II;

"(11) except as provided in section 417, the term 'individual with a disability' has the meaning given the term in section 7(8) of the Rehabilitation Act of 1973 (29 U.S.C. 706(8));

"(12) the term 'Inspector General' means the Inspector General of ACTION;

"(13) the term 'national senior volunteer' means a volunteer in the National Senior Volunteer Corps;

"(14) the term 'National Senior Volunteer Corps' means the programs established under parts A, B, C, and E of title II;

"(15) the term 'Retired and Senior Volunteer Program' means the program established under part A of title II;

"(16) the term 'retired or senior volunteer' means a volunteer in the Retired and Senior Volunteer Program;

"(17) the term 'senior companion' means a volunteer in the Senior Companion Program;

"(18) the term 'Senior Companion Program' means the program established under part C of title II;

"(19) the terms 'VISTA' and 'Volunteers in Service to America' mean the program established under part A of title I; and

"(20) the term 'VISTA volunteer' means a volunteer in VISTA.".

SEC. 402. REFERENCES TO THE COMMISSION ON NATIONAL AND COMMUNITY SERVICE.

(a) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993.—

(1) Section 1092(b) of the National Defense Authorization Act for Fiscal Year 1993 (42 U.S.C. 12653a note) is amended—

(A) in paragraph (1)—

(i) by striking "Commission on National Community Service" and inserting "Corporation for National and Community Service"; and

(ii) by striking "Commission shall prepare" and inserting "Board of Directors of the Corporation shall prepare"; and

(B) in paragraph (2), by striking "Board of Directors of the Commission on National and Community Service" and inserting "Board of Directors of the Corporation for National and Community Service".

(2) Section 1093(a) of such Act (42 U.S.C. 12653a note) is amended by striking "the Board of Directors and Executive Director of the Commission on National and Community Service" and inserting "the Board of Directors and President of the Corporation for National and Community Service".

(3) Section 1094 of such Act (Public Law 102–484; 106 Stat. 2535) is amended—

(A) in the title, by striking "**COMMISSION ON NATIONAL AND COMMUNITY SERVICE**" and inserting "**CORPORATION FOR NATIONAL AND COMMUNITY SERVICE**";

(B) in subsection (a)—

(i) in the heading, by striking "COMMISSION" and inserting "CORPORATION";

(ii) in the first sentence, by striking "Commission on National and Community Service" and inserting "Corporation for National and Community Service"; and

(iii) in the second sentence, by striking "The Commission" and inserting "The President of the Corporation"; and

(C) in subsection (b)—

(i) in paragraph (1), by striking "Board of Directors of the Commission on National and Community Service" and inserting "President of the Corporation for National and Community Service"; and

(ii) in paragraph (2), by striking "the Commission" and inserting "the President of the Corporation for National and Community Service".

(4) Section 1095 of such Act (Public Law 102–484; 106 Stat. 2535) is amended in the heading for subsection (b) by striking "COMMISSION ON NATIONAL AND COMMUNITY SERVICE" and inserting "CORPORATION FOR NATIONAL AND COMMUNITY SERVICE".

(5) Section 2(b) of such Act (Public Law 102–484; 106 Stat. 2315) is amended by striking the item relating to section 1094 of such Act and inserting the following:

"Sec. 1094. Other programs of the Corporation for National and Community Service.".

(b) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—

(1) Sections 159(b)(2) (as redesignated in section 104(b)(3) of this Act) and 165 (as redesignated in section 104(b)(3) of this Act), subsections (a) and (b) of section 172, sections 176(a) and 177(c), and subsections (a), (b), and (d) through (h) of section 179, of the National and Community Service Act of 1990 (42 U.S.C. 12653h(b)(2), 12653n, 12632 (a) and (b), 12636(a), 12637(c), and 12639 (a), (b), and (d) through (h)) are each amended by striking the term "Commission" each place the term appears and inserting "Corporation".

(2) Sections 152, 157(b)(2), 162(a)(2)(C), 164, and 166(1) of such Act (in each case, as redesignated in section 104(b)(3) of this Act) (42 U.S.C. 12653a, 12653f(b)(2), 12653k(a)(2)(C), 12653m, and 12653o(1)) are each amended by striking "Commission on National and Community Service" and inserting "Corporation".

(3) Section 163(b)(9) of such Act (as redesignated in section 104(b)(3) of this Act) (42 U.S.C. 12635l(b)(9)) is amended by striking "Chair of the Commission on National and Community Service" and inserting "President".

(4) Section 303(a) of such Act (42 U.S.C. 12662(a)) is amended—

(A) by striking "The President" and inserting "The President of the United States, acting through the Corporation,";

(B) by inserting "in furtherance of activities under section 302" after "section 501(b)"; and

(C) by striking "the President" both places it appears and inserting "the Corporation".

SEC. 403. REFERENCES TO DIRECTORS OF THE COMMISSION ON NATIONAL AND COMMUNITY SERVICE.

(a) PRESIDENT.—

(1) Section 159(a) of such Act (as redesignated in section 104(b)(3) of this Act) (42 U.S.C. 12653h(b)) is amended—

(A) by striking "BOARD.—The Board" and inserting "SUPERVISION.—The President";

(B) by striking "the Board" in the matter preceding paragraph (1), and in paragraph (1), and inserting "the President"; and

(C) by striking "the Director" in paragraph (1) and inserting "the Board".

(2) Section 159(b) of such Act (as redesignated in section 104(b)(3) of this Act) (42 U.S.C. 12653h(b)) is amended by striking "(b)" and all that follows through "Commission on National and Community Service" and inserting "(b) MONITORING AND COORDINATION.—The President".

(3) Section 159(c)(1) (as redesignated in section 104(b)(3) of this Act) (12653h(c)(1)) is amended—

(A) in subparagraph (A), by striking "the Board, in consultation with the Executive Director," and inserting "the President"; and

(B) in subparagraph (B)(iii), by striking "the Board through the Executive Director" and inserting "the President".

(4) Section 166(6) (as redesignated in section 104(b)(3) of this Act) (42 U.S.C. 12653o(6)) is amended—

(A) by striking paragraph (6); and

(B) by redesignating paragraphs (7) through (11) as paragraphs (6) through (10), respectively.

(b) DIRECTOR OF CIVILIAN COMMUNITY CORPS.—Sections 155(a), 157(b)(1)(A), 158(a), 159(c)(1)(A), and 163(a) (in each case, as redesignated in section 104(b)(3) of this Act) of the National and Community Service Act of 1990 (42 U.S.C. 12653d(a), 12653f(b)(1)(A), 12653g(a), 12653h(c)(1)(A), and 12653l(a)) are amended by striking "Director of the Civilian Community Corps" each place the term appears and inserting "Director".

SEC. 404. DEFINITION OF DIRECTOR.

Section 421 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5061) is amended by striking paragraph (1) and inserting the following new paragraph:

"(1) the term 'Director' means the President of the Corporation for National and Community Service appointed under section 193 of the National and Community Service Act of 1990;".

SEC. 405. REFERENCES TO ACTION AND THE ACTION AGENCY.

(a) DOMESTIC VOLUNTEER SERVICE ACT OF 1973.—

(1) Section 2(b) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950(b)) is amended—

(A) by striking "ACTION, the Federal domestic volunteer agency," and inserting "this Act"; and

(B) by striking "ACTION shall" and inserting "the Corporation for National and Community Service shall".

(2) Subtitle (b) of section 124 of such Act (as redesignated by section 322(2) of this Act) is amended by striking "the ACTION Agency" and inserting "the Corporation".

(3) Section 225(e) of such Act (42 U.S.C. 5025(e)) is amended by striking "the ACTION Agency" and inserting "the Corporation".

(4) Section 403(a) of such Act (42 U.S.C. 5043(a) is amended—

(A) by striking "the ACTION Agency" the first place such term appears and inserting "the Corporation under this Act"; and

(B) by striking "the ACTION Agency" the second place such term appears and inserting "the Corporation".

(5) Section 408 of such Act (42 U.S.C. 5048) is amended by striking "the ACTION Agency" and inserting "the Corporation".

(6) Section 421(12) of such Act (as added by section 401 of this Act) is further amended by striking "ACTION" and inserting "the Corporation".

(7) Section 425 of such Act (as added by section 370 of this Act) is further amended by striking "ACTION" and inserting "the Corporation".

(b) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8332(j)(1) of title 5, United States Code (as amended by section 372(a)(1)(A)(iii)(II) of this Act) is amended by striking "the Director of ACTION" and inserting "the President of the Corporation for National and Community Service".

(c) INSPECTOR GENERAL.—

(1) TERMINATION OF STATUS AS DESIGNATED FEDERAL ENTITY.—Section 8E(a)(2) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking "ACTION,".

(2) TRANSFER.—Section 9(a)(1) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(A) in subparagraph (T), by striking "and" at the end; and

(B) by adding at the end the following:

"(V) of the Corporation for National and Community Service, the Office of Inspector General of ACTION; and".

(d) PUBLIC HOUSING SECURITY.—Section 207(c) of the Public Housing Security Demonstration Act of 1978 (Public Law 95–557; 92 Stat. 2093; 12 U.S.C. 1701z–6 note) is amended—

(1) in paragraph (3)(ii), by striking "ACTION" and inserting "the Corporation for National and Community Service"; and

(2) in paragraph (4), by striking "ACTION" and inserting "the Corporation for National and Community Service".

(e) NATIONAL FOREST VOLUNTEERS.—Section 1 of the Volunteers in the National Forests Act of 1972 (16 U.S.C. 558a) is amended by striking "ACTION" and inserting "the Corporation for National and Community Service".

(f) PEACE CORPS.—Section 2A of the Peace Corps Act (22 U.S.C. 2501–1) is amended by inserting after "the ACTION Agency" the following: ", the successor to the ACTION Agency,".

(g) INDIAN ECONOMIC DEVELOPMENT.—Section 502 of the Indian Financing Act of 1974 (25 U.S.C. 1542) is amended by striking "ACTION Agency" and inserting "the Corporation for National and Community Service".

(h) OLDER AMERICANS.—The Older Americans Act of 1965 is amended—

(1) in section 202(c)(1) (42 U.S.C. 3012(c)(1)), by striking "the Director of the ACTION Agency" and inserting "the Corporation for National and Community Service";

(2) in section 203(a)(1) (42 U.S.C. 3013(a)(1)), by striking "the ACTION Agency" and inserting "the Corporation for National and Community Service"; and

(3) in section 422(b)(12)(C) (42 U.S.C. 3035a(b)(12)(C)), by striking "the ACTION Agency" and inserting "the Corporation for National and Community Service".

(i) VISTA SERVICE EXTENSION.—Section 101(c)(1) of the Domestic Volunteer Service Act Amendments of 1989 (Public Law 101–204; 103 Stat. 1810; 42 U.S.C. 4954 note) is amended by striking "Director of the ACTION Agency" and inserting "President of the Corporation for National and Community Service".

(j) AGING RESOURCE SPECIALISTS.—Section 205(c) of the Older Americans Amendments of 1975 (Public Law 94–135; 89 Stat. 727; 42 U.S.C. 5001 note) is amended—

(1) in paragraph (1)—

(A) by striking "the ACTION Agency," and inserting "the Corporation for National and Community Service,"; and

(B) by striking "the Director of the ACTION Agency" and inserting "the President of the Corporation";

(2) in paragraph (2)(A), by striking "ACTION Agency" and inserting "Corporation"; and

(3) in paragraph (3), by striking subparagraph (A) and inserting the following new subparagraph:

"(A) the term 'Corporation' means the Corporation for National and Community Service established by section 191 of the National and Community Service Act of 1990.".

(k) PROMOTION OF PHOTOVOLTAIC ENERGY.—Section 11(a) of the Solar Photovoltaic Energy Research, Development, and Demonstration Act of 1978 (42 U.S.C. 5590) is amended by striking "the Director of ACTION,".

(l) COORDINATING COUNCIL ON JUVENILE JUSTICE.—Section 206(a)(1) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5616(a)(1)) is amended by striking "the Director of the ACTION Agency" and inserting "the President of the Corporation for National and Community Service".

(m) ENERGY CONSERVATION.—Section 413(b)(1) of the Energy Conservation and Production Act (42 U.S.C. 6863(b)(1)) is amended by striking "the Director of the ACTION Agency,".

(n) INTERAGENCY COUNCIL ON THE HOMELESS.—Section 202(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11312(a)) is amended by striking paragraph (12) and inserting the following new paragraph:

"(12) The President of the Corporation for National and Community Service, or the designee of the President.".

(o) ANTI-DRUG ABUSE.—Section 3601 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11851) is amended by striking paragraph (5) and inserting the following new paragraph:

"(5) the term 'Director' means the President of the Corporation for National and Community Service,".

(p) ADMINISTRATION ON CHILDREN, YOUTH, AND FAMILIES.—Section 916(b) of the Claude Pepper Young Americans Act of 1990 (42 U.S.C. 12312(b)) is amended by striking "the Director of the ACTION Agency" and inserting "the President of the Corporation for National and Community Service".

SEC. 406. EFFECTIVE DATE.

(a) COMMISSION.—The amendments made by sections 401 through 402 will take effect on October 1, 1993.

(b) ACTION.—The amendments made by sections 404 and 405 shall take effect on the effective date of section 203(c)(2).

Mr. WOFFORD. Mr. President, I am here today to support the National and Community Service Trust Act of 1993. It is a very special feeling that I have taking the place for a little while of the chairman of the Senate Labor and Human Resources Committee, the senior Senator from Massachusetts, because we are starting through this bill to move forward, once again, on a road that we went down so nobly with Senator KENNEDY's brothers, John and Robert. It has been a bipartisan road beginning with the formation of the Peace Corps through the National and Community Service Act of 1990, signed by President Bush. And that bipartisanship continues today with Senate bill 919.

The ultimate test of this new administration will, of course, be how well will the President and all of us in Congress find the ways and means to rebuild our economy, cut the budget deficit, and turn the right of affordable health care into a reality.

But through this act, we, on both sides of the aisle, have helped craft a measure through which the President and all of us will be reviving President Kennedy's enduring challenge as the proper measure for our success as a people: Not what our country can do for us, but what we can do for our country.

This program of national service will also help very directly to build our economy by helping to build the work force of the future with the qualities they need to be competitive in the world.

It will also be a key to cutting the deficit by showing new ways and means of cost-effective service that meets the needs of our Nation which otherwise might lead us into deeper deficits. Those in national service will play a creative, a very vital role in the delivery of the preventive health services and the health education that will be key to a successful comprehensive health care reform.

Some three decades ago when some of us here were launching the Peace Corps, we looked forward to the day when the idea and the spirit of the Peace Corps would be brought home on a large scale to take on the challenges facing American families and American communities. But I wish to add that this bill in proceeding to fulfill that dream is moving in a different direction, moving in a different way than we might have moved if we had gone forward in the 1960's.

I wish to pay tribute to President Clinton and his team in the White House that has worked with us to craft this legislation, Eli Segal and a remarkable diverse set of colleagues, because they have helped shape an approach that I think is better than that which we might have taken in the 1960's.

President Clinton has come to this course through 6 years of thinking and working on this idea, and I have had some privilege to be part of that process over these last 6 years.

The National and Community Service Trust Act does not look to one federally run program like the Peace Corps or even Franklin Roosevelt's Civilian Conservation Corps, America's first experiment in national service. Some of us in the sixties might have thought that the Peace Corps model could be transplanted back home with a national Peace Corps run from Washington.

This new national service system will not be top-down from Washington but, rather, will be built primarily and largely on models and ideas that have percolated up from the grassroots, urban and rural youth corps as well as service opportunities generated by high schools and colleges, by foundations, by churches and civic associations, and by young people themselves.

This legislation does not create a large new Federal bureaucracy or a new bureaucracy of any kind. It streamlines and consolidates two existing Federal agencies, the Commission on National and Community Service and the ACTION Agency which currently administers both the Older American Volunteer Program and Volunteers in Service to America, VISTA.

The Commission created by the 1990 National Community Service Act and established by President Bush is an agency that is antibureaucratic by design and has been exceptionally successful in promoting and testing K–12 service learning programs and service programs on college campuses, corps programs, full-time corps programs, summertime programs and national service demonstration programs, full-time service corps programs.

The Older Americans programs—Foster Grandparents, Senior Companion, and Retired Senior Volunteers—have been successful in cost effectively challenging senior citizens to help children, other seniors and their communities, and VISTA, which was founded in 1964, has for nearly 30 years provided altogether about 100,000 Americans in full-time service working to assist rural and urban communities. VISTA volunteers have ably served in over 12,000 public agencies and nonprofit organizations which provide services to low-income communities.

So again we are merging two very effective agencies.

The legislation also supports the Points of Light Foundation created by President Bush and the 1990 National Community Service Act and the Civilian Community Corps that Senators BOREN, DOLE, SIMON, WARNER, DOMENICI, and others on both sides of the aisle supported and created last year, starting a new CCC Program on a small scale with defense savings. They will all be part of this new comprehensive program.

Creating a decentralized system of national and community service can be a test of the Federal Government's ability to become a leaner, more efficient, antibureaucratic force for change. If done right—and we must see that it it is done right, and we have the chance in crafting this bill in the next days to see that it is right—it can represent a fundamental change in direction from decades of well-meaning but so often ineffective social welfare programs, programs flawed in that they promoted dependency, not responsibility, complacency, not initiative, makework instead of real work, hard work, and teamwork that so many youth and senior service programs are promoting today. The key to this new approach is to see young people and seniors and help them see themselves not as problems but as resources, not as dangers or concerns but as talent to be tapped and released.

The case for this change of approach, the clue to the success of this approach was put to me in unforgettable terms a few years ago by a young Philadelphia high school dropout who has enlisted in the Philadelphia Youth Service Corps, who would get up every morning with the Service Corps, who would jog around Independence Hall, who did exercises, and went off in teams to Habitat, building homes for the homeless and low-income people, working in service programs, and he was one of their star participants.

I said, "How did you choose this? How did you move from the youth gang" he was running with "into the Philadelphia Youth Service Corps?" And he said "Oh, well, I thought it would be a different gang; I might not die in the end." And I probed and he saw I was serious, and then he said, "Well, let me tell you; all my life good people have been coming into our public housing project to help me. I got tired of people doing good against me. For once someone asked me to do the helping."

Like so many CCC alumni and Peace Corps and Vista volunteers through the years, the young man had learned that personal responsibility and self-esteem cannot simply be taught; they have to be earned. And it is a scandal we know this, we have known this and we have not acted on it; that we have not engaged in large numbers and challenged in large numbers our young people into the kind of action through national and community service programs that can turn the lives of those young people around and can give the power and creative force of the volunteer spirit to meet some of our communities' major problems.

By itself, Government cannot change values, but it can and should be a partner in efforts to promote an ethic of responsibility for ourselves and our Nation. The reinventing of Government on everyone's lips, rightly so, must be accomplished not by more Government but, rather, by people, by reinvigorating citizenship. We must return to a Government not just of and for the people but, most importantly, a Government by the people, by each of us governing ourselves, by being accountable to each other and working to shape a future with the common good as the prize on which we keep our eyes.

President Clinton's national community service initiative is today before the House and the Senate. Thus far this legislation has moved through both Chambers with strong bipartisan support, as indeed it should and must, most recently passing out of our Senate Labor and Human Resources subcommittee by a vote of 14 to 3.

Building on President Bush's own initiatives in this regard this plan creates a public-private corporation, a partnership known as the Corporation for National and Community Service, that will challenge all Americans to serve according to their means, talents, and stage of life. Through a highly competitive process, the corporation will invest seed capital in programs that engage citizens in successfully meeting community needs. The legislation is premised on the notion that real change will come about when he people who are closest to problems are empowered to change them.

Keeping within the deficit reduction targets that have passed both the Senate and the House, this legislation will enable national service to grow according to the market in the context of other budget priorities. This initiative will expand or shrink according to demand and the extent to which it passes the kind of strict test that taxpayers rightly demand of Government efforts.

It must work, it must be cost effective. I believe that it will be cost effective because the programs already tested under the National Community Service Act of 1990 are most definitely cost effective. And it will be proved by the demand that young people have to join this program, and by the response of communities who see that it helps meet their needs in effective ways.

In Pennsylvania the statewide conservation corps, Pennsylvania Conservation Corps, the type of program the President's initiative seeks to encourage all over the Nation, one of the various types of programs this measure will promote, returns $1.81 for every $1 in terms of cost—returns $1.81 in terms of the services rendered. That does not even include the savings realized from keeping some of its members from dropping out of school, falling into the welfare system, or going to prison.

National service is a hand up, not a handout. The California Conservation Corps, oldest and largest of State conservation corps, estimates that it returns $1.77 for every $1 invested. And in the case of disaster relief, they return $12.82 for every $1 invested. The CCC California returns over $528 million to the State of California in conservation work each year.

In Montgomery County, PA, our RSVP Program, Retired Senior Volunteer Program, headed by Col. Frank Parry, who came to testify before the Children, Youth and Family Subcommittee on May 18, estimates that through its works they save that county over $1 million per year. Service learning has been meeting needs in communities all over this country by tying community service to academic work and reviving the academic work in this new form of learning by doing.

In Pennsylvania our literacy corps has challenged thousands to serve and continue serving by teaching skills to illiterate adults and tutoring young schoolchildren. These programs help keep kids in school and motivate them to continue with their education.

Listen to a few of the outcomes:

At Harrisburg High School attendance rates improved from 30 percent to 75 percent when community service programs were added to the curriculum.

At Overbrook High School in Philadelphia, the 120 most at-risk ninth graders, when placed in the community service assignment for 3 hours per week, improved their attendance from 70 percent to 89 percent and their passing grades proportionately from 70 percent to 85 percent.

At Lincoln High School in Pennsylvania, a low-achieving senior English class which had one student expressing an interest in going to college, placed 18 of 28 in college when they were made tutors of small children 3 days a week.

At Chestnut Ridge High School in rural Bedford County, the postsecondary education rate went from 30 percent of all graduates to 80 percent of all graduates in the 5 years during which community service became almost universal and a major part of that school's activities.

At Keystone Oaks High School in suburban Pittsburgh, the dropout rate which averaged 28 students per year for 10 years has dropped to an average of 6 from 1989 to 1992, as a 120-hour community service requirement has been implemented.

At Reading High School's Project Success Program for at-risk students,

the grade point average of the entire class went from 2.1 to 2.8 when community service was added to that program.

At Steel Valley High School, postsecondary education rates have improved from 65 percent to 85 percent in the 3 years the community service has been made a graduation requirement.

Finally, with VISTA, a May 1993 evaluation shows that VISTA volunteers are increasingly multiplying the resources of their host sponsoring organizations with the average leveraging of cash and in-kind resources of $33,000 per year. The survey shows that VISTA serves those most in need. Eighty percent are families and individuals at or below poverty and that, thanks to VISTA volunteers, the average local program served is able to serve 148 additional clients and recruit 38 additional volunteers.

So today, I urge Democrats and Republicans, liberals, conservatives, those in the vital center, the House and the Senate, the President and the Congress, to come together to break all the gridlock the country is so tired of, on this issue, to come together on the common ground that national service represents.

We must see young people and senior citizens and help them see themselves truly as resources, and through new public-private partnerships created under this act we must attack the valuelessness, hopelessness, alienation, and lack of meaning confronting so many in our society, most dramatically illustrated by the riots last year in Los Angeles.

We must come to realize and make a reality the principle that civil rights have to be balanced by civic responsibilities. The idea that we must ask and enable the dropout and the college educated, black and white, rich and poor, young and old, to take ownership of this idea, to take ownership and provide stewardship for our country is one that transcends party and ideology.

So today let us move from argument to action on the problems facing our Nation and our families. Let us move in the spirit of that first Peace Corps volunteer, like the Philadelphia Youth Service Corps young man who on the White House lawn in 1961 as he was sent forth to Africa, asked by a newspaper man, "Why did you * * * respond, and so many of your generation in the hundreds of thousands apply to the Peace Corps?" And he said, "No one had ever asked me to do anything patriotic, unselfish, or for the common good before President Kennedy asked."

This bill is our way now of asking again.

Mr. DURENBERGER addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota [Mr. DURENBERGER].

Mr. DURENBERGER. Mr. President, I thank you. I thank my colleague from Kansas for allowing me to speak before she does as the ranking member of our committee, and it would probably be more appropriate for her to follow the chairman. But I express my appreciation to her and I express my appreciation as well to my colleague from Pennsylvania.

Mr. WOFFORD. Mr. President, will the Senator yield for a moment?

Mr. DURENBERGER. Yes.

Mr. WOFFORD. I want to make clear that I am standing in for Senator KENNEDY as floor manager. He is necessarily off the floor in the Judiciary Committee hearing on the nomination to the Supreme Court of Judge Ginsburg and will return as soon as he finishes the round of questions that he is right now asking.

Mr. DURENBERGER. Mr. President, as I indicated I am very pleased to join my distinguished colleagues from Massachusetts and Pennsylvania in offering my strong support for this legislation as we begin the debate, and to thank my colleague from Kansas for the many contributions she has made to the debate so far, and I am sure will continue to make. But particularly, I do want to say a couple of things about the Senator who just spoke and the man for whom he is able to speak now because he is not here, the chairman of the committee.

Between the two of them, they probably put in a total now of 60-plus years of public service, all of which has been in one way or another devoted to developing a sense of leadership in this country and the kind of leadership that empowers and motivates young Americans in particular.

I think all of us know a lot about the contributions of the Kennedys, and many of us know particularly about the contributions made by the senior Senator from Massachusetts, the chairman of this committee. During the course of this debate and during the course of the time we will serve with him, I think a lot of us will learn to appreciate, as I am beginning to.

Appreciate, the value to this body and to Pennsylvania of the junior Senator from Pennsylvania. Let me also say that I appreciate the opportunity of working with Eli Segal, who not only represents the President on this particular issue, but I think has done more than anybody I have ever worked with in any kind of a White House, Republican or Democrat, to help try to craft a piece of legislation that truly represents the ideals of the empowerment and motivation of young Americans.

Let me also say that I am proud to stand here as a Republican with a long and deep interest in youth and community service, and to be an original cosponsor of this important proposal.

If properly implemented, this legislation represents a number of what partisans might call Republican principles, including individual responsibility, good citizenship, and building a strong sense of community.

I also appreciate the numerous changes that have been made in this proposal—changes designed to make the legislation more fiscally responsible—I must say that in 1990 when I was the chief Republican cosponsor of the national commission bill, this was the largest part of the debate, and how we make sure this bill is bipartisan and fiscally responsible—more deferential to the diversity and experience represented in our States—it is more so now than when it began—and less likely to grow faster than either its outcomes or our Nation's competing fiscal demands would justify. I am sure there will be amendments to help us do that.

My strong interest in this legislation and what it will accomplish, or help us to accomplish as a people, dates to my own days as an active community volunteer—to my services as a board member of VOLUNTEER, which is now the National Center for Voluntary Action, where I served 20 years; and my work in the 1970's on the National Study Commission on Volunteering in America.

In 1990, I was the lead Republican cosponsor on the National and Community Service act, legislation which is reauthorized in this bill before us today. Along with Senator WOFFORD, earlier this year we introduced the Service Learning Act of 1993. The Wofford-Durenberger legislation uses existing Federal education programs, and new teacher training program, to strengthen the Federal Government's commitment to integrating community service opportunities into the elementary and secondary school curriculum.

All of these initiatives also draw on the strong leadership that has been given youth and community service in Minnesota, Massachusetts, Pennsylvania, and many other States.

My State of Minnesota is especially well known for its links between youth service and education. I am proud that the very first national clearinghouse—authorized under a section I included in the 1990 legislation—will be headquartered in Minnesota at the National Youth Council, an impressive national organization, with its roots deep in Minnesota.

Despite the improvements that have been made, we do not yet have consensus on this legislation. It is my understanding that additional amendments may be offered on the floor, and I intend to offer some myself. Some of these amendments address concerns that I and other supporters of the bill have previously expressed, and I hope that, wherever possible, they can be accepted.

But because of my strong support for community service and for service learning, I intend to oppose substitute

or crippling amendments to the legislation. I look forward to joining a strong bipartisan majority in approving its eventual passage into law.

I make this commitment because I believe the President is right when he calls on all of us to tap the creative energies of a generation that has more to offer this Nation than it has ever been asked to give.

I make this commitment because I strongly support the role this legislation gives States and local communities in deciding priorities and in defining community needs.

I make this commitment because I strongly support the links in this legislation between community service and education reform, which we desperately need.

I make this commitment because I believe in community and, as I believe I told the chairman of the committee on a couple of occasions, this needs to be the national and community service act, because at a time when it is difficult at best to define what the nation is, the one thing we know we are losing as a people is our sense of community—whether it is in family, the workplace, neighborhoods, or wherever, this is something that, over the 30 years since John Kennedy served as President, we have been in the process of losing touch with. I think this is the commitment I make here, to help restore that sense of community, particularly for the next generation.

I make this commitment because I strongly believe the right mix of service and learning can reach out to a large segment of American young people—young people who are out of school, out of work, and headed for trouble, if we do not offer them an opportunity to define a more positive sense of who they are as Americans; young Americans who are headed for trouble if we do not offer a more positive way to relate to neighbors and to their home communities; young Americans who will find in service to others, to communities of men and women, their fellow Americans, opportunities for learning leadership that they cannot find anywhere else.

Mr. President, my support for a fiscally responsible expansion of national and community service is reflected in a suggestion I made last week, as we define the Federal Government's role in responding to the terrible tragedy that we have all been watching in the Midwest, beginning in my State of Minnesota.

I suggested that we devote even a small portion of the funds we appropriate for restoring these communities to conservation corps and other community service programs all up and down the Mississippi River Valley. Why not demonstrate in a highly visible way the contributions that young people can be making to their communities—if we are only willing to ask them to do it. Why not also offer these young people the structure, the discipline, and the links to education that groups like the Minnesota Conservation Corps have been promoting for years.

I am pleased with President Clinton's positive response to that suggestion, Mr. President. I believe we should be supportive here in the Congress, as well.

Having said why I believe it is so important to adopt this bill, let me take a few moments to point out two things I think we should not expect of the legislation before us.

Some of the limits of this legislation are defined by policy considerations. Some are defined by competing priorities, and still others are defined by the hard fiscal realities we face in this Chamber every day.

For all of these reasons, Mr. President, national service must not be considered a way to assure large numbers of young Americans financial access to higher education. I will repeat that. National service must not be considered a way to assure large numbers of young Americans financial access to higher education.

At an average of $20,000 per stipended service position, we will never be able to meet the growing concerns Americans have about the cost of going to college. There are better and more cost-effective ways of doing that—by maintaining a strong commitment to the Pell Grant Program, and by implementing the fundamental changes in student loan programs that the President has proposed, changes that I and many others strongly support.

Because we must respect fiscal realities, I am pleased that the level of funding for this program is now set for just the first year. Each year after that, national community service must compete with other programs through the appropriations process.

So this is not a multibillion-dollar, multiyear commitment we are now being asked to make, as some will reflect it. It need not represent a threat to the Pell Grant Program that is now so seriously underfunded.

Second, it is also important to point out, Mr. President, that the bill must not be a forerunner, a universal mandatory national service requirement for all young Americans.

That is one of the reasons I suggested adding the word "community" to the title of this legislation, so that we consistently refer to national and community service.

Today's greater emphasis on links between service and the community reflects changes in attitudes from earlier national service initiatives in the 1930's and the 1960's.

Particularly in the 1960's, there was a much greater emphasis—through the Peace Corps and VISTA—on offering ways for younger Americans to serve their country as an alternative or supplement to military service.

There was also a greater sense that national efforts were needed to solve State and local problems—particularly in the cities, on Indian Reservations, and in poorer rural areas like Appalachia. And—in the 1960's—that is where many of the VISTA volunteers were sent.

In the 1990's, however, there is a much greater emphasis on community, as I said earlier, as family, as neighborhood, as something you can put your hands around every single day, both as a focal point for addressing human needs and as a resource to be drawn upon by all Americans.

And there is a growing sense that young people have much to offer their local communities and much to gain from a greater sense of positive identity with those around them.

This increased emphasis on bottom up empowering of young people in service is real.

In the 1960's, there was a tendency to send young volunteers into an impoverished urban or rural community to help others.

But in the 1990's, we are much more likely to try to empower young people from those communities to help themselves and their neighbors.

Mr. President, I hope this discussion about what the bill is—and what it is not—helps offer some context for the debate that is now about to begin.

Important issues will be raised during this debate that need to be addressed. Some amendments may be needed to make sure that they are addressed.

But, when we are all done, I am confident that we will adopt legislation that will proclaim a new era in which young people and their communities will be joined—a new era in which talented and highly motivated young Americans will help shape a more positive future for themselves, families, and communities.

I am proud to be an original cosponsor of this legislation, Mr. President, and believe it deserves strong bipartisan support.

I thank you, Mr. President, and I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. WOFFORD. Mr. President, may I pay tribute to the senior Senator from Minnesota for the instrumental and creative role he played shaping this bill, and the strong support he has given to it.

We had a competition between Pennsylvania and Minnesota, and in true spirit of the competitive approach as to which State has moved faster and better in both service learning and service corps, I could not be true to the State to which I am married without saying Minnesota has done very well in that competition, and part of the good that

I expect to come from this act is that there will be a competition among States and among communities, among colleges and private sector organizations, to see which one can organize the best service programs that are most effective.

I see two colleagues here that have long been deeply interested in this idea, including our Peace Corps volunteer colleague from Connecticut.

Mr. DODD. Mr. President, I ask that I be yielded such time as I may consume.

The PRESIDING OFFICER. The Senator from Connecticut [Mr. DODD] is recognized.

Mr. DODD. Mr. President, let me begin by commending my colleague from Minnesota for his eloquent statement on this bill.

Our colleagues, from Minnesota and Pennsylvania have begun this debate most appropriately by articulately discussing the spirit behind this legislation. We are going to debate and discuss the details, as we should because the Devil is always in the details. But, today as we begin this debate, we must try to capture the essence. We all get asked, what is the essence of this legislation?

Our colleague from Minnesota in his brief remarks captured that essence, and I commend his comments to others. I would also recommend the comments of my colleague from Pennsylvania who has spent a good part of his lifetime, as has our colleague from Minnesota, in the vineyard of service, if you will, working on these ideas. As my colleagues know, however, people who articulate visions and views ultimately have to bring it down to some practical applications and explore where good intentions fail and what many thought may be a bad idea works.

My colleague from Pennsylvania was gracious enough to mention my service in the Peace Corps back in the 1960's when I spent a little more than 2 years in the mountains of the Dominican Republic as a Peace Corps volunteer. I have not gone back and reviewed the debate on the Peace Corps but I am sure it was this way then. I suspect during that debate people raised very legitimate questions about how the Peace Corps was going to work.

First of all, it is a presumptuous idea to begin with. The idea that we could take generalists with bachelor of arts degrees, in things like English literature—in the case of this particular person—and send them off to an underdeveloped, Third World country to eradicate ignorance, poverty, and disease and solve all the problems known to mankind, is pretty silly.

In fact, we did not eradicate ignorance, poverty, and disease. We tried, but could not do everything we thought we could do. But the essence of the program was captured in our efforts.

Today the Peace Corps lives in the minds not only of people in this country but in villages and homes all over the globe, because the concept of people volunteering, working with other people to try and improve the quality of their lives has never been lost in that program. Today the popularity, if I can use that word, of the Peace Corps is in many ways attributable to the fact that it has achieved its essence more in the broader sense than in the detail. We did not do all the things we thought we were going to do, but the essence, the very essence of younger people and older people, stepping forward and saying I would like to roll up my sleeves and try to make a difference even in one individual's life, has proved to be worthwhile more than 30 years after the initiation of this program.

Today we are engaged in yet another debate, three decades later to try to fashion an efficient program that will invite thousands of Americans to step forward to help others, not by sending them to some far-off country with an unfamiliar language, culture, customs, music, and literature, but rather we are going to ask people from their communities to go right back into their community, in a sense, where they live, and to try and make a difference.

I would hope in this debate, as we go forward and consider this legislation, that we will not lose sight of the essence, the central ingredient here, and that is to offer a generation of Americans that same sense of excitement at the prospect of service that I felt as a young Peace Corps volunteer.

I wish I were articulate enough to try and convey to my colleagues here this afternoon the sense of excitement I felt about stepping forward as a young person to volunteer.

I have been asked a thousand times, because I am a Senator, a public person, and because people know I served in the Peace Corps, Why did you do it?

I still have not come up with a good answer for that question. It does not seem like a complicated one. I wish I could remember the very day in which the idea struck me because that might provide an answer but I cannot.

All I know is that somewhere someone said, would you be willing to step forward and serve? At age 21 or 22, I did not exactly know what I was going to do with the rest of my life, but the idea of service, of volunteering, was so exciting to me that I could not wait to finish college, get my degree, get on that train in Union Station, right here in Washington, in the summer of 1966, to go to Philadelphia where I spent a week in an orientation program and then to a training camp in Puerto Rico where I went through intensive language training and finally to arrive in my village in the Dominican Republic and begin serving.

Today, with the exception of my family, no other experience, and I include my service in the House of Representatives and my 12 years of service in this body of which I am deeply proud, has meant as much to me as those 2 years as a Peace Corps volunteer. It changed my life.

I grew up with affluence in a nice suburban community. I wanted for nothing. We were not affluent in the sense of being terribly rich, but we did not suffer at all. There was always food on the table, always a good education, all the things anyone dreams of, all of those wonderful things. This experience in the Peace Corps changed my life.

What we are saying, those of us who are the authors, if you will, of this legislation, is that we would like to offer this generation of Americans that same sense of excitement, that I cannot put adequately into words, that same sense that there is a wonderful opportunity waiting for them out there that can change their lives, not to mention what it may do to the lives of others.

So the details, the specifics, the funding aspects, the policy questions, we have to work that out. I think we have got a good product here in S. 919. Our colleagues may have new ideas. They can offer them. We ought to welcome that debate, welcome those constructive contributions. But at the end of the day what we have to walk away from here with is a basic, fundamental concept preserving the essence of this legislation that will, I believe, generate the same sense of excitement for a new generation of Americans that thousands of us have felt who served as Peace Corps volunteers or VISTA volunteers, or in other programs.

Clearly, the needs are great. We do not need to debate that point. I do not care where you live in this country. I think no better example can be cited than what is occurring, as we stand here today, in the Midwest. I am not from the Midwest, obviously. I am from New England. We have had our natural disasters. Every part of the country has. But they seem to bring out the best in us. As I watched TV last week, I was impressed with the sight of all of these people, kids, young people, older people, filling sandbags, waist-deep in water, helping out others.

The other day, I spent a good part of the morning in a shopping plaza outside of Hartford where truckload after truckload was filled with supplies, food and nonperishable items. People showed up with boxes of things to help out families in the Midwest.

My State gave $25 million to the victims of Hurricane Andrew and more in time and volunteer services. People want to help. They could not come out quickly enough. One woman I met, well into her seventies—she had lost her job, working in her midseventies—she said, "I would just as soon be down

here helping." She spent 3 days volunteering. She said, "I feel wonderful about what I am doing."

It is clear people want to help. They want to step forward. We provide with this legislation, a structure here for people to achieve that and more.

Again, I want to emphasize something the Senator from Minnesota said that I think is so important. There are a number of words in the title of this bill—"national," "community," "service," and "trust." The word that I would like to emphasize is "community". Community—not just because we are talking about people having a sense of community and working with others in the community, but because these programs and ideas must be focused at the local level. This is not some Washington program where we are going to proscribe something for Vermont, Kansas, Pennsylvania, or Connecticut, but rather people in our States, each of these States, will generate their own ideas to do things for each other at the local community-based level.

That is where the essence and the difference of this is—different from VISTA, different from the Peace Corps—that it comes from the community, people giving to the community.

So I wanted to take the opportunity this afternoon, as we begin this debate, to sort of remind myself and my colleagues what this is really all about. Through this legislation, we can invite some 25,000 people, in the first year or so, to get involved in the fabric of this country, to weave it back together again where it is a bit tattered. And, hopefully, if it works right, we will add to that number in the years to come and perhaps expand that universe three, four, fivefold, if we get it to work right and if it is efficient.

I know my colleague from Kansas has some very legitimate concerns about whether or not we are going to have a bunch of different organizations and programs operating out of the new Corporation and other Federal agencies. I share that concern. The question is, How do we bring them closer together in a way that makes sense?

I hope at some point we might adopt some language that will state that as our goal. I am a little uneasy about doing it immediately with this legislation, because I believe we should let the Corporation get off its feet and then look at these other programs.

But on the basic concept of whether or not we ought to have one fundamental organization deal with service, there is no debate from this Senator whatsoever.

And also I want to state how important I think it is that this effort continue to be bipartisan. I think it is so worthwhile to note to our colleagues, who may not know of the committee's action, that this bill came out of our committee on a vote of 14 to 3, demonstrating strong bipartisan support. This support is so important on a bill like this.

Service has been an issue characterized by bipartisanship. The distinguished senior Senator from Kansas [Mr. DOLE], a few years ago, if I am not incorrect, offered a similar piece of legislation on voluntarism. And I think that had broad bipartisan support. And here we are again, trying it once more.

President Clinton made service a critical element of his campaign. He talked about it all across this country. Almost at every stop that I heard him speak, invariably, he found his way around to talking about community service, volunteering and reigniting those fires that have contributed so much to the well-being of this country. And certainly he is to be commended for focusing on this issue, which says so much about the spirit of America, and for his effort on this legislation.

I want to join in the comments thanking Eli Segal, Rick Allen, Jack Lew, and others at the White House, who have been working almost from day one to bring this initiative together. I am hopeful that, in a few short weeks, we can announce that we have completed this effort.

If I could wish for nothing more for the next generation, it would be that sense I had, that sense of excitement I was about to engage in a wonderful adventure that would make a difference in my life and, I would like to believe, in the lives of those that I worked with.

If I could give a gift to a young person in this generation, I do not think I could give a better gift than the gift of voluntarism. It will do so much for their lives.

Obviously, education is critically important to many other aspects of life. But I cannot think of a better gift that a younger person could receive than the gift of service, because it will change their lives. It will change their relationship with friends and family and community all for the better.

So I urge my colleagues to look at the legislation, to look at the details of it—those are important—listen to these debates, and hopefully bring some constructive ideas.

But let this not be an example where gridlock takes hold. Let this be an example where this body can demonstrate how it can work together to achieve the best results in the interests of our country and this next generation.

Mr. President, I yield the floor.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Kansas [Mrs. KASSEBAUM].

Mrs. KASSEBAUM. Mr. President, I think it is very fitting that the first person to speak today was the Senator from Pennsylvania [Mr. WOFFORD], who has really spent much of his life working on service programs and who has a true dedication to that effort.

I think it was also fitting that he was followed by the Senator from Minnesota [Mr. DURENBERGER] who has shared in many ways that same commitment; and certainly the Senator from Connecticut [Mr. DODD] whose enthusiasms for and work in the Peace Corps has been something that has meant a great deal to him. He has become a real spokesman for service.

My guess is that many of us here in the Senate have been involved in one way or another with programs of service in our communities.

I think volunteerism and service to the community are traits of the American people that have been with us since the earliest days of our Nation, and will continue to be.

Members have spoken a couple of times here about the floods and the tragedies that have befallen cities in a number of States.

I think it is important to emphasize Mr. President, that people have responded to these tragedies not because they are being paid to help, but because they genuinely want to be of help.

In Fairfax, VA, a number of churches have gotten together, planning to send people to help, as well as sending money. Communities that have been so beleaguered, like Des Moines, IA, have received the assistance of many who have responded to help neighbors. They have responded because, like all of us, they do care about what happens to their communities.

I remember being a student at the University of Kansas in 1951, when a devastating flood hit Topeka, KS. and Topekans rallied to help those who had to move into temporary shelters at the municipal auditorium.

These are needs to which we have traditionally responded, and we will continue to do so.

I think that President Clinton's call for a new national service program really strikes a responsive chord. The Concept outlined by President Clinton of offering service in exchange for assistance in attending school is one which holds great attraction for many Americans.

But, Mr. President, I would just like to suggest that the 300-plus page bill which has emerged to carry out the proposal bears relatively little resemblance to the picture of national service that has been painted by many and that has been portrayed by the press and understood by the public.

Beyond its general subject matter, national service, I doubt that many realize exactly what is in this 300-page bill. I would like to speak a moment about some of the things that are in this bill that do concern me.

The broad outline which most people seem to have about the bill is that it

will allow students to work off education debt by performing national service. Obviously, however, there is no room in the Federal budget to accommodate the tens of billions of dollars in new spending that would be required to allow all students to do so.

I would also guess that most Americans assume this bill is about voluntarism—in other words, that no one is paid to participate in these programs. That is not the case.

Again, I think we have to have a clear understanding of what, exactly, is in this bill as we debate the pros and cons.

The National and Community Trust Fund Act of 1993, S. 919, offers the opportunity to pay off debt through service, of course, only to a small fraction of the Nation's postsecondary students—25,000 in the first year, peaking perhaps at 125,000 in the fourth year. I think it is wise to start small. But even at that, the education benefit represents about a third of the estimated $7.4 billion 4-year cost of the bill.

The Senator from Minnesota [Mr. DURENBERGER] spoke of 1-year funding. Yes, authorized funding levels are specified only for the first year, but "such sums as may be necessary" are authorized in the outyears. Saying we are dealing with only 1-year's funding is a little like thinking the stork has brought the baby. I think we have to be very realistic about what the ultimate costs are going to be as this program grows.

Moreover, there is a wide range of other activities included in the bill, affecting everyone, from kindergartners to senior citizens. Thus, this bill is not, in fact, an education bill, although that is what most of the public believes it to be. It is also important to understand it is not a voluntarism bill, as I mentioned earlier. Even individuals who will receive education benefits will also receive a salary, health benefits, and child care during the service period. Many participants will, in fact, fare far better than individuals who are working minimum-wage jobs, most of whom cannot count on benefits as generous as those offered in this program.

Part-time opportunities are a part of the bill, but the full-time service provisions are not volunteer programs in the sense that most people understand that term.

The fact that S. 919 does not live up to its billing is not, however, my primary problem with the legislation. My concerns about President Clinton's national service proposal can be summarized, I think, succinctly, by saying it is too costly, it is too bureaucratic, and it is too prescriptive. In terms of cost, the initial estimates indicate that national service spending will amount to $7.4 billion over 4 years. As I mentioned earlier, it is unrealistic not to take outyear spending into account.

It is important to point out that these funds are in addition to the President's fiscal year 1994 budget request of $51 million for Volunteers In Service To America [VISTA]; $77.5 million for the Commission on National and Community Service; $30 million for the Civilian Community Corps; as well as funding for many other national service-type programs that are supported by the Federal Government.

This is not only a large amount in and of itself, but it also represents an unwise rate of expansion in our national service efforts. For example, the bill proposes to double expenditures for service learning and higher education innovation programs in just 1 year, from $22.5 million to $45 million. I am not arguing that these are not good programs. I have visited service learning programs that I think are just excellent. But, again, I think we have to be mindful of whether these programs can absorb such a rapid increase in funding and whether these funds can really be spent in a constructive way.

The bill will also more than double the size of the VISTA Program by fiscal 1998.

With respect to administrative costs, it provides "such sums" for the corporation and State commissions—with no restrictions concerning the ratio of administrative costs to program costs. Additional administrative expenses equal to 20 percent of the combined costs of the VISTA Program and the national service volunteer programs are provided for ACTION Programs. I hope that is one thing we can address, because I would assume there is strong support for assuring that funds are used for programs rather then for administrative costs.

The bill also specifies limits on the level of pay for employees of the Corporation. The Congressional Budget Office estimates an average salary of $120,000 for senior management staff and $50,000 for the remaining employees.

In terms of bureaucracy, on first glance it appears that the administration's proposal builds upon the existing foundations of the ACTION Agency and the Commission on National Service. Upon closer examination, however, one finds the proposal actually creates a new superstructure, the Corporation for National Service, under which these existing entities will operate. State ACTION offices will continue to operate side-by-side with State Commissions on National Service. It designates three separate State entities which are authorized to receive funds from the corporation—State Commissions for National Service Programs, State Education Agencies for Service Learning Programs, and State ACTION offices for VISTA and senior volunteer programs—without requiring administrative collaboration or joint planning among those entities.

I think it is obvious this structure is one that adds to bureaucracy, rather than trying to streamline and coordinate service programs in order to improve their effectiveness.

It requires that educational service awards be channeled through the U.S. Treasury and the National Service Corporation, which will necessitate the development of an extensive tracking system for all national service participants for up to 9 years after they begin working in a national service program.

I think these examples give some small idea of the prescriptiveness of this legislation. The cumbersone nature of the framework created by this legislation could grow and grow.

Having pointed out what I believe are serious deficiencies in S. 919, I do want to acknowledge that many improvements have been made in the original version of the legislation.

I am very appreciative of the efforts of Eli Segal, who, at the request of President Clinton, has been assigned the responsibility for working with the national service legislation. He has done, I think, an extraordinary job—combining his enthusiasm for the effort with his willingness to listen to the rest of us. He and his staff have given serious consideration to concerns which I and others have raised with him. I am very appreciative of some changes that have been made. For example, the bill no longer contains provisions permitting AFDC recipients participating in national to maintain all low-income assistance benefits as well as receiving a national service stipend, child care, and educational benefits. In some States this would have amounted to a package of more than $30,000 a year.

Having taken that provision out of the bill will mean that AFDC recipients now will just have to decide whether to continue receiving their current benefits or whether to participate in material service and receive the benefits available to participant in that program.

The original bill was also modified to provide for job descriptions and minimum qualifications which must be met by participants. Previously the bill was silent on these points. The legislation has been revised as well to assure that matching fund requirements may not be met by using other national service dollars from the Federal Government.

(Ms. MIKULSKI assumed the chair.)

Mrs. KASSEBAUM. Madam President, although these and other improvements have moved the bill in the right direction, they do not represent the fundamental changes that I believe are necessary to reinvent Government.

Senator WOFFORD used that expression, indicating that this legislation springs out of a desire to reinvent Government. I suggest that we are missing a real opportunity to reinvent Government with an institutional structure that really can be a better method of service delivery.

I believe there is an opportunity to develop a more rational and streamlined approach which avoids the problems that I have identified with S. 919. The substitute amendment that I will be offering is intended to meet the following objectives:

One, true integration of Federal national service efforts in a single, consolidated program.

Two, maximum State flexibility to determine needs and priorities.

Three, recognition of legitimate fiscal constraints and the need for a rate of expansion which is reasonable.

Four, experimentation with post-service benefit concepts prior to undertaking a full-scale commitment to a $5,000 educational benefit.

It just seems to me that S. 919 is an initiative with enormous potential to grow out of hand, spawning new bureaucracies, new regulations, and make-work positions.

Madam President, I think it would be a mistake to approve this bill in its present form. The alternative I will propose attempts to design a Federal role in national service which will pull things together in a rational, efficient, administrative structure and implement initiatives at a measured pace. I will be discussing my substitute proposal at greater length later in this debate. I hope that there will be those on both sides of the aisle who will work together to come up with an initiative that will serve us better in this arena.

I do not doubt but that all 100 Senators care a great deal about the ability to utilize national and community service in the most effective way. Service, as Senator DODD has pointed out, really means far more to the giver than it does to those who would be served. But our effort will fail, I suggest, Madam President, if it becomes so large that it really becomes unmanageable and we are not able to give it the attention required. A smaller initiative can be followed more closely and managed more effectively.

I yield the floor.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Madam President, I am extremely pleased that today we are to begin consideration of S. 919, the National and Community Service Trust Act of 1993. As one who has been a longtime advocate of national service, I am pleased, indeed, to finally see legislation authorizing a complete, large-scale program of national service that includes an education component being considered in this Chamber. After many years of discussion, there is now a great deal of national attention devoted to the concept of community service with an education reward. I would like to thank President Clinton for his role in bringing this issue to the forefront. I believe that the President should be given immense credit for his efforts to rally Americans behind his plan for national service.

National service is not a new idea, however. My own legislative involvement in this issue dates back more than 20 years, when Senator Javits and I introduced a bill to provide Federal funding assistance for local community partnership programs.

Even closer in nature to the bill currently under consideration was a bill I introduced more recently, the Voluntary National Service and Education Demonstration Act. This was a modification of a similar piece of legislation I had introduced in 1987 which was developed as a result of meetings I had with Frank Newman, Susan Stroud, and the late Howard Swearer—all Rhode Islanders who played a very important role in this area. At that time, I was of the mind that the United States ought to have a system of mandatory national service, either military or civilian, that would apply to men and women alike. This is still my own personal belief. Then, as now, however, I knew that while public opinion may have been moving in that direction, we still had a long way to go. Therefore, I decided to push for a demonstration program of voluntary national service to allow us to test the concept before proceeding with a full program.

At that time there were a number of reasons for delay. First, it was unclear how much interest there was in community service. We knew only that service programs existed on college campuses, but we did not have any information on the depth of interest among students.

Second, we did not know the kind of students who would be interested in community service. We needed more data on the socioeconomic background of those who participate.

Third, it was not known just how expensive a comprehensive program might be. Some estimates placed the total cost at as much as $50 billion a year.

Clearly, in 1989 we were not yet ready to move forward with a broad approach to national service. Therefore, I suggested a demonstration program, an important component of which involved a commitment to what I have always considered a crucial concept. That concept had at its heart the idea that successful completion of community service should involve an educational benefit. And I felt then, as I do now, that the educational benefit should supplement, and never replace, our existing Federal student aid programs.

This significant piece of legislation was eventually melded into the National and Community Service Act of 1990, which became law in November of that year.

Under that law, the Commission on National and Community Service is authorized to make grants to States to implement programs of full- and part-time national and community service. No more than 10 States were allowed to participate in the first year of the program, thereby preserving the demonstration approach. Other provisions also make this act the perfect test model of national service on a much larger scale. Individuals performing full-time service may serve for either 1 or 2 years, and those choosing to serve part-time must remain in the program for at least 3 years. All participants must be 17 years of age or older, and to serve full time must have a high school diploma or the equivalent. The post-service benefits under the National and Community Service Act of 1990 were $5,000 per year of full-time service and $2,000 per year of part-time service.

The Commission made their first awards to seven States and one Indian tribe in 1992. Among the more well-known projects that were funded is the Delta Service Corps, which engages participants in providing critically needed services in Arkansas, Louisiana, and Mississippi. Another is City Year, an extraordinarily diverse urban youth corps in Boston. These programs and others have proven to be highly successful and it is now time to implement a larger, more thorough program of national service.

Today, as we begin debate on S. 919 I would like to express my great hope and enthusiasm for this proposal. As the President has said, this program will foster individual responsibility and help to rebuild the American community by bringing together a diverse group of citizens to address common problems and unmet needs.

Of equal importance, by tying successful completion of service to an educational benefit it will open the doors to higher education for many Americans who previously believed that collage was out of reach. It will help defray the escalating costs of college education either through an educational benefit before one enters college or as loan forgiveness for those who choose service after education. It is a concept I am hopeful will grow to the point where it will be available to all Americans.

I am especially encouraged that the President envisions the educational benefit as a supplement to the Pell Grant Program. It would be unwise to attempt to replace the grant program with a service-oriented approach. National service is voluntary. It should remain an option for needy students and not a prerequisite for financial aid. It would be unfortunate, indeed, to replace programs that today serve over 6 million students with one that would require a special obligation of service by the poor simply because they are poor. This is particularly important to these lower income students, for whom the combination of the Pell grant and national service education benefit will

mean the ability to pay for a college education with perhaps greater choice in the college they wish to attend. As one who has worked long and hard on behalf of equal educational opportunity, I will make every effort to insure that whatever action we consider will strengthen and not diminish our Federal student aid programs.

Madam President, I view the National and Community Service Trust Act of 1993 as the culmination of much thoughtful debate and the best refinement to date of the ideal of national service. I strongly support this legislation and am hopeful we will be able to act on it favorably and with dispatch.

It is truly a concept and idea whose time has come. We may have plodded along in getting here, but we are now on the threshold of a truly remarkable piece of legislation.

I yield the floor.

Mr. JEFFORDS. Madam President, I rise in support of the National and Community Service Trust Act of 1993. My support for this bill stems from a long held belief that national and community service can assist us in addressing innumerable unmet social and educational needs.

It is refreshing that national service has hit the charts and is being considered a priority of this administration. Community service, clearly not a new concept, has frequently not received the leadership it has deserved. President Bush, to his credit, gave great attention to this area, and I am glad that the current administration is eager to build upon his work.

We have the opportunity today to create a program that will put its mark on history. When the national service program is fully implemented and available to all Americans, it will provide not only an opportunity for young people to serve their country and community but, more importantly, a program which will give back what we have put into it.

President Kennedy in his famous challenge to this Nation called on young people to "Ask not what your country can do for you, but what you can do for your country." These timeless words inspired a generation of young people and they must be renewed again today.

But what we are creating here today is a limited program to provide very special benefits for a small number of Americans who are selected to participate in a scaled-down national service program. Thus it is critical that what we do this year will be a proud model for next year. Therefore, I am concerned that the benefits match the service rendered—that these participants offer a very special service to their country in exchange for these generous benefits. I believe we must closely focus the service of these participants on those areas of greatest national priority—of greater national need and where they can be of greatest benefit to the country.

Initially, we cannot scatter the participants among many programs where no significant improvement can be ascertained. I cannot rationalize why we are providing participants with greater benefits than those accorded to VISTA volunteers or Civilian Conservation Corps workers, to name just a few. Otherwise, why would young people participate in VISTA or CCC? In other words, we must ensure the programs are designed to meet priority needs, and show they can meaningfully help meet those needs. For special benefits, there should be special service.

My colleagues share my conviction that human, educational, environmental, and public safety needs are critical areas of concern to all Americans, and areas in which we could use the service of dedicated volunteers. As examples of areas of critical national need, many of my colleagues have mentioned the mentoring program and home health care. I would agree with these priorities.

Let me point out another area in which our national objectives are not being met and where the long-term consequences will impact directly upon our standard of living and our ability to provide for future generations. That area is international development, and in particular, the development of democratic institutions.

How does this impact upon us? Why is this critical to our national survival? Our economy needs to increase its exports in order to grow. Without economic growth, we will not be able to provide even the same standard of living for our grandchildren as we enjoy today. The international economic market is much tougher than it used to be and competition is much more cutthroat. We cannot stay ahead unless we are more active in anticipating needs, preparing new markets, and understanding the needs for the rest of the world. We must also invest in developing new markets by assisting Third World nations in their efforts to improve their own standard of living. Where we can assist in establishing democracy and help people help themselves, we will be in a much better position to sell them goods and services as their economies develop.

We have a tremendous reservoir of good will out there, even in places where one would not expect to find it. I was surprised to find in my visit to Soviet Central Asia last year that these countries want U.S. technical assistance most of all. America still represents the best the world has to offer in business skill, respect for diversity, and opportunity for the individual to improve his or her life. They want our help—not traditional foreign assistance—but guidance on how to establish democratic institutions, create their own commercial code, judicial system, worker protections, environmental regulations, and much more.

The Peace Corps has a strict mandate to stay out of any work that would involve local politics, so it cannot engage in many of these activities. The national political parties have organizations that do political education work abroad, each from their own perspectives. AID is developing programs to address most of these needs, but much more that needs to be done.

I advocate making use of individuals who are willing to participate in the national service program and who have particular skills to contribute to this effort. We need people with good language ability, often in the less common languages, who can go into these areas and work in the local language. Our aid programs are in need of people with an expertise in private enterprise, democratic institution building, and sustainable development. We need people who are willing to contribute a substantial amount of time—more than can be offered by the business executives on vacation or doctors on leave from their practice. And we desperately need to send as our ambassadors people with the enthusiasm and creativity for which America is so admired.

While I feel very strongly about these issues, my purpose today is to focus on the domestic aspects of national service.

Our Nation faces a daunting task. We have more young people dropping out of school than ever before. Our babies are being born at low birthweight because their mothers do not have access to medical care. Violence and teen pregnancy are on the rise and our children are leaving school with no one to care for them until their parents return late in the evening. These concerns are critical and must be addressed.

This is where the National Service Program comes in.

What we have today is the framework for legislation that will—at its height—enroll approximately 100,000 participants. These participants will receive a living stipend plus an educational award of $5,000 for each year of service for up to 2 years. To many, that amount is considered generous. I would have to agree, given the current structure of the bill. As the bill stands, participants can receive these benefits regardless of the service they perform.

Considering the present appropriations levels of our student grant and aid programs, I can understand why these provisions seem unreasonably large. They far surpass what is available to our most needy postsecondary students who can receive no more than $2,300 in Pell grants.

For this reason, and because I believe that national and community service must provide just that—a service—I plan to offer an amendment to the bill.

The purpose of my amendment is to strengthen the accountability of the legislation. My intent is to ensure that it is not "what can your country do for you?" but, indeed, "what can you do for your country?" Currently, there is no failsafe mechanism to ensure that participants are receiving benefits because they have provided a critical service to this nation.

My amendment would require that only those national service programs meeting national or State priorities would receive assistance. Without such an amendment, this bill will drift along providing assistance to scattered programs without any true goals. We also leave ourselves open to criticism that the educational award is too generous. Until we can justify that the service being provided by participants entitles them to an award of such magnitude, we cannot, in good conscience, provide such a large stipend at the end of service.

I am confident that we can put national service participants to work doing exceptional things for their country. We must think broadly and over the long-term about what our top priorities are, and how we can best position ourselves going into the 21st century.

Madam President, I yield the floor.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. BOREN. Madam President, I am pleased today to rise in support of the National Community Service Act of 1993. This program is a vital component of the President's domestic agenda and a cornerstone of this Nation's future.

The current pessimistic mood of the American people—increased concern about jobs and the economy, drugs and crime, and a growing distrust of Government—reflect a pervasive feeling that the problems facing our Nation are perhaps too large for us to tackle. Many people do not feel connected to society and do not see how they can make a difference. Yet, despite this general gloom, individuals and organizations in pockets all around the country are joining together to help rebuild our torn neighborhoods. Each of these efforts is inspired by a can-do spirit, innate in the American people, a belief that people working together can solve any problem. It is this belief that is at the heart of the concept of national service embodied in this bill.

The act captures the promise of national service by harnessing the spirit and enthusiasm of these neighborhood-based service programs. It does not create a bureaucratic monster threatening to swallow initiatives, but builds upon successful, existing programs. It encourages innovation as well as public and private partnerships to ensure both the quality and diversity of service opportunities.

Over the last several years I have been privileged to meet people across this country from the private sector and the public sector, who have put together programs at the local level that are making enormous differences in the lives of the young people involved—people of all ages in fact—and making an enormous impact on changing the quality of neighborhoods across this country.

Citizens of all ages and backgrounds are given the chance to contribute to their communities. Beginning in kindergarten and continuing through college, service-learning programs give students time to critically reflect about their newly acquired skills and their application to real life situations. The potential of these programs to help communities is enormous. In Oklahoma, for example, the current Commission on National and Community Service has funded two programs which are helping to bring people together. The Oklahoma Serve-America Program gives at-risk students, dropouts, and other youths the opportunity to participate in programs designed to bolster feelings of self worth, while serving the diverse needs of their local areas.

I might say, Madam President, several years ago I had the opportunity to read an article. I cannot lay my hands on it. I wish I had not lost it because it had such a tremendous impact upon me.

It was an article about a very troubled inner-city neighborhood, about a park in a neighborhood that had become dilapidated, about a high-crime rate in that particular area. It told of a private organization that reached out to those people who were in severe trouble, young people who had gotten into drugs, the use of drugs, who had fallen into criminal behavior, who, in fact, had developed records with law enforcement agencies, those who had simply lost faith in themselves.

Instead of allowing that to go on, this group reached out to those, reached out to those who really had lost faith in themselves, and they said no matter how serious your problems, we want you to go to work to help solve the problems of those who are in an even worse situation than you are in.

So, if you have had a drug problem you are trying to overcome, we want you to reach out to those who still have drug problems in your communities and to help. We want you to take this dilapidated park in the middle of your neighborhood and help rebuild it and make it a place of beauty again, aesthetically pleasing, a place that can be the center of the community. We want you to reach out and help the law-enforcement officers in your area. We want you to help serve. If you do not feel you have quite enough to eat, or adequate shelter, we want you to reach out and work and help those who do not have anything to eat and no place to sleep.

So people who are living on the edge, or falling into complete failure in their own lives were asked instead to help those that were a little worse off than they were.

At the end of the year, the results of the experience were remarkable. Some of those people were very young people, teenagers, those that would have been of college age if they had been in college; some were a little older.

But at the end of that period, without exception, the neighborhood was partially rebuilt, the park was beautiful once again, and the vandalism had stopped. Many people were helping each other in the community; a sense of pride had returned, and all but one—I believe there were 60 people in this experiment—59 said they felt a renewed self-confidence. They felt now that they believed in themselves again, that they could do something worthwhile with their lives. Many went on to get permanent jobs in the private sector. Many went on to get further education and training.

Madam President, what we are talking about here is literally the saving of lives, the rebuilding of a spirit of community in this country, which is vitally and urgently needed all across this country. And we must do it by involving people of all ages and backgrounds. No one is too young. No one is too down and out himself or herself to render some kind of service to someone else in need.

It is like the old story of the person that was trying to struggle through a blinding snowstorm. And as the traveler who had lost his way in the snowstorm was about to give up and had absolutely exhausted his energy and thought he could go no further, he tripped across the body of somebody else there in the snow; he reached down and he felt that that person had a pulse, and he began to move that other motionless body around and tried to keep that person alive. He kept doing that for two hours, until finally a rescue group arrived. He saved the life of the other person and, in doing so, he saved his own life as well. And how true that is in life, and how urgently we need to take the energy, the ability of those individuals in our society, who have all but given up on themselves and put them to work, to help those who are even worse off and, by doing so, help them gain a sense of self-respect, and a commitment, and continuity and attachment back to community again.

We have seen that sort of thing begin to happen with the Oklahoma Serve America Program and many, many other programs. The Community Youth Volunteer Program helps increase the skills and leadership ability of Cherokee youth in our State, mentoring in challenged-based learning. By integrating services into the academic curriculum, students are

given the chance to extend their learning into the community and to help care for others.

The national service component of the act comes at a critical time for the Nation's communities and youth. According to James Rouse, one of the Nation's leading real estate developers, whose work for the Enterprise Foundation is dedicated to rebuilding America's inner cities—I might say Mr. Rouse, who has been so successful as a real estate developer, is now spending the remaining years of his life dedicating his experience and his knowledge to recreating a sense of community all across this country.

I had the privilege of hearing him recently, and in his remarks he pointed out that in this country over 500 people per 100,000 population are in prison. Over 500 people out of 100,000 are in prison. He pointed out that a similar figure in Japan was something like 11; and that the average for Europe was something like 20 or 25 per 100,000 in prison. And we are at over 500 people in this country in prison for 100,000 population. There is approximately a 25 times greater rate of imprisonment in this country than in the rest of the developed world. Sadly, the only country that was even close to us in the rate of imprisonment was the nation of South Africa, which has been in a virtual civil war for the last 20 years, and even there the rate was only about 400 per 100,000 population in prison.

Madam President, as many people pointed out, the nation that ultimately will lead this world is the nation that is socially and morally the strongest and most cohesive, where a relationship of family and community have survived. And when we look at ourselves through the prism of that statistic, 25, 30 times the imprisonment rate and the rate of violent crime in this country that is being experienced in the rest of what we would call the developed world, we have to ask ourselves what is happening in the social fabric of this country; and we have to realize that rebuilding the neighborhoods, the sense of community, attaching people back to a sense of responsibility for their neighbors, one for another, caring for each other, working together, that that is not a luxury, that is an absolutely essential item for this country; it is a matter of national security and national survival. It is a matter of saving the soul of our country, in the sense of rebuilding its community spirit which has made it the greatest nation on the face of this globe.

A teacher once was asked by her students, why is this country greater than any other country? Other countries have a lot of people, other countries are rich in natural resources; other countries have built military strength. Why is it that the United States of America, among other nations, has become the leading nation in the world? And the teacher answered wisely: Because in this country every succeeding generation has cared more about the well-being of the next generation than it has cared for itself.

That is a wise answer. It is absolutely true. And here we sit, Madam President, seeing a dropout rate of young people leaving school at the rate of 29 percent before graduating from college, seeing an imprisonment rate which mirrors the fraying of the social fabric of this country, and no other country other than South Africa even comes close; those competing nations have only a tiny fraction of that amount of crime in their societies.

There is an urgent need to restore the social fabric of this country. It is not a luxury; it is a necessity. It is more than a necessity, it is an imperative. Both urban and rural communities around the country are torn apart by crime, drug abuse and general neglect. Feelings of hopelessness and alienation are commonplace among today's youth. Recent college graduates are finding the job market tough to pierce and are increasingly discouraged by their prospects. Both groups are in danger of losing the sense that they are an important part of their communities. Both are searching for concrete ways to contribute and to further their opportunities.

I see my colleague from Pennsylvania here, the manager of the bill this afternoon, and I recall his sharing with me an experience he had after the recent rioting in Los Angeles, in which he either talked to, or he saw quoted, or saw an interview with a young man, obviously talented, who lived in the neighborhood who said: "When people look at me, I wish they wouldn't see"—and this was a 16 or 17 year old—"a person to be feared; I wish they would see a person whose talents could be utilized to build a better community or country."

That is at the essence of why we must, Madam President, take action to make more effective and to expand and involve more people, and particularly our young people, in national service programs.

National service reaches out to those students who wonder if they can make a difference, who wonder if they have any value, if they have any purpose in life, and it asks them to be a part of the solution to the problems of their own neighborhoods. It asks them to help build what was torn down, while giving them an opportunity to learn new skills. It gives them the satisfaction of helping to improve the lives of others, while allowing them to increase their own educational opportunities. It also gives them the opportunity to form mutual bonds of friendship with each other and with the people they serve.

This act also reauthorizes the Civilian Community Corps, which was established as a part of the defense authorization bill last autumn. A number of us worked on that together in an attempt to bring back a modern day version of the CCC. Senator WOFFORD, whom I referred to a moment ago, worked very hard on that particular piece of legislation, as did Senator KENNEDY, Senator SIMON, and others on the other side of the aisle as well, such as Senator DOLE, Senator MCCAIN, Senator DOMENICI, Senator WARNER. They worked in a bipartisan effort to help to create a bringing back of—in a pilot form, at least, of the old program—the work of the Depression decade, work with young people. The Civilian Community Corps is much like the old CCC but in a modern form. This bill reauthorizes that Civilian Community Corps that many of us worked so hard on a bipartisan basis to establish. Although the CCC is complementary to current youth services initiatives, it will be a unique program that adds diversity to the menu of national service opportunities.

I think that is the key.

I see my colleague from Kansas, Senator KASSEBAUM, also on the floor, and I have had enormous respect for her contribution in this field and in the field of education.

We have worked together as much as any two Senators on a range of subjects, from the budget to education, to national security matters, to almost anything you can think about, tax policy, and many other areas.

I would say that I know this is the question that she has raised. I think it is very important at this point, and having sat down—and I have changed my views somewhat on this. When I began to work on trying to update the CCC in modern form and also the WPA as we think of welfare reform on down the road, I really thought principally about trying to form some uniform national program that would really work everywhere.

As I sat down and became better acquainted with our National Service Board that has now been working with these local programs, many of which are mainly privately funded, some of them with the assistance of localities and municipalities and others, I really began to have tremendous respect for what was being done in very, very diverse ways because we have very different communities across the country. What works in a rural area in Iowa or Oklahoma or Kansas may not be the exact answer for an inner-city neighborhood in New York, or in Los Angeles. So we have a very different situation. Many different approaches, personalities of local leadership often determine the kinds of programs that will work, often that spark that two or three individuals have that make a program go in one place that really cannot be replicated someplace else.

So I think there is a value now in having what I just referred to as a

menu, so to speak, of different opportunities and different ways of trying this, especially as we think about perhaps expansion of programs in the future, trying to find exactly those that do work best and those that can be replicated in the most places. That is why, for example, the CCC is I think an important addition. It is complementary to the present programs, but in a way it is new. It would be federally run. Most of these programs are not directly federally run. They are locally run or privately run. It would be a residential program. Many of the programs we are now working with are still dealing with young people, for example, students still living at home living in their neighborhoods. It would take people out of that setting, place them in a residential setting, in a federally run program, and would bring young people from different parts of the country together and from different ethnic groups. Corps members will share different perspectives with others, increase tolerance and understand different ideas and approaches for the enormous diversity that is the strength of our great country.

Madam President, I have worried often, and one of the many worries that I have had about what has happened to our society is that there are very, very few situations anyone in which very diverse people come together. In the tragedy of war, men and women of all races have come together and they have fought together and they have been in crisis situations together and they have come to know each other—from the wealthy, to the sons and daughters of the wealthiest members of the communities, some small community, to a young person from an inner-city ghetto with no visible means of support without the experience of ever having had a mentor in his own family, perhaps not even had a family unit. They come together and they share a common experience. And we saw the impact of World War II and the desegregation that the armed services, for example, had on setting in motion forces in the country that would never allow us to return to racial discrimination as we have known it in the past.

Why? Because those who have worked together, who have fought together, who have risked their lives for each other, who have come to depend on each other and come to their own innermost thoughts and hopes and dreams for the future, those who have trusted each other, those who owe their lives to each other when they returned home back to civilian society and to peacetime, they could never again think that it was right for those who risked their lives for each other to be separated by some artificial racial boundary imposed by law. That came from a common experience, and we need those common experiences to teach us over and over again that we are one American family and we are one American community.

And as we begin to become societies in which everyone with a certain income level lives in that neighborhood, never getting to know a person with a different income level across town, in which this racial group never gets to know this other racial group to understand that while their strength, the diversity and reason for pride in their own ethnicity how also much they share together in terms of common values and everyone's hopes, that young person from the inner city who desperately needs a role model, perhaps that role model of the same age who might happen to live in a suburb, will never get to know the potential role model, never experience and have a place for them to come together and share in a common endeavor.

And then that young person, privileged, growing up in the suburb, perhaps going to a private school or going to a public school with such an unusual student body that it might just as well be a private school because, in essence, each family is a sort of cookie-cutter picture of the other. They lose as well. They lose not knowing about the heroic struggles of young people who have no opportunity, who struggle to work so hard, who put in extra hours, do it on their own and without the encouragement, help, and support of a loving family.

So, we are all losers from it, Madam President. We all lose when we do not get to know each other. Those who need the hand up, they lose. Those who need that encouragement, they lose. Those who need to know so that they can be better human beings, how fortunate they are and what gifts they have been given and what a responsibility they have to give back to their society and how much it will give to their lives in terms of meaning and purpose, much more meaning than having another new car in the garage, more gadgets, et cetera, to play with, a new vacation to take, how much more meaning it will mean to their lives to have an opportunity to reach out and do something productive with another person. They lose as much as that inner-city youth loses.

So, we must create opportunities that bring people who need to know each other together and to help them to understand that they are all Americans together and that our strength is, indeed, in our diversity and meaning in our life indeed comes from helping each other.

I read the testimony of Mr. Dwayne Andreas, chairman and chief executive officer of Archer-Daniels-Midland Corp. before the Senate Labor and Human Resources Committee. He was talking about what the CCC did during the Depression. These young people from all parts of the country came together. They lived in camps together, were involved in wholesome activities. They built parks we are using and the bridges we cross, planted trees that are still growing, that shelter our land from erosion. And what satisfaction they had and how enriched they were from coming to know each other from all across this country.

He said it in what should be a model for all of you and all the lawyers in this room and in this town. Roosevelt created the Civilian Conservation Corps with a two-page bill on March 31, 1933, a two-page bill, a joint effort of the Departments of Labor, Interior, and Agriculture and in what was in the Department of War. They enrolled 8,500 men per day past the last day of March.

God help us if we could ever once again be able to be that effective in the Government of the United States and really get things moving and get things done instead of embroiling ourselves in our parliamentary procedures and our partisan debates and our own hesitations.

Eighty-five hundred per day past the last day of March, and by June 16, there were 239,444 men in one of the 1,300 camps. The CCC would reach a peak of 502,000 with 2,514 camps. It was Roosevelt's vision and hope to keep the CCC as a permanent Federal agency, but after a while, it had to be downsized. Congress first opposed the President's plan to downsize it. There were so many people who needed to participate. Three million people over a period of time participated in that program.

Eventually, with the onset of World War II, it did scale down. It did cease to exist. It was no longer needed. Young people were needed in other kinds of service to their country. But it was considered by none other than General Marshall himself to have been vital for our preparedness. He talked about the skills that were developed, the values that were instilled in young people, the discipline that was taught, and he recalled that in a little over 8 years, 800 State and national parks were built, 4,000 historical structures preserved, 60,000 buildings built, 8,000 bridges, 97,000 miles of road, 4 billion trees were planted, 2 billion fish were stocked, and erosion was stopped, and 200 million acres of land and 4 million man-days were spent fighting fires, floods, and other disasters.

Madam President, that is not out of date. When we have so many young people in this country whose talents are being wasted, young people who cry out to have someone say we value you, we want you to be part of our community, a program like that is not out of date. It is not only not out of date, it is needed. It needs to be started today.

This is a modest approach. It is an approach to begin with 25,000. That is just a drop in the bucket for what

needs to ultimately be done. It is investment in our country that will pay greater dividends than any other investment that I can possibly imagine. Young people from urban areas given the opportunity to live and work in rural America and all the corps members will have the experience of living in other parts of the country. Only a national program that begins as a team approach with regional components offers this experience for our Nation's youth.

As I say, that is not the only model. There are wonderful local models working all across this country with absolutely inspiring people who are devoting their lives right now for working with these programs for whom I have enormous respect.

Let us have a bill that provides this menu. That is what this bill does. Let us look at the different kinds of programs. Let us see what works best.

Let us also have a national program that is federally operated like the one I just described.

The discipline of a military-type training program is very important for many of today's youth.

I think Arthur Ashe described the value of discipline in organized work best in an op-ed piece that he wrote immediately after the L.A. riots. Arthur Ashe has left many words behind him, words of wisdom, words of sensitivity, words that we all need to ponder. Among those words, he said this, and he gave us this gift of words as a legacy he left us in describing what he saw after the L.A. riots.

> Families rent apart by welfare dependency, job discrimination, and intense feelings of alienation have produced minority teenagers with very little self-esteem and little faith that good grades and the American work ethic will pay off. A military-like environment for them with practical domestic objectives could produce startling results.
>
> Discipline is a cornerstone of any responsible citizen's life. * * * [I]t must be learned or it doesn't take hold. Certainly, the CCC model—a federally run, residential program with an emphasis on military-style training and discipline—is a model that must be part of any national service program designed to offer a diverse array of service opportunities.

National and community service is an idea whose time has come. Millions of hours of manpower are required to fix the problems which we have neglected for too long and much of it will be supplied through national service. But even if our needs were not as great, we would still be here today pushing for this bill. This is because national service is more than a way of rebuilding our neighborhoods or providing student aid; it is a way of reviving the ethic of individual and civic responsibility which has made this country great.

Not to take more time, Madam President, but I just want to underline that once again. Even if we did not have such a huge backlog of physical needs in this country, and other needs in this country—the homeless that need shelter and Federal parks that need to be rejuvenated, environmental projects that need to be undertaken, a decaying infrastructure all across the country—even if we did not need that—and we do need it—even if we did not have the young people who desperately need additional ways to earn money to further their own education—and we have many of those young people who do have that need—but even if we did not have either one of those two things prevailing, we would still have an urgent need to involve young people, who need a sense of belonging and a sense of worth and a sense of connection back to a community, to be given the opportunity to perform that service and to help us rebuild that sense of community. That need is there.

I talked to a superintendent of schools in a very rural school, a very poor rural school in our State. They did not know how to motivate the students. Many of them were native Americans and they could not get them interested in their English literature courses and in their mathematics courses.

He started an auto mechanics course. They loved to work on their cars and tinker with their cars, but they had to learn how to read the manual to work on their cars. So they began to learn how to read so they could read the manuals.

He got others in the bricklayer course and the masonry and the construction course, and the rest of it, to begin to learn their math and geometry first in order to build.

By the time he got through, he built a campus in the middle of this rural area. I think he has had one bond issue in 47 years. The work was all done by his students.

I said to him one day, "Do you have any trouble with vandalism in your school?" He said, "In the last 38 years, I do not think I have had to replace a single window pane. And we never had to scrape any graffiti off any walls because there has never been any on them."

He looked at me and said, "You know, Senator, people don't tear down what they build themselves."

Now, we have to learn that lesson in this country. We have to give people that kind of sense of pride and that sense of connection and that sense of belonging.

Not only has he built buildings that are being used by a school, but he built people, and he built pride, and he built self-respect.

He built a memory so that every time one of those now thousands of students who have gone through that school comes back to that little rural school—the road was a dirt road; it has now been blacktopped. But every time they now drive down it, they are able to look at this window or this corner of this building or this piece of flooring and say, "I contributed that. That is mine. I did it. It is a part of this school forever." And it attaches them forever to that community and to a sense of responsibility for it.

The latest example of national service is the flooded lands of the Midwest. People are in dire need of help—they have no water, no food, no electricity, and many have lost their homes. How are they surviving? They are helping each other. They are coming together to rebuild their homes and neighborhoods, often with the help of existing youth corps. They are serving together under a common purpose, meeting the call to duty. They know that people are the most important resource they have, and that only by working together can they restore the strength and vitality of their communities.

There is a lesson here for all of us. Too often it has taken an emergency or a war to unite us in a common cause. But it should not take an economic or international crisis to break down the walls which divide us and to remind us of the values we all hold in common. We have too much at stake and too much desire for change to put off our problems. We must take this opportunity to renew our commitment to our country, for it is only in giving back that we become truly bound to our communities and to each other. By working together, we can help reawaken the spirit of community in this Nation. By investing in youth service today, we lay the foundations for a better tomorrow.

Helen Keller once said: "I look upon true patriotism as brotherhood of man and service of all to all." Although she said those words more than 70 years ago, they have even more meaning today.

I urge my colleagues to study this bill. I urge my colleagues—even those who have questions and doubts about it, those who are concerned about its upfront costs, those who are concerned about how we should start, those who are concerned about whether we should have a menu of different opportunities and different things that we try in the beginning—to say this experiment is worth it.

Never since I have been here has there been something presented to us that offered us the chance to experiment in a way that would reach out and really salvage the human talent and resources of this country, and rebuild our sense of community more effectively than this bill will provide.

This is something we must do—not for ourselves, but for our country, our communities and, above all, for the next generation.

This is something we cannot afford to avoid doing. This is not something we can afford to put off.

Madam President, I urge my colleagues to put aside our concerns and

our differences on any other matter, to put aside any partisan differences we have had over the last several weeks of bickering on other matters, and have some faith in the American people and allow some experimentation to take place at the local level and, indeed, at the national level to develop models.

Let us join together. Let us pass this bill with dispatch. Then let us try to emulate what was done between March and June 1933. Let us put these people to work. Let us get these pilot programs going. And then let us get on with the job of evaluating them, seeing which works the best, and trying to involve more people in them.

I urge my colleagues to support this bill. I am proud to cosponsor it with several of my colleagues here on the floor. I urge its swift passage.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. Madam President, the issue of voluntarism and community service is one that is dear to the heart of virtually everyone in Utah. Our State, unlike some others, was built because the people were dedicated to community service. They really had no other choice.

Some people do not know the history of Utah, but it was built by a group of people who were migrating from persecution and ended up in that State, forced to build what they had in the middle of a desert and thus were founded on the whole principle of community service and help from one to the other.

Some have said they picked that particular place because no one else would want it. They decided it was the one place in the country where they could go and be undisturbed and unmolested after the persecution and mob violence they had experienced elsewhere in the United States.

So the principle of helping one's neighbor, the principle of community service is very, very strong in my State. It does not just go back to history. I have an experience that I will share with my colleagues here, that demonstrates the kind of spirit that we have in the State of Utah, referring to a man by the name of Lowell Bennion.

Lowell Bennion was a teacher whom I knew well. When I was going through the trauma of teenage romance and my parents were not at home, it was to Lowell Bennion that I turned to get some of my wounds salved and cured.

Lowell Bennion, in addition to being a teacher, however, was a great example of community service. He would go around the community and, by himself, find widows, homeless, others who needed help, and he would take care of them to the degree that he could, and then he would go among his friends and ask them to help him. On the basis of that legacy now there is at the University of Utah, where he taught, the Lowell Bennion Center where students have the opportunity to go into the community in an organized way and render the kind of community service that Lowell Bennion was famous for.

I am proud to have contributed financially to the Lowell Bennion Center and to have assisted it in its work. And I agree with some of the comments that have been made here on the floor by those who talked about the ennobling experience of community service. There are a number of students who have said their service in the Lowell Bennion Center, going into the inner city in Salt Lake City and helping people who have problems, has been the most significant experience of their college lives.

I rise today to comment on the bill before us out of that history and background because I have great concern that when the Federal Government gets into something that is a good thing, in the vernacular, the Federal Government tends to screw it up. I have the fear that is what is going to happen with this bill. We want to have community service. We want to encourage community service. I fear we may be heading toward what the Washington Post calls national disservice.

So if I may, Madam President, I would like to read a few paragraphs from the Washington Post. I often quote from the Wall Street Journal and from Fortune magazine, publications whose philosophy is usually more compatible with my own. On this issue I am happy to turn to a publication that is known for positions different from my own. The Washington Post says the same kinds of favorable things about community service that I have just said. And then makes this comment:

> Let's not rush into this, however. Clinton is not proposing national service in a vacuum. By linking two problems—student financial aid and the need for national service—Clinton has produced a plan that has problems of inequity, a narrow base, and, most likely, inadequate resources to pay for it. The President and the media do a disservice to millions of strapped parents and students if they perpetuate the false hope that national service will be like the Homestead Act and the postwar GI Bill—both of which affected the lives of millions, and both of which Clinton invoked in his speech.

The Post goes on to describe some of the provisions of the bill, all of which are known to the Members here. And then says:

> Step back for moment and ask: How many young people could be helped under the present aid system by that same $3.4 billion?

Then the Post, after going through some specifics says this about it, to summarize that issue:

> Any strapped parent or prospective college-goer can do the math: The national service kids will have a better deal—by nearly 2 to 1 or better—than ordinary students receiving federal aid.

After talking about some of the awkward provisions of this bill the Post makes this comment:

> It seems inevitable that the service initiative will compete with regular student aid, which does stand a chance of making college affordable to "every" American * * * Members of Congress may not see the fairness of voting up to $22,500 for one service student when that amount could help so many more through direct aid.
>
> So the service kids will be privileged few—and not just because they get a better financial deal. Clinton has insisted that students should be allowed to serve regardless of financial need. Right now, virtually all of federal post-secondary aid goes to those in financial need.
>
> It will be hard to explain why taxpayers should grant $5,645 a year to induce a suburban youth to work in the inner city when that same amount could help several others who, perhaps having seen enough of the inner city, want to get out via college.

The Post concludes this editorial with this comment, with which I agree:

> Clinton should not make his costly service program hostage to student aid reform. Service needs another political and financial base.

Madam President, I ask unanimous consent that the editorial in the Washington Post from the 3d of June 1993 entitled, "National Disservice," be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BENNETT. I do not serve on the committee that has dealt with the details of this legislation. I follow it with great interest from those who do so serve. I will be guided by their wisdom and comments when the time comes to deal with the amendments that will be before us tomorrow. I simply raise this overall concern as one who comes from a tradition and atmosphere of national service. Is the Federal Government the best vehicle for encouraging this kind of thing? Does the Federal Government have a clear track record of crisp, clean administration that will bring about efficient and existing performance in this area? Or, as I believe, does the Federal Government have a history of heavy handedness, of bureaucratic musclebound overregulation in every area that has the capacity to destroy a good idea, has the capacity to love it to death, and then become overburdened financially and leave us with a network of Federal rules, Federal regulations, and Federal problems in an area where we are already seeing the normal volunteer activity of Americans producing significant community service along the lines of the Bennion Center?

So, for that reason, I state here that I will watch the amendments very closely. I believe I will be in favor of the amendment that I think is going to be offered by the Senator from Kansas [Mrs. KASSEBAUM] because I do want to see the community service program go forward. But as the bill stands now, I think it is in need of fairly significant surgery along the lines outlined by the Washington Post and other observers,

and I express my concern about the entire project being an essential Federal initiative when I think there is so much more that can and should be done on a State and local level without the heavy hands of the Federal Government stifling what could otherwise be a good idea.

EXHIBIT 1

[From the Washington Post, June 3, 1993]

NATIONAL DISSERVICE

Following up on his campaign promise to make college education affordable for "every American" while also reviving the nation's "commitment to community," President Clinton announced in New Orleans the details of his plan to combine national service and student financial aid. The major media, impressed by his wish to inspire "a new generation of Americans" to serve in hospitals, schools and shelters, generally embraced the plan.

Let's not rush into this, however. Clinton is not proposing national service in a vacuum. By linking two problems—student financial aid and the need for national service—Clinton has produced a plan that has problems of inequity, a narrow base and, most likely, inadequate resources to pay for it. The president and the media do a disservice to millions of strapped parents and students if they perpetuate the false hope the national service will be like the Homestead Act and the postwar GI Bill—both of which affected the lives of millions, and both of which Clinton invoked in his speech.

While there are provisions in the Clinton plan for service work by the very young and by adults, its core would be college-age students, paid the minimum wage while in service, of which the feds would pick up 85 percent, or $6,290, a year, plus health benefits. For each year's service, the student would also earn up to an additional $5,000 to be applied by the government toward a year of college or other advanced study. Students could serve for up to two years. Thus the maximum price tag per student, spread over four years, would be $22,580, plus health benefits, all paid by taxpayers. The plan is to start the program with 25,000 enrollees in 1994. By 1997, some $3.4 billion would be needed to run the program and support 150,000 participants.

Step back for a moment and ask: How many young people could be helped under the present student aid system by that same $3.4 billion? In fiscal 1993, some 7 million were helped with college or other training costs by a congressional appropriation of $12.7 billion. The average guaranteed loan was just $2,800. The average Pell grant, which goes to the poorest students, was $1,450. Yet a youth taking full advantage of Clinton's service program would get on average $5,645 a year in federal support. Further, the wage payments for service and college credits are in effect grants, and not repaid, whereas the $12.7 billion spent on student aid leverages $27 billion going to students, of which some $19 billion is loans to be repaid. Any strapped parent or prospective collegegoer can do the math: The national service kids will have a better deal—by nearly 2 to 1 or better—than ordinary students receiving federal aid.

Clinton ties his service plan to financial aid in another awkward way. He has claimed he can save $4.3 billion by overhauling student aid and says this saving would help offset the corresponding $7.2 billion four-years start-up cost of national service. As many have noted, such large savings may not materialize, putting the experiment with national service at risk.

It seems inevitable that the service initiative will complete with regular student aid, which does stand a chance of making college affordable to "every" American. Members of Congress may not see the fairness of voting up to $22,580 for one service student when that amount could help so many more through direct aid.

So the service kids will be a privileged few—and not just because they get a better financial deal. Clinton has insisted that students should be allowed to serve regardless of financial need. Right now, virtually all federal post-secondary aid goes to those in financial need.

It will be hard to explain why taxpayers should grant $5,645 a year to induce a suburban youth to work in the inner city when that same amount could help several others who, perhaps having seen enough of the inner city, want to get out via college.

National service will be a great federal experiment on a small scale. But its supporters should stop claiming that it will help "every American" put college within reach. If all 7 million students who get federal aid in 1993 enrolled in national service in Clinton's maximum terms, taxpayers would shell out an astonishing $158 billion to pay for them. Deficit increases like that aren't going to revive the national spirit.

The present, flawed, federal student aid system needs overhaul, and Clinton is proposing legislation to do this. But the United States already enrolls 14 million in some form of college, including 51 percent of all college-age youth—almost twice the fraction our competitors do. Packing "every" American into college is a less important goal than inducing all post-secondary institutions to do better at teaching the students they have, while capping rising costs.

Meanwhile, Clinton should not make his costly service program hostage to student aid reform. Service needs another political and financial base.

The PRESIDING OFFICER (Mr. WOFFORD). The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, first of all, although I do not agree with necessarily all of what the Senator from Utah has said, let me thank him for his remarks on the floor of the Senate.

I do believe that his concerns, or his warning about the dangers of centralization and bureaucratization of any kind of program represents the best of a conservative critique of policy—one which, by the way, I find quite persuasive and one which I think really we tried to avoid in this National Community Service Act. But I think it is right on the mark. If I was to draw from testimony in Minnesota, I would say to the Senator from Utah, at a hearing I held, over and over again, whether it be high school students, whether it be teachers, whether it be community people from around the State, they made the same argument.

They had the same concerns, and they insisted that this not be topped down, this not be centralized; that the priorities get defined by community people; that it be decentralized in the administration of it. I think you are right on the mark in raising the set of concerns that you have raised.

The other point that I want to make, Mr. President, by way of introduction—these are not well-rehearsed or particularly well-polished remarks—is that I think those of us—the distinguished Presiding Officer, Senator MIKULSKI from Maryland, Senator KASSEBAUM—are committed to national community service not as a substitute for the Pell Grant Program, work-study programs, low-interest loan programs or all the rest, but rather in addition to. I do not think that can be the tradeoff.

We held a hearing in April in Minnesota, and we heard from people all across the State and, for that matter, all across the country. I have to—not have to but want to thank Peter Edelman who came out and testified at that hearing.

We heard from teachers; we heard from students; we heard from administrators; we heard from parents; and we heard from local and national policymakers. We heard from people like Mr. James Kielsmeier—whom you know so well, Mr. President—director of the National Youth Leadership Council, who has done so much work in this area. We learned from Kenneth Bailey, roads scholar, that is r-o-a-d-s, roads scholar for the Campus Outreach Opportunity League [COOL]. We learned from all sorts of different people who were involved.

The theme I heard over and over and over again was: Let the priorities be defined by people in the community. The theme I heard over and over again was: As students are moving on to higher education, this could be a marriage. We could combine, on the one hand, the real need that we have to be able to finance our higher education—I look at the pages here and I am sure that is something they think about—and at the same time, our yearning for community service. I think that is the marriage that is represented in this National Community Service Program.

Let me also say—and again this is a strong interest of yours, Mr. President, and a strong commitment and I really thank you for your leadership on this issue—service learning is an integral part of this bill. I think that is oh so important.

If I can brag, and I promise since it is late in the day not to brag for more than about 2 minutes, the State of Minnesota, I think, has really been a leader when it comes to service learning. We have 100,000 young people involved in service learning. When I travel around the State and talk with students in schools, which is about once every 3 weeks, I thrill with what the students are doing in service learning. This is K–12. Whether it be high school students working with elementary school students; whether it be high

school students working in senior centers; whether it be high school students working with people with disabilities; whether it be high school students who are studying the pollution of a river, it combines both the service and the reflection on the service and then the learning that takes place.

I think national community service is a winning idea, and I think it can inspire this Nation. I am very pleased to be a cosponsor of this legislation.

I would like to thank, because sometimes we forget to do this, Sherry Ettleson, a staff person who works with me on education issues. I feel really good that we were able to, if you will, help shape this in a couple of different ways.

First, the legislation includes provisions that encourage teacher training and service learning and encourages educational reform through service learning. I think that is important. That was a piece that we worked hard on with others.

Second of all, we include community action programs and agencies that can apply under this program for part of the funding when we are talking about the work that volunteers do. I think that is vitally important because I think those community action programs in our country have really perhaps been, more so than any other kind of programs, programs that have been out there in the communities working with low- and moderate-income people.

Third, this legislation enables the Departments of the Interior and Agriculture to establish the Public Lands Corps. I tell you, Congressman VENTO, from the fourth congressional district in Minnesota, is happy about that. I think to talk about a conservation program, an environmental program as a part of national community service is right on the mark.

Fourth, the legislation requires the Corporation to conduct—this gets at part of what the Senator from Utah was saying—an independent evaluation of the overall program and the program on a State-by-State basis to make sure that we have diversity of participants so that this does not become an elite corps, and to make sure we know what works, what does not work and we evaluate that and improve on that as it starts out.

Fifth, the legislation requires both the Corporation and the State commissions to have at least one youth representative between the ages of 16 and 25.

And finally, the legislation enables State commissions and the Corporations to include representatives of Indian tribes, at-risk youths and representatives of groups serving the economically disadvantaged.

All of us had a part, but if I had to point to some concrete work, which really Sherry Ettleson did, I am really pleased to work with other offices and, if you will, leave this imprint.

A final point. Mr. President, this is just the beginning. I think what we do is we start out with an idea that connects with people in the country. We try to then work hard on a piece of legislation. We try to get it going, and it becomes a model. We should not say to the people in this country that this is going to be a way that people are going to be able to finance higher education, whether it be young people or students who are going back to school, but it is a very important beginning.

The concern that I have had—and we have talked about that, I will say this to you, Mr. President—is I do not want this program in any way, shape or form to get played off against, for example, work-study programs on campus or, for example, matching grant programs for low-income students which is Federal money combined with State money. I certainly do not want to see it detract from the Pell Grant Program.

I have talked with the administration about this, and I feel like they have made a commitment. I believe that Senator HARKIN of the Health and Human Services Appropriations Subcommittee has made a commitment to make sure we do everything possible to keep those funding levels up to the prior level. For my part there would be much, much more. I feel good now there is going to be an effort to make sure we do not have this playing off.

With the permission of my colleagues, I wonder whether I can ask unanimous consent for 2 minutes, and only 2 minutes, for morning business to make a final statement. I ask unanimous consent to go into morning business for the purpose of making one final statement today.

The PRESIDING OFFICER. Without objection, it is so ordered.

GAYS IN THE MILITARY

Mr. WELLSTONE. Mr. President, I just felt maybe there has been discussion on the floor of the Senate about this today, but to my knowledge, there has not been. I would like to rise to express my anger, though it is a quiet anger, and my disappointment and my regret about the policy on gays in the military that President Clinton announced yesterday.

I am disappointed and I am angry because I believe this policy reduces a particular group of Americans to categories, to stereotypes and relegates them to lesser treatment before the law. I am disappointed because I believe this policy diminishes us all.

I know the President was under fierce cross-pressures. I do not point the finger at anyone. I know those pressures came from the military. I know those pressures probably came from the Secretary of Defense. I know those pressures came from powerful Senators and Representatives. But, Mr. President, I believe that the policy of banning gay and lesbian persons from the military is wrong and I believe it should have been overturned.

I believe that the don't ask, don't tell policy, and all the fine distinctions that are supposed to be made, represent nothing but window dressing on a policy which fails to provide for equal protection under the law for all American citizens. I believe this was an issue of discrimination. I think it was an issue of basic civil rights for all of our citizens. I believe it was a matter of principle, and I do not think you can split the difference on a matter of principle.

So, Mr. President, I just wanted to have an opportunity to say that on the floor. I hope there will not be any effort to take what is an administrative decision into actually passing a law or codifying something. If that happens, I certainly will be out here on the floor, and I will have much to say about that. Perhaps tomorrow in morning business when there is more time I would like to build on these thoughts.

But I wanted to make sure that I spoke today on the floor of the Senate about something I feel very strongly.

I thank my colleagues for their patience.

NATIONAL AND COMMUNITY SERVICE TRUST ACT OF 1993

The Senate continued consideration of the bill.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. I thank the Chair.

I rise with enthusiasm and unabashed support for the legislation pending before the Senate on national service. I think that the passage of the national service legislation adds one more rung on the ladder of historic opportunity structure that the people of the United States of America have ingeniously created to provide access to the American dream. Each generation has sought ways to provide access to the American dream, which meant the ability to pursue higher education, to own a home, or to have a job better than your parents.

It has been the ingenuity of the United States of America over the years to come up with a whole set of social inventions that said to American citizens, through your own sweat equity you can help yourself be able to move up in American society.

It was the United States of America that invented the concept of night school. Ordinary people streaming from Eastern and Central Europe at the turn of the century finding themselves working in sweatshops or other factories. They could not go to school.

My own great-grandmother was one of those women who came to the United States of America with no guarantees but willing to pursue opportunities. And through the ingenuity of the

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people who ran the settlement houses they came up with the concept called the night school idea, that even though you worked in a sweatshop, even though you worked in a coal mine, even though you did two shifts, one in a factory and one caring for your own home, you could put in a third shift and go to night school to learn about the American dream. What a great idea.

Another opportunity structure came after the end of World War II, when we wanted to salute the brave people who had fought in the United States military to save western civilization, and they fought to do that one foxhole at a time. A greatful Nation said we just do not want to give parades. What do you do when the ticker tape fades? We want to provide an opportunity structure. You lost time. You lost time with your family and time to pursue that dream. They came up with the GI bill of rights. And it empowered thousands and thousands and thousands of Americans to be able to pursue higher education or to have access to home ownership.

We said, though, we are now finding that the cost of higher education is skyrocketing. We need to have a new idea where many kids do not go away for the first 2 years of their education, and we invented a whole new framework for higher education called the community college in which people could either go for an associate of arts degree in a specific field, a technical field, and terminate their education there or go on to higher education.

Generation after generation says to America, we are going to use our creative and executive ability to come up with rungs on an opportunity structure.

And now today, pending in the Senate, is one more important rung that says to young people in the United States of America, we know that you are facing the biggest mortgage of your life called your student loan debt. You are facing a deficit in order to be able to pay for your student loan. But we are also running a volunteer deficit in the United States of America where in many programs the average age of volunteers is now in the fifties and sixties. Now, why not combine two important national goals, helping people to help themselves reduce their student debt but in that process also be able to participate in their community?

That is what national service is all about. It says for every right there is a responsibility, that we are going to provide an opportunity but there is going to be an obligation. But it will be a sweat obligation in which someone will in their participation in the community learn the habits of the heart de Tocqueville talked about. And what were the habits of the heart de Tocqueville talked about? It was the essence of neighbor helping neighbor.

Well, some people have gotten away from that, and this is one of the ways to bring them back.

I also believe that long after the educational benefit phase is over, young men and women will have been touched so much by their volunteer efforts that they will keep on volunteering in any capacity they serve, and that the benefits of this program will go on long after the educational benefit is gone. In my own life, I was deeply touched by the volunteer efforts in which I participated.

Mr. President, I have a masters degree in social work from the University of Maryland, a speciality in community organization and social strategy, and a degree that helps people organize for self-help.

In my own work as a social worker, I was paid to help others. For instance, on my own time, I went into the Baltimore City Jail to work with women who were going to be released from jail. But, they had no social workers. And Mr. President every Monday night while working in conjunction with the Catholic Church in the community, I met with a group of women who had no home, no job, no education, and no hope. One night a week I worked with these women who linked up with the Catholic Church and the Associated Catholic Charities.

So, there I was, Mr. President, listening to real women with real problems who did not want to go back to the streets doing and dealing drugs. I learned a lot from those women. I learned a lot about life. I learned a lot about compassion. And I learned a lot about the ability to help others.

I also worked in my own church and in an African-American church with other members of the church community to establish a credit union. We wanted to empower ourselves because in the 1960's Baltimore was a segregated town and African-Americans did not have access to credit. So, we banded together to empower ourselves—to get neighbor to help neighbor.

Those experiences shape me, they shaped me tremendously, and I truly believe that when young men and women are involved in our communities they will be shaped by those experiences, too. Young people face a tremendous challenge in reaching for the American dream as they try to pay off their student debt or struggle to prepare themselves for a competitive job market. They often do not have time to look outside themselves and lend a hand to others.

Mr. President, when we look at this legislation and how it accomplishes those national objectives, I think we need to be aware of the many penny-pinchers who erroneously see this bill as a spending bill rather than a cost savings bill.

We are talking about a $300 million appropriation this year.

This bill authorizes $394 million in the first year and such sums as necessary in subsequent years. But look at the benefits our community will get. In my own community of Baltimore and in other parts of my State, national service volunteers are working on building homes for Habitat for the Humanities, they are working side by side with the people from the community, they are creating housing that is not a Government program or a Government subsidy, but helps people empower themselves. In the long run the result will be cost savings.

There are other volunteers who are working in the field of literacy training, not only literacy training for children but, Mr. President, literacy training for adults.

Mr. President, for all those who doubt the effectiveness of this bill, I invite you to come with me to something called the Learning Bank in Baltimore run by Sisters of Mercy and listen as young people from Loyola College work to tutor adults, and listen to people who have lived in homeless shelters who have learned to read and now going on to find jobs. Certainly a little help for college students working with Sister Judith will empower people and ultimately result in a cost savings.

Mr. President, this legislation can meet unmet needs. Right now, Meals on Wheels, one of the most important tools to enable senior citizens to stay in their own homes, does not deliver Meals on Wheels on weekends. But we could fix that. These young people could provide that type of service, particularly in rural communities where people have very few resources.

These programs could be used as tools to be able to prevent the institutionalization of people in nursing homes. We could look at program after program to show what those benefits would mean.

This program has a full-time component to it to accommodate someone who has more time to serve or and give a year of service to VISTA or in other programs.

However, Mr. President, I am the architect of the part-time component. I know that many people cannot go away and some people do not want to go away. But they want to be able to serve. Our young men and women who are graduating in the technical fields of electrical engineering, environmental engineering, and space science, and cannot go away for a year in the Peace Corps or VISTA. They have to go right into their field.

But under the part-time model, they could work in their own communities, doing things that no one else is doing. They could be in public housing projects, working with young kids to run science fairs, getting these young people involved in math and in science, and helping them stay in school. They could be running Saturday scholar programs for the gifted and talented. They

could be mentoring people, young men and women who have no parents, or only one single parent to help.

This part-time model could be transformational for the people who give and for the people who benefit, because the people who benefit will then become the people who give.

Part-time service gives young people the opportunity to pay for their education while they continue with their lives. Part-time service offers a choice for those people who want to stay in their own communities.

Mr. President, this bill offers an opportunity and an obligation. This bill helps people achieve their aspirations, but asks them to put a little perspiration back into their own communities, using their skills and talents in working with successful, proven programs.

Mr. President, this is not another social program. It is not a big, new Federal spending program. There is no room in the budget for that or in Washington for a bloated bureaucracy. It is meant to be lean, and it is meant to be efficient. It builds on the National Community Service Program that this Congress passed 3 years ago. At that time, we set up a pilot project for national service and experimented with six national service models. Guess what it proved? That it is working; that national service does improve the community; that it can be done with minimum bureaucracy; that we do not have to create a whole new class of grant junkies; that we can reinvent government; that we can reinvent opportunity. And we can rejuvenate the United States of America.

Mr. President, I think this legislation is very important. It will lead millions of Americans to service, to better citizenship. It will lead them back to the basics of American values, and I believe it is the type of legislation that will take America into the 21st century.

We are only 7 years from the year 2000. A new century is coming. A new millennium is on its way, and certainly we want the young men and women of the United States of America to continue to have access to the American dream.

Mr. SARBANES. Mr. President, I want to commend my very distinguished and able colleague for her very powerful statement on behalf of this legislation, which I strongly support.

But I want to say that my colleague from Maryland knows this issue very well. She has played a very strong leadership role in developing this concept from the very beginning. She has brought to it her own very intimate knowledge of conditions on the street, if I may put it that way.

I do not think there is any Member of the Senate who knows better than my colleague from Maryland exactly the benefits that will result from this program. She has mentioned her own background in social work. Well beyond that, it has been her experience at the local level, both in the community as a very strong participant and in local government, and she has a full appreciation of what can be done with this program, the opportunities which it offers to many people to participate constructively in helping to build a better society, and those who will be the beneficiaries in getting services that would otherwise be absent or not available.

I know how long she has worked on this issue, and how close she has been to it; the commitment, now numbering a number of years, which has shaped this concept, and now brings it to the floor of the U.S. Senate.

I think the statement she has just made on behalf of the legislation is as powerful a statement as we will hear in this body on this issue, or indeed on any issue.

I am very pleased to join in supporting this legislation. I do commend the Senator for the critical—absolutely critical—role which she has played in bringing us to this point.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I too want to join my colleague in commending our colleague, not only on her birthday today, but really in a very wonderful way on the——

Mr. SARBANES. Will the Senator yield for just a moment? I want to wish here a happy birthday.

Mr. KENNEDY. I was just about to do that.

Mr. SARBANES. I, too, want to wish her a happy birthday.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that the Senate as a whole wish the Senator from Maryland [Ms. MIKULSKI] a happy birthday.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I think we have just witnessed a great scene of happiness and joy in extending best birthday wishes to our friend and colleague from Maryland.

As Senator SARBANES has said, and all of us understand, as we address this issue of voluntarism and national service, I think all of us in this body—and certainly the people whose lives have been touched by the leadership of the Senator from Maryland [Ms. MIKULSKI]—know what a difference she has made in the fashioning and the shaping of our national and community service legislation of 4 years ago, and now with this legislation that is before us.

She has been there in the early days, in the workings of the legislation, in the late hours of conferencing and struggling to find the funding and the financing for this program. She is tireless in meeting with the various groups from her own State, and those that are involved in leadership for voluntary service programs across this country.

I think, certainly—I speak as the chairman of the Human Resources Committee, but most importantly, as a friend—that all of us want to commend and congratulate her for all of the efforts that she has made as we are beginning to debate this issue.

We still have a way to go to see its achievement and accomplishment, and we will still have a long way to go in terms of its full implementation and benefit. But, nonetheless, at this point in the debate, I sincerely congratulate the Senator for all the things she has done in this legislation, and in so many other areas of public policy, as well.

Mr. President, I want to express my appreciation to my ranking minority member, Senator KASSEBAUM, for her cooperation and attention to this public policy issue.

Senator KASSEBAUM, as all of us know, is a thoughtful and deliberate individual who studies legislation closely and carefully, and asks questions in a constructive way that brings new awareness and understanding to legislation which is introduced. She has been enormously constructive in the development of this legislation. She still has, I know, her own concerns that were expressed earlier this evening and will express during the consideration of her amendment tomorrow. But I want to, as chairman of the committee, thank her for her willingness to address this issue, as well as many others that are before us, with the kind of attention to policy detail, and the energy and the intelligence that she brings, to see that this national service program is done right, and her attention to so many other areas of concern of families in America. I thank her for all of her cooperation today. We certainly would not be here at this point, in terms of permitting the Senate to address this issue, without her cooperation and certainly her understanding.

This legislation, in a very real way, is a bipartisan effort. I think we remember very well the call to arms on voluntarism by President Bush a few years ago, his interest in the development of voluntarism, his Points of Light Foundation, and his attention to voluntarism during the course of his administration. And we are very much aware that the issue of voluntarism and service to the country reaches back to the origins of our Nation, really even before that. It has been something that has been supported by different political parties and different political leaders, and I would like to believe—and I know those most involved in this program do believe, Republicans and Democrats—that we are going to make every effort to try and ensure that this proposal reaches the young and old alike, and strikes in the hearts and souls and minds of young

and old Americans a responsive chord to give something back to America in return for all that America has given to us.

This belongs to no political party. It so happens that we have perhaps more Democrats that are supporting the legislation. But if we look back over 4 years ago, we have had strong, strong bipartisan support, overwhelming support in the U.S. Senate. It is certainly the intention of all of us on the committee to try and broaden that support as we move through the legislative process here, the conference committee, and into the future, because I think all of us understand that the concept of voluntarism is going to be with us as long as this Nation exists.

We welcomed the opportunity to have Senator JEFFORDS, Senator DURENBERGER, Senator CHAFEE, and Senator SPECTER in the early introduction of the legislation and also to have the support of Senator COATS and Senator GREGG in reporting out the legislation from our committee. We are going to make every effort to try and be as inclusive as we possibly can with this legislation.

Mr. President, I am going to include in the RECORD a complete explanation of the legislation, but let me just mention two themes very briefly. That is, when this country, I believe, has been at its best, it has challenged the young people, and they have been very much involved in the shaping of the direction of our Nation and public policy.

I speak from my own experience, as one who was involved in politics through the late 1950's and elective office in the 1960's. And I can remember many young people, including students from my own State of Massachusetts, many of whom were not residents but were involved in the sit-ins at the lunch counters, the real awakening of the civil rights movement, supporters of Dr. King, and how they really struck the conscience of the Nation.

So many young people did not realize the extent and the length and the breadth and the scope of discrimination in our country. Young people were involved in those early programs. I can remember, as well, three young people—Schwerner, Cheney, and Goodman—who were individuals who gave their lives in the civil rights movement in the early parts of the 1960's.

Young people marched with Dr. King, and it was young people who were here at the time of Dr. King's great speech at the Lincoln Memorial. It was the young people who went all through the offices of Congress and the Senate and talked about realizing the real promise of America that was enshrined in the Declaration of Independence, certainly more so than in the Constitution of the United States. That was something that certainly President Lincoln recognized in his Gettysburg Address.

And then young people made a difference. We saw action taken in the Congress with the 1964 act, the 1965 act, 1967 and 1968 Civil Rights Acts that dealt with voting rights and public accommodation and housing and other issues. It was the young people in the late 1960's, in the Democrat and Republican Parties alike, who turned this country back from our engagement in war in Southeast Asia. They were repulsed by it, but they went back and turned their parents around.

Republicans and Democrats were involved in primaries in the Democratic Party, and they were involved as well in the Republican Party. The nomination went to a Democrat who was committed to ending the war, and a Republican who said he had a plan to end the war. But they really changed the direction of the Nation.

It was at the same time that young people were beginning to involve themselves in legal services programs, to bring the Constitution of the United States to many individuals who did not know about the 5th amendment and the 14th amendment, let alone the 1st amendment. They were young people that were involving themselves in the development of neighborhood health centers—Columbia Point in Massachusetts and Mt. Bayou in Mississippi.

It was young people again in the early 1970's that really awakened the Nation to the importance of preserving the air and water that we breathe and began to really ask important questions about toxic substances and pesticides and insecticides. On another issue, it was young people who cautioned about the proliferation of nuclear weapons around the world.

In all of these areas, it was young people that involved themselves in the National Health Service Corps to go to underserved areas.

I do not take the time of the Senate to talk about all those cases of young people involved in VISTA, or the old people involved in the Older Americans Volunteer Program, or the Grey Panthers, or other ACTION programs. Nonetheless, when we saw important and dramatic change, young people were very much involved in it.

Now, with the leadership of President Clinton, we are attempting to offer the opportunity of voluntarism, from the earliest of grades, into the program in the schools we call Serve America and to reach out to young people who may have dropped out of school and are looking for a second opportunity to involve themselves in community service, to challenge young people who are in school to engage in community service, and then with the direct loan program and contingency repayment, to challenge young people to work in underserved areas, and to have their loans repaid as a percent of income, and to continue the programs that permit many of our seniors to involve themselves in voluntary programs.

Basically, what we are trying to do is to open paths and avenues for Americans, from kindergarten through their golden years, to give something back. We have fashioned and shaped a legislative proposal that attempts to do so.

This legislation asks Americans to work together to improve their communities, and in turn inspire others to join them. These acts of service will touch the lives of all Americans, demonstrating how each must assume the responsibilities that American citizenship demands.

For those of us who doubt that Americans will seize this initiative and become more involved in community service—for those who doubt what service can do—for those who believe that national service benefits only participants, I ask that they look at how service programs at this very moment are contributing their efforts or their talents in protecting the Midwest areas threatened by flooding, and how service is helping to deal with the devastation of the flood.

In Iowa, the Iowa Conservation Corps is placing sandbags along the Mississippi, Raccoon, and Des Moines Rivers. Corps members will be shuttling drinking water to shut-ins and the elderly, and delivering FEMA pumps to low-income areas so residents can survive. One hundred and fifty young persons will be staffing emergency shelters and medical stations for those with flooded or destroyed homes. And scores of teenagers lined up at daybreak yesterday outside the JTPA office in Davenport, IA, for a chance to offer their services to assist in flood relief corps.

In Illinois, the Youth Volunteer Corps in the Quad Cities area made 400 calls and enlisted 75 teenagers in less than 24 hours. They provided sandbags for communities along the Mississippi as the river crested.

The Kansas City, MO, chapter of the Youth Volunteer Corps is working with the Salvation Army to remove the wreckage and assist in relocating residents left homeless by the flooding.

In Kansas, the Kickapoo Tribal Nation Corps is working to ease the flooding in the eastern part of the State. And the Youth Volunteer Corps in Omaha, NE, has provided food to relocated Nebraskans during the flood.

In Wisconsin, the Wisconsin Conservation Corps has two crews working in Black River Falls, cleaning out flooded basements and removing damaged plaster in homes. Corps members along the Wisconsin Fox River are working long hours placing sandbags to prevent the rising river from overflowing its banks. Almost 33 crews with over 200 corps members worked daily for 2 weeks in 12–14 hour shifts in Baraboo, WI, fighting a flash flood caused by 7 inches of torrential rain which fell in 3 hours.

These heroic disaster relief efforts are nothing new for youth service corps. Families in South Carolina

whose homes were devastated by Hurricane Hugo understood the value of these efforts when they worked with members of conservation corps from Montgomery County, MD, Atlanta, GA, and McKeesport, PA.

Rangers in Yellowstone Park were impressed by the strenuous work achieved by conservation corps from 14 States after the devastating fire in the summer of 1988.

San Francisco residents saw how effectively the California Conservation Corps and the local corps in San Francisco and Oakland East Bay helped rebuild the area after the 1989 earthquake.

But we do not need natural disasters like these to catalyze Americans into responding by helping others.

Across the world, many nations in this decade are witnessing a historic new commitment to democracy. In unprecedented numbers, Latin Americans, Eastern Europeans, and citizens of the former Soviet Republics are creating a new order and calling for real participation by the people in the institutions of their new governments.

While brave citizens in oppressed nations risk their lives for the right to self-government, large numbers of Americans fail to vote and continue to feel disconnected and disaffected from their communities. They have forgotten that democracy means not only the right to pursue their own self-interest, but the responsibility to participate in the life of the Nation in return.

A generation ago, during the cold war, Americans lived in the deepening shadow of the nuclear arms race. In an effort to involve the American people in helping to build his New Frontier and to promote world peace and international understanding, President Kennedy called on all Americans to ask what they could do for their country. Americans responded by the millions, and today, the Peace Corps bears witness to the enduring appeal of that ideal.

Today, the cold war has ended, but the challenges we face at home are as monumental as those we have faced at any time in our recent history. Crime plagues our streets and neighborhoods. Drug abuse is a national scandal. America has unprecedented numbers of homeless families. One in five children grows up in poverty. Twenty-three million Americans are too illiterate to read the headlines of a daily newspaper. We have failed to preserve our natural resources of clean air and water, and our national forests are at risk through exploitation and pollution.

We cannot meet these challenges without greater participation by citizens themselves. It is time to rekindle the sense of community service and commitment to others. The National and Community Service Trust Act of 1993 is an attempt to lay the groundwork for this task and to provide more effective national leadership and support in our common effort to reach these goals.

This legislation will achieve many purposes:

It will enable our Nation to respond to unmet needs with a new array of citizens ready to combat drug abuse, homelessness and hunger, protect our forests, parks, and streams, improve their schools and child care centers, and assist elderly and disabled members of their communities.

It will remind all Americans of the responsibilities of citizenship, by starting service programs in the earliest grades.

It will benefit those who participate in service programs as well, by expanding access to higher education and job training for those who would not otherwise have these opportunities.

It will teach young people about the needs of their community. By teaching them to help others, we will also be teaching them that they can help themselves.

The service-learning portions of the bill will encourage educational reform in elementary and secondary schools. There is no better way to inspire a child's interest in science than by analyzing and cleaning up a polluted stream. There is no better way to help teenagers improve their reading skills than by helping a first grader learn to read.

This legislation is vitally needed. It is strongly supported by President Clinton, and it builds upon our highly successful National and Community Service Act of 1990, which was enacted with the strong bipartisan support of 75 Senators. The 1990 bill has already helped to create a nationwide infrastructure of well-run State and local service efforts. This new legislation relies upon this strong foundation of existing programs.

As I stated previously, this measure should be as bipartisan and successful as the 1990 act. Community service has been one of President Clinton's most widely supported ideas, and it appeals to conservatives and liberals alike.

In the Senate, this broad support was reflected in the Labor and Human Resources Committee, which approved the legislation by a bipartisan vote of 14–3. All 10 Democrats on the Labor Committee and a majority of the 7 Republicans voted for the bill. We have worked closely with other Senators as well. Senators WOFFORD, NUNN, BOREN, DURENBERGER, JEFFORDS, SPECTER, and CHAFEE have all been especially helpful in developing the bill, and they deserve great credit for their skillful work and their strong commitment. The legislation is bipartisan for a reason—because it responds to ideas that are universal and that transcend partisan and political boundaries—ideas such as community, patriotism, responsibility, citizenship, and opportunity.

Through this legislation, we hope that nationwide, every State will make available the array of opportunities available in many States today. In Massachusetts, young people may serve for a year after high school through the City Year Program in Boston. In return, they earn a $5,000 scholarship. Pupils in the Springfield public schools begin a school-based community service program in kindergarten and continue through high school.

Organizations like the Thomas Jefferson Forum, Youth Outreach Weekends, Boston Community Schools, the JFK Library Corps, the Student Volunteer Resource Center, and Teens as Community Resources help young people volunteer outside the school setting.

Boston Partners in Education and Hand in Hand enable adult volunteers to assist schools and youth-serving agencies. Tufts University, Boston University, the University of Massachusetts, and other colleges and universities in the State encourage their students to serve in the surrounding communities.

Often, when I visit community agencies in Boston, I find former VISTA volunteers running these agencies, continuing to commit themselves to helping others through their service.

Through these programs, more than 10,000 Massachusetts young people are involved in service. They join the many VISTA volunteers and Older American Program volunteers serving in the State, and the countless other adults who serve through nongovernmental programs.

In recent years, I have had the opportunity to visit so many of these Massachusetts programs. I have seen the difference that a kindergarten pupil can make in the life of a lonely senior citizen. I have found third-grade classes excited by the opportunity to collect food for the homeless in their neighborhoods. I talked to a fifth-grader who helped create a conservation center and learned some basic science at the same time. In ways like these, even the youngest students can reap the benefit of serving others and helping in their communities. Once they make that commitment, they will keep it all their lives.

The National and Community Service Trust Act will create opportunities for many kinds of service from our youngest citizens to the oldest. Title I of the bill provides funding for States, localities, nonprofit organizations, and Federal agencies to establish a wide array of national and community service programs for Americans of all ages.

Title I reauthorizes the Serve America Program, which has been funded since 1990 by the Commission on National and Community Service. It provides $45 million to fund part-time service learning programs for young citizens through their schools and

through community organizations like the YMCA or United Way.

Service-learning participants are not paid, but they participate in community service programs that combine service with education. Such service is vitally needed, and studies have shown that students learn subjects better through this interactive mode of learning. Serve America's goal is to make such programs available to every student in America, from kindergarten to college, and to instill the habit of lifelong service.

Title I also offers specific opportunities for senior citizens by reauthorizing the Older American Volunteer Programs currently administered by the ACTION Agency. These programs are an extraordinarily effective and low-cost method of enabling senior citizens to become involved in community activities, such as assisting other elderly Americans or caring for foster children.

The legislation also recognizes that many citizens, having experienced service and recognizing its importance, will want to make a more substantial commitment to the country. To expand the number of full-time and part-time service opportunities, the bill authorizes $389 million in fiscal year 1994 to support national service programs with post-service educational awards. During this service, Americans will clean up the environment, respond to hunger, homelessness, disease, and poverty, tutor the illiterate, and meet other pressing needs.

In the Labor and Human Resources Committee hearings, many of the youth in these programs told us their service was the first time in their lives that they have felt they had something to contribute to their communities. For many, their experience is a turning point in their lives that can make the difference between lifelong employment and chronic welfare dependency.

These service opportunities will reward participants through a $5,000 postservice award. This award can be used for past, current, or future higher education, vocational education or training programs, and part-time or full-time study.

As part of the full-time national service effort, the bill reauthorizes the VISTA Program, which has proven its ability to address the needs of low-income communities for over 20 years. VISTA volunteers have demonstrated their commitment and effectiveness in improving literacy, promoting economic development, and providing other vitally needed services in communities nationwide.

The cost of providing full-time and part-time national service is modest compared to the value of the work done. Studies demonstrate that the work performed by youth corps is worth nearly $2 for every $1 spent. Where corps have provided disaster relief, such as flood relief, the work done is worth almost $3 for every $1 spent.

Such calculations do not include the equally important, but difficult to quantify, benefits which accrue to service participants through enhanced job skills, leadership skills, and self-confidence; lifelong commitment to community service; and increased participation as active citizens.

The skills gained can often enhance future Government revenue by helping participants to obtain paid jobs, or by reducing Government expenditures on social service and criminal justice for those who fall through the cracks of the educational system.

The program is not an entitlement. The bill specifies sums only for fiscal year 1994. In future years it will be funded only as fast as quality programs develop.

In 1994, 25,000 Americans of all ages will participate in the full-time and part-time national service positions with postservice educational benefits.

Title II establishes the structure to administer these service efforts. The bill folds the two existing organizations now responsible for the bulk of domestic national service efforts—ACTION and the Commission for National and Community Service—into a leaner, integrated organization called the Corporation for National and Community Service. This merger will occur over a 12- to 18-month period to ensure that it is well executed and achieves maximum efficiency.

The Corporation will be nonpartisan and entrepreneurial, with a bipartisan citizen board of directors. Its employees will not be under a civil service system, but will be covered by a more flexible merit-based personnel system. The Corporation will be authorized to solicit and receive private donations to help fund its efforts.

As in the 1990 National and Community Service Act, responsibility is given to the States to determine which local initiatives to fund, to ensure that the initiatives are responsive to local community needs. These decisions will then be ratified by the Corporation. The competitive process of applying through State commissions will guarantee that high quality programs will be funded and create a challenge for programs across the country to devise the most effective and creative uses of one of the Nation's most valuable resources—the time and energy of participating citizens.

This process builds on what already exists. Since 1991, States have had State-lead agencies to administer the 1990 National and Community Service Act. To ensure the quality of such agencies, the bill clarifies what must be contained in each State commission. In some cases, the State-lead agencies will continue to qualify. In other cases, the State will be given assistance to set up a new State commission. In all cases, the State commissions' efforts will be coordinated with the State ACTION offices and will often be located in the same facility.

Individuals wishing to participate in the national service program will be able to obtain lists of programs that have received funding and then apply directly to these programs to be included.

Finally, title III of the act includes funding for President Bush's Points of Light Initiative Foundation. The purpose of the Foundation has been to encourage every American to volunteer, to identify successful community service projects, and to promote leaders in community service. The Points of Light Initiative Foundation will help us meet our goal of facilitating broader involvement in voluntary service.

This legislation will not restrict funding for student financial aid programs in any way. Nor will it require any person to serve in exchange for Federal benefits. It will not impose a new bureaucracy on States or localities. It is designed to work through existing agencies and programs. Most important, it will not require any State, locality, institution, or individual to participate.

It is time for all Americans to roll up their sleeves too, and do more to serve their communities and the Nation. It is time to turn away from the "me" decade of the 1980's, and make the 1990's the decade of helping others.

Recently, I met with the first volunteers ever to serve in the Peace Corps. I asked them, why did you do it? How did you come to be a part of this ambitious new program, with so many risks and so little compensation? Their answer was a simple one—"President Kennedy asked," they said. No one had ever asked them to get involved before.

This legislation asks—and I urge the Senate to approve it.

I ask unanimous consent to have printed in the RECORD an outline of this legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OUTLINE OF LEGISLATION—NATIONAL AND COMMUNITY SERVICE TRUST ACT (S. 919)

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

Extension and improvement of programs in the National and Community Service Act of 1990 that enhance elementary and secondary

education through community service in schools, support after-school and summer programs for school-age youth, and fund service programs on college campuses.

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

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

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

Acceleration of implementation for the Stafford Loan Forgiveness program.

FOCUS OF SERVICE

National service must address unmet educational, environmental, human, or public safety needs. National priorities may be established within these areas.

National service must improve the life of the participants, through citizenship education and training.

Participants may not displace or duplicate the functions of existing workers.

CORPORATION FOR NATIONAL SERVICE

Structure

The national service program will be administered by a government Corporation for National Service, created by combining two existing independent federal agencies, the Commission on National and Community Service and ACTION.

The corporation will be responsible for administering all programs authorized under the National and Community Service Act and Domestic Volunteer Service Act, including VISTA and the Older American Volunteer Programs. The Corporation will also fund training and technical assistance, service clearinghouses and other activities.

The Corporation will have authority to combine the functions of the two sets of programs in order to reduce bureaucracy, but will maintain the distinct operational features of the VISTA and Older American Volunteer programs.

Current ACTION employees who transfer into the Corporation will remain within the civil service system, but all other employees will be governed by a more flexible, merit-based, competitive personnel system exempt from certain civil service requirements.

In order to build private and non-government support, the Corporation may solicit and accept private funds.

Governance

The corporation will have a fifteen-member volunteer Board of Directors appointed by the President and confirmed by the Senate. It will be bipartisan, representing a broad range of viewpoints, and include persons experienced in national service and similar programs; experts in providing educational, environmental, human, or public safety service; and at least one representative each of local educators and community-based agencies. Board members will serve for a term of 3 years.

Ten Cabinet secretaries will serve as non-voting ex-officio members.

The Board will appoint a Chairperson and Vice Chairperson from among its membership.

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

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

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

Oversight

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

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

The President will establish measurable performance goals for all programs.

STATE COMMISSIONS

Structure

In order to receive a grant, each state must establish a commission on national service or comparable entity. The corporation will provide funding for the state commission on a sliding matching scale, declining from 85 percent in year one to no more than 50 percent in year 4.

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

Commissions will have 7 to 25 members appointed by the governors on a bipartisan basis. There must be at least one youth representative, one representative of national service programs, one representative of school-based programs, one representative of older adults programs, one representative of local and state entities, and one representative of local labor organizations. Additional members may include representatives of community-based agencies, program participants, local educators, experts in service delivery, business, Indian tribes, groups serving economically disadvantaged individuals, out-of-school youth, and other volunteers. Board members will serve for a term of 3 years.

A representative of the corporation will sit on each commission as a voting member and act as liaison between the commission and the corporation.

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

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

ALLOCATION OF FUNDS

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

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

PROGRAMS

Goals

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

Eligibility

Programs eligible for national service designation include diverse community corps, youth corps, specialized service programs focusing on a specific community need, individual placement programs, campus-based service programs, programs that train and place service-learning coordinators in school or team leaders in corps programs, intergenerational programs, national service entrepreneurship programs, professional corps, youthbuild programs, and Communities in Action Programs.

Programs may be run by non-profit organizations, institutions of higher education, local governments, school districts, states, or federal agencies.

Programs may not provide direct benefits to for-profit businesses, labor unions, or partisan political organizations, or use program assistance for religious activities.

Selection

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

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

Programs serving communities of greatest need will receive special priority. These include communities designated as economically disadvantaged, environmentally distressed, adversely affected by reductions in defense spending, or experiencing a substantial reduction of population and having a high percentage of economically disadvantaged older adults. Fifty percent of assistance should be distributed to these areas, with a priority for recruitment from such areas.

Funding

All participants will receive educational awards.

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

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

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

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

PARTICIPANTS

Eligibility

Individuals may serve before, during, or after post-secondary education.

In general, participants may be age 17 or older. Youth corps participants may be age 16 or older.

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

Selection

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

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

Terms of Service

To earn an educational award, a participant may serve one year of full-time, two years of part-time service, or three years of part-time service in the case of students, in a program designated by a state or the federal government. An individual may serve up to two terms and earn up to two educational awards.

A term of service is 1700 hours. The Corporation has authority to develop provisions to offer smaller awards for shorter periods of service.

Educational Awards

Educational awards of $5,000 will be provided for a term of service. Educational awards may be used to repay loans for higher education or to pay for higher education or training.

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

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

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

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

Stipends

Programs will set stipends within program guidelines. However, federal support will be limited to a match of 85 percent of a minimum wage stipend equivalent to benefits received by VISTA volunteers. Programs may provide additional stipends up to twice this amount, with no federal match for the portion of the stipend in excess of the minimum wage benefit.

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

Health and Child Care

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

Participants will receive child care assistance, if needed.

SERVE-AMERICA

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

SERVICE-LEARNING PROGRAM

Program Goals

To build a foundation for service among the nation's youth, inspiring them to serve and instilling in them the values and attitude to serve effectively after graduation.

To create opportunities for all American children to serve our country.

Types of Programs

Programs may be partnerships of local education agencies and community-based organizations.

Local educational agencies may receive planning grants to hire service-learning coordinators.

Types of Funding

School-based programs will be eligible for funding through state educational agencies, partly based on formula and partly through competition.

State educational agencies must develop state plans that indicate programs to be funded and detail 3-year strategies for service-learning in their states. The Corporation must approve state plans.

Programs may receive one-year planning grants for school-based programs. Subgranting to experienced institutions for school-based programs will also be allowed.

All local programs will be required to provide at last 10 percent of total program costs in the first year of funding, increasing to 50 percent in the fourth. Local programs may utilize other federal education funds to meet the match requirement.

Training and Technical Assistance

Clearinghouses will be expanded to further enable them to disseminate information and curriculum materials; train teachers, service sponsors and participants; and provide needs assessments or technical assistance.

States will also receive additional resources to train and educate state educational personnel.

COMMUNITY-BASED PROGRAM FOR SCHOOL-AGE YOUTH

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

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

HIGHER EDUCATION INNOVATIVE PROJECTS

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

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

EXTENSION OF THE DOMESTIC VOLUNTEER SERVICE ACT OF 1973

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

VISTA

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

Authorizes new VISTA Summer Associate program.

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

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

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

Continues support for VISTA Literacy Corps.

SPECIAL VOLUNTEER PROGRAMS

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

OLDER AMERICAN VOLUNTEER PROGRAMS

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

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

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

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

Eliminates restrictions that limit the flexibility to administer the program.

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

ADMINISTRATION

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

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

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

Mr. KENNEDY. We know that we have important evaluations of these programs. We have a variety of different ways of approaching these challenges which some people will agree with and some on which people may differ. But what cannot be challenged is really the broad effort that has been made to try and reach out to the greatest number of Americans in ways that will permit them to involve themselves in giving something back to the community.

We recognize that by doing this, first of all, we benefit the community; second, we benefit the individuals who are involved; and third, with major aspects of this program we provide education benefits so that we can enhance educational opportunity for young people as well.

Mr. President, we will have an opportunity to debate this issue. Finally, I would say that, if there is a general comment that we might make about the state of where this society is at this time, I think we have to really wonder whether we have that kind of caring about community that has existed in our society when this country has been at its best. I think, for whatever reasons—and we can speculate on that and many of us have views about why that has come to pass—we do not have that sense of community that we have had at other times. I hope that perhaps through some of the efforts that are made in this legislation, we can enhance that sense of community. That is essential to all kinds of public purposes and all kinds of common efforts in terms of dealing with society's basic challenges and opportunities and hopes and dreams.

I thank all of those who have been a part of this effort. We will look forward to debating these issues. I understand, if I am correct, from Senator KASSEBAUM that she will offer her amendment in the morning. It will be our intention to have that as the first amendment that would be considered. And then we hope to move along in an orderly fashion to address other matters of concern to the membership.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. CAMPBELL). The Senator from Oklahoma.

Mr. NICKLES. Mr. President, first, I wish to compliment my colleague, the Senator from Kansas [Mrs. KASSEBAUM], for her leadership and for taking a courageous stand because it is not easy sometimes to stand up to a program that obviously has momentum. This program has passed the House and in all likelihood will be passed by the Senate.

It is my hope it will not be passed. I rise in opposition to this piece of legislation. First, I would like to mention I was in an appropriations meeting just a couple hours ago, and Senator BYRD, chairman of the Appropriations Committee, lamented the fact that we have a lot of spending that is growing and growing out of control. As a matter of fact, we just marked up the Department of Agriculture appropriations bill, 77 percent of that bill is mandatory spending.

For those who do not understand the definition, that means that spending is basically mandated by law and will continue to grow by law unless Congress changes that law, which, of course, we have the right to do and, frankly, we should do in many cases. Mandatory spending or entitlement spending or automatic spending is growing at many times the rate of inflation.

Frankly, Mr. President, Senator BYRD said something about authorizations. They are easy to pass and everybody loves to run down to the White House and have their picture taken with the President when he signs a very important piece of legislation and they pass the pens around. And then later we have to pay for it, and pay for it either in the appropriations process or we just pass blank checks. And we see some of these programs exploding costwise.

Mr. President, I rise in opposition to this legislation, not because I am against national service. I like people serving our country, serving their community. This bill has a beautiful title, the National Community Service Trust Act of 1993. Who can oppose such a piece of legislation? This legislation has a great title, but also has enormous capability to explode in cost.

Mr. President, the bill we have before us would cost the taxpayers, $394 million in fiscal year 1994. I am talking about the cost of national service, and I might mention the piece of legislation before us authorizes or reauthorizes other pieces of existing legislation. But I am going to talk for now about the new reauthorization that is in this bill, the National Community Service Trust Act of 1993.

It funds President Clinton's first year program at $394 million, about $400 million. Under the President's suggestion, that would fund 25,000 national service—I am going to use the word "jobs,". The reason why I hesitate to do that is because I think this bill suffers a little bit from an identity crisis. I heard some colleagues say it was a jobs bill and talk of the CCC, the Civil Conservation Corps, which was a jobs program where people went out and built buildings, bridges, and highways.

Mr. President, I do not know if anybody is aware of this, but you cannot do this under this bill. This bill would prohibit anyone from having a job that would compete with anyone that happened to have a union card. So you are not going to be able to build buildings or bridges. You are not going to be able to build a lot of these so-called CCC-type projects that we had during and after the Great Depression.

Some people have called this an education bill by which we are going to help thousands of people obtain a higher education. Again, if this is an education bill, it is a whole lot of money that is directed that will help very, very few. It will help very, very few.

We have recently had so many people making so many speeches about holding down Federal spending and saying how they won't raise new taxes to fund new spending. We just passed the largest tax bill in history through the Senate. Now the conferees are working on it, and whatever package they come out with, it will still be the largest tax bill in history.

This is one of the new spending proposals that will fund. This is new spending. This is not old spending; this is new spending. This is a new program that explodes in cost. The first year cost in 1994 will be $394 million. That cost more than triples by the next year, $1.25 billion. That cost almost doubles in the next year to $2.4 billion. And then by 1997 we are looking at a program that is $3.4 billion. The total cost of this program over 5 years is $10.8 billion. That is new spending. That is additional spending. That is spending that we do not have on the books right now that we are getting ready to authorize, that we are going to be telling the appropriators to appropriate.

So, again, I think it is important that we look at the cost of this bill for those that are making rhetoric about wanting to hold down Federal spending. Maybe my colleagues will bring up the super collider or bring up the space station, the only two programs that many of my colleagues have been willing to cut. Here is a program that, in my opinion, we should not start, that we cannot afford, and we at least should acknowledge the explosive potential cost of this program, and then make a decision about if it is the right thing to do.

Mr. President, I think it is important to compare this program with two educational program that we now have. I have already mentioned it is not a jobs bill. If it is a jobs bill, we really need to change it because to qualify you only have to work 1,700 hours a year. That is not very much work. That is not a year's work in my State. As a matter of fact, we would probably be teaching people poor work habits if that is the case. But they cannot do a job that produces a product or that would compete with any type of union labor throughout the country. So it is not really a jobs bill. At least the bill as defined right now, some people will call it a jobs bill, but it is not a jobs bill.

Is it an education bill? I heard President Clinton and others talk about how this is a great benefit for education; this is going to send thousands of people to school who otherwise would not be able to do so. If that is the case, in my opinion, it is a very poor use of our dollars.

Let us look at other educational assistance that we now have in the country. We have Pell grants. And in the 1991–92 academic year we had over 4 million beneficiaries for Pell grants, and it cost the Government about $5.4 billion. We had student loans, most of those guaranteed student loans. We had almost 5 million beneficiaries in student loans at a cost to the Government of a little over $2 billion. That is not the total amount of loan money, that is the cost to the Government, including default costs, interest expense, and so on.

Compare that to national service. Under national service you only have

150,000 beneficiaries at a cost of $3.4 billion.

Mr. President, I hope that people will realize this. Only 150,000 people would benefit and yet the cost is more than we have in student loans, and you have almost 5 million people benefiting in student loans. In other words, this is an inordinately expensive educational program, if that is what this is supposed to be. We can help a lot more people with the existing system we have with Pell grants and student loans. You can help millions of students or potential students with the existing system that we have far more economically than we can with national service, which only helps 150,000 at the enormous cost of $3.4 billion. I might mention there is something like 16 or 18 million students.

I sat in on appropriations hearings where we had administration officials singing the praises of this program.

This bill, this authorization, is not just limited to students. It is wide open. It is open to anybody. It is open to senior citizens, it is open to young people; open to people before school, after school. But it is going to help very, very few people.

Mr. President, if you compare the cost on a cost-per-person basis, I think it is even more revealing. Pell grants in the 1991-92 academic year cost, on a per-person basis, $1,335. Student loans cost the Government $416, again on a per-person or per-beneficiary basis.

But the cost under the national service program that we are debating today, by the year 1997 will be $22,667, and that is if the administration gets their budget and helps the number of people that they have suggested.

You might say, "Where did you get that figure, Senator Nickles?" That is astronomical. That is almost 50 times the amount per person as student loans. "Where did you get that figure?"

Well, that comes from the administration's budget that says that they want to spend $3.4 billion and they are going to have 150,000 beneficiaries. That is what the program costs. For the first year, spending is $394 million, and it is estimated to help 25,000 students or 25,000 participants. That costs $16,000 per person per year in the first year.

You might remember, Mr. President, they are eligible for 2 years. And so, for the bill that we are passing right now, we are going to tell a person, if they are eligible, they can receive 2 years of benefits. If next year it costs $16,000 and they can qualify for 2 years—that is $32,000 per person.

In 5 years, if we look at the administration's figures, or 4 years, actually, it is $22,667 per person per year. If you multiply that times two, you are talking about $45,000 cost to the Federal Government per person who participates in this program for 2 years.

Now, again, keep in mind and compare that to student loans and Pell grants, where we are helping millions of people. There is no comparison.

So if it is a jobs bill, it falls fatally short, because they cannot do real work; it is restricted by the bill. If it is an education bill, this is a poor use of our Federal Government's money, a very poor use.

We can take this money and we can help people—either through grants or through loans—and not do something that requires them to have 1 or 2 years of public service that we have to provide a job of some sort. We have to provide something for them to do and we have to pay them, presumably, at least minimum wage. But I think the program is actually designed after other national community service type programs that typically today cost about $16,000 per year per participant. And then we are also going to provide health care—and that cost has been exploding—and day care service.

And so my point is, Mr. President, these costs are enormous and they are real.

I do not take any great pleasure in coming out and speaking out against this. This is no fun.

A lot of people just say "national service." They do not know what it means, but it sounds good and I am for it. So you start trying to figure out: Wait a minute. Who is going to pay the bill? You start asking questions: What are these people going to do?

The bill restricts them from doing many types of jobs, so it falls into the definition of community services.

Who is going to make that decision? Well, we are going to create a whole new Federal bureaucracy to make those decisions. Again, I have some reservations about that.

Mr. President, I also see them competing with volunteers. If they are not doing jobs as defined in the marketplace—producing a product or a service or something, that is prohibited; they cannot build a building; they cannot build a road; they cannot do something that would take a job from one of your constituents in Colorado; in other words, they do not want to compete with the existing labor force—who are they going to be competing with?

I heard some people say: "Well, it is going to be volunteers."

We are going to pay these participants for 1 year or 2 years, we are going to pay them for the community service that they are going to provide.

I would assume that every one of my colleagues has been active in community service organizations, in charitable organizations, in the United Way and Red Cross and Boy Scouts and Girl Scouts and you name it, helping people with physical and mental disabilities. And I am sure, if you looked at everybody's résumé, they have a list of charitable organizations that is very long. And I compliment them for their effort.

Mr. President, in 1989, 38 million people worked as volunteers—38 million people—and they did so at no cost to the Government.

This bill is going to provide about 150,000 people to perform community service. It does not even show up as a percent of the volunteers that we have in this country. And some of these paid volunteers or paid community service workers are going to be assisting and in some cases competing with existing volunteers.

I cannot help but think that there is going to be some confusion. I cannot help but think there might even be some resentment from the nonpaid volunteers who are donating their time in rural Kansas or Oklahoma providing the service that needs to be provided. They feel a community need and they do it. Maybe it is delivering Meals on Wheels, maybe it is doing some other type of community service, assisting people that are hungry or homeless or whatever. They are providing a service at no pay or maybe little pay or whatever.

Yet now we are going to have 150,000 new workers, which is not even one-half of 1 percent of the 38 million volunteers that we have in this country.

But, wait a minute. What about the nonpaid volunteer, who says, "We are doing the same thing. Why should you get this benefit and I am not? Doesn't the Government owe me something?"

We are going to be setting up expectations for people that have been providing volunteer services. They will see other people providing community service under this new proposal and say, "Wait a minute. This is inequitable. You are getting paid for this. I am not getting paid for this. This is not right."

Are they going to withhold their services? Are they going to demand that they be paid?

I see a real inequity. I see us spending billions of dollars—$3.4 billion a year in 1997—to provide 150,000, which is minuscule to the needs and demands that we have across this country to provide community service.

We have a need for community service. I hope no one misconstrues my opposition to this bill to say that we do not have problems in our communities or that we do not have demands that are unmet and need to be met. No, we do.

But I do not think this bill will do anything that will even show up on the scope of really solving some of the unmet needs that we have in our country.

I do not doubt that we will have some success stories. I do not doubt that you will not have some good work—and maybe it will be in downtown or urban D.C. or New York City—helping in an urban clinic, or maybe it is on an Indian reservation. Somebody says, "This is good. This is helping people.

This is getting kids immunized." I do not doubt you will have success stories out of 150,000 people. Do not misconstrue my opposition.

My point is you have 38 million volunteers. We may need 50 million volunteers to do all that needs to be done.

The point is, we are going to be paying $3.4 billion and it will not come close to meeting whatever needs are out there.

Are we going to pay a greater percentage of the 38 million people who are donating their time to the Red Cross or the Boy Scouts now that are doing it because it needs to be done?

We cannot afford this. Mr. President, we cannot afford this bill. This bill is a brand new bureaucratic, explosive, costly bill. It is going to cost a lot of money.

Mr. President, I might mention, too, I have some serious reservations about what these individuals are going to do.

We do not know what they are going to do. A lot of it is going to be for Federal agencies. We are going to tell the States that they have to set up their own service commissions. And what they will end up telling these 150,000 individuals we do not know. My guess is, some of them will be doing very meritorious work. But my guess is a lot of them will be doing things that are less than meritorious. A lot of them will be doing things that probably a lot of us will be quite concerned about.

I am afraid, in some cases, they will be doing things that will be teaching them bad habits instead of good habits. Some people will be construing this as a job and they will think, yes, it is close enough for Government work. They will only have to work 1,700 hours a year.

If you work 40 hours a week that is 2,080 a year. A lot of people are going to be construing this as a job and, frankly, I have a feeling that work requirements, or the habits that are going to be acquired under this program are going to be a lot less demanding than those in the private sector. They may learn some bad habits. They may learn some things that will not be conducive for them to climb the economic ladder or to get a job in the private sector. Or they may think that they have to be paid to do volunteer work, and I hope and pray that is not the case.

I can see it being very open for abuse. I do not know if this means in some cases, some cities are going to say yes, I want x many volunteers. They might end up in my hometown, in Ponca City, watering the grass around Main Street. They did that earlier, under a previous jobs program. Is that what we really want our young people to do?

I almost hate to come out and oppose this program but I think I would be remiss in my duties in not at least sharing my concerns about what this bill means, as far as its cost, as far as what it might do to volunteers across the country. So that is the reason why I have raised these objections. I also think I can count votes and I see this bill passing.

I think the Senator from Kansas [Mrs. KASSEBAUM] has an amendment that is a marked improvement over this bill. I hope it will pass. I, likewise, have some amendments that I think will make it better. But, frankly, I do not think we can afford this bill, and I do not believe it will be a positive for this country if this bill is passed in its present form. So I am hopeful some of these amendments, that will be discussed in the next couple or 3 days, will be passed.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania [Mr. WOFFORD] is recognized.

Mr. WOFFORD. Mr. President, I look forward to the amendments of the Senator from Oklahoma, which may make the bill better, and I look forward to working with the Senator from Kansas, who has helped steward this process today, as we, tomorrow, go into the details that will build a bill that I hope gets strong bipartisan support. But before we perhaps close tonight I would like to make a few points in response to what the other Senator from Oklahoma has said. In fact, I would like to comment on what both Senators from Oklahoma have said.

First, Senator NICKLES' numbers in those charts are not in S. 919 which only authorizes specific funding for 1 year, and provides that the further years, the other years authorize such sums as Congress might choose to authorize.

Mr. NICKLES. Will the Senator yield on that point?

Mr. WOFFORD. I yield to the Senator.

Mr. NICKLES. So is it the Senator's intention to leave the funding at the present level adjusted for inflation? Or is it the Senator's intention to try to fund President Clinton's request, which is in my previous chart that goes up to $3.4 billion in the next 4 or 5 years?

Mr. WOFFORD. The President has not proposed an entitlement program. He has charted what might be a growth over 4 years to something over 100,000 full-time participants in a year. Which, if it came to pass, would mean that over 4 years we have in this program something like a total of the Peace Corps volunteers over 34 years. But it is such sums as Congress may appropriate from year to year. And it is not only this Senator's intention but it is the purpose of the bill to let this growth, if it is growth, come as a result of what you might call the market. And the market has two factors in it: How many people, particularly young people, seek to give full-time service and who will volunteer for full-time service—and some small portion for part-time service under the program the Senator from Maryland has pioneered; and the other even more important part of the market is whether the programs and the work they do, the jobs they do, the service they render, and the education the participants get, seems to communities and to the taxpayers of the United States and to the Congress, to be cost-effective and worthwhile.

Mr. NICKLES. Will the Senator yield? I put some facts in the RECORD and I would like the Senator to acknowledge that these are, one, President Clinton's budget request numbers; and, two, that we are fully funding his first year of the request. And if the Senator plans on likewise supporting his subsequent year request.

Mr. WOFFORD. Let me not be confusing. I am one of those who agrees that this should only grow by the market testing that will go on. That it is not an entitlement. And it is going to grow or shrink, year to year, by how it proves itself.

But I am very much in line with the spirit of the other Senator from Oklahoma who gave us the description of the Civilian Conversation Corps of old. When Roosevelt got the report that there were half a million young men on the streets of America unemployed he said, I want to get those boys in the woods. And he proposed a Civilian Conservation Corps. He called in the Secretary of Labor, Frances Perkins, and said I want you to develop a plan where you will recruit those young men and get them into the woods, in action, in service, in work. I want the Army to give the structure to it. And I want the Interior Department to find the hardest projects that the Nation most needs.

And in about 10 days they sent to Congress such a plan. And the Senator from Kansas would relish the fact that it was a bill that took 1½ pages to authorize the CCC Program.

Then he said, I want by the end of the summer to have a quarter million young men in the CCC camps. And by the end of summer there were 300,000 young people in those camps. The most notable organizer of those camps was a colonel named George C. Marshall. So the first Marshall Plan was the CCC Program.

Do I yearn for that kind of a program? Do I think we know enough from the pilot programs to, now, not just be a pilot program but to ignite the whole? I do. Do I think there is any chance we would act that way, either with a 1½-page bill authorizing the President to build this program with that kind of authority, or on that scale today? No. Granted the present state, the critical state of our economy and our deficit, do I think that kind of growth is going to take place? No.

Do I think we should start on a smaller scale than the 25,000 full-time

opportunities provided in this nearly $400 million appropriation for the first year? No.

Some have said it is starting much too small, that millions of young people were stirred by this and would like to be part of it. And some have said today it is too large. I think the strategy is about right.

I would like to just also respond to the point of the Senator from Oklahoma that it is not a jobs bill, for one reason because he suggested people could not build buildings, build homes. If you look at the test service corps around the country, a great many of them, from the Philadelphia Youth Service Corps, and West Philadelphia Improvement Corps, to the Youth Build and City Year Programs in Boston, it is building indeed that they do a lot of.

And it is not precluded because of union opposition, if you have unions in on the planning of it from the beginning. The West Philadelphia Improvement Corps enlisted the help of the carpenter's union. They assembled a group of dropouts and at-risk young men in a west Philadelphia high school with a master carpenter, a retired member of the carpenters union.

They built homes for low-income people. The esprit de corps of those young men building it was extraordinary. The master carpenter who supervised them said it became something of great pride for the carpenter's union. In the first group, 4 of the 12 passed into the apprenticeship program of the carpenter's union, and they built a lot. So building can, indeed, be part of what this bill will promote.

Mr. NICKLES. Will the Senator yield just on that for a question? It is my understanding that there is a prohibition from doing work that would in any way compete with an existing job. Maybe I am overinterpreting that, but buildings are now built by existing workers, and so I am interpreting that provision to mean that this is not a CCC bill; that individuals cannot build roads, highways, bridges and buildings, courthouses, and so on, which were built in the late thirties.

Mr. WOFFORD. If the Senator interpreted it that way, there would probably be no work that anyone could do under the bill. That is, indeed, not a fair reading of what the bill says, and if there is any further clarification of that, we will have time to debate that in due course.

You said it is not an education bill. There are two ways it is an education bill. In the first place, it will help, in a modest fashion, those who engage in a full year of service to pay off their college or educational loans or to accumulate the money to go to college and pay their college costs at the rate of $5,000 a year, which is something less than the accumulated average loan of those who go to a public 4-year college.

It could be of significant assistance to 25,000 young people who might participate in this next year, but it is another kind of an education bill because the participants in it are getting some of the most powerful forms of learning in the experience they will have.

Our Economic Development Partnership in Pennsylvania did a major study on the work force of the future in Pennsylvania, preparing for the work force of the year 2000. Our top corporate, educational, and union leaders in Pennsylvania participated, and they concluded that the qualities most needed in the work force of the future, and in the entry level jobs in the corporations represented on that task force, were the qualities you get from the intense experience and the discipline and self-discipline you get from a good youth corps where you learn initiative, responsibility, hard work, and teamwork. They concluded that the very qualities for the kind of citizen you want in this country are the qualities you want in the work force of the future; that service is a way to a productive work force. Those qualities are the qualities that can come out of this bill.

But above all, this bill is a service bill, and there is a confusion that has just been demonstrated by the Senator from Oklahoma—I think, promoted—in suggesting that service by part-time, unpaid volunteers is somehow the only kind of service, and the service of full-time members of the armed services, of the Peace Corps, of the new CCC Program that this body approved last fall, and the full-time service of the service corps and the conservation corps from around this country are somehow not service because they are getting essentially minimum wage stipend, living expense stipend, and an educational bonus at the end of the year.

I submit that instead of being in competition, those two forms of service are complementary. As the Senator from Maryland [Ms. MIKULSKI] said a little while ago, one of the ways you get people to develop the habits of the heart that involve, thereafter, throughout their lives engaging in citizen service, in volunteer services, and unpaid service is to give them the experience. It gives them the excitement that the Senator from Connecticut talked about when he went into the Peace Corps. It gives them that kind of experience from which, when they come home, they, like the 150,000-some former Peace Corps volunteers who have proved this in practice in this country, will be an enormous new explosion, not explosion of cost but explosion of service in the private sector for the rest of their lives.

The Peace Corps—1,000 return volunteers whom I met with a few weeks ago in California—gave a lot of testimony of what has happened in terms of the Peace Corps becoming a multiplier factor for volunteer service. It is complementary in another way, and that is that many of the volunteer service programs no longer have the old constituencies which, to a large degree, often consisted of women. Now as women are rightfully becoming a central part of our work force, there is not the volunteer service corps and cadre that they counted on from unemployed women in our society.

Many of the private sector organizations that are supporting this bill—American Red Cross being another one—are saying that if they could have a corps of 10 full-time young people, or 100 full-time young people for this program, those participants in national and community service could be the cadre, the full-time body that enables hundreds and hundreds of other volunteers to be utilized, whether they are younger volunteers from school-based service learning programs, or older volunteers in the community.

I have been meeting all over Pennsylvania with private sector organizations who are leaping with enthusiasm at the thought that they could have a cadre of full-time participants who would mesh with, and help expand, their part-time volunteer service.

We will have a chance to debate some of these before long, but I would just like to close on the motto of the CCC Program of old, which answers what kind of a program it is: Serve, earn and learn. It is a program by which you earn a modest amount that helps people go through college. It is a program in which you learn active duty citizenship and many skills that are necessary for our work force of the future and, above all, it is a program where you serve your community and your country.

Mr. NICKLES addressed the Chair.

THE PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I would just like to clarify something. My colleague has been singing the praises a little bit of the CCC Program, Civilian Conservation Corps, which did build buildings, and so on. I stated in my statement that I did not think this would happen under this bill.

Do I stand corrected, is it the Senator's opinion that through this bill, these 150,000 individuals will be building bridges, courthouses, and dams and other projects that were built back in the thirties?

Mr. WOFFORD. Mr. President, I will suggest that the courthouses will probably not be on anybody's building list under this bill. But Habitat, for example, which President Carter has been such a large part of, is one of the building programs for homes for low-income people that has utilized the services of youth corps people all around this country.

The structure of this bill is one in which the private sector—organizations such as Habitat, for example, colleges, universities, American Red

Cross—will be invited to propose to the State Commissions on Service the kind of well-structured, disciplined service programs that are not taking jobs away from people who are presently employed, that meet the terms of this bill. It is an invitation to the inventiveness of those private sector, and independent sector organizations, and cities, and States, to propose programs that will compete in this marketplace of service for the quantum jump in full-time service this bill provides.

Mr. NICKLES. Mr. President, I appreciate the very lengthy answer, but I think the answer is that they will not be building community-type buildings. They will not be building dams. They will not be building bridges. They will not be building basic-type infrastructure that was built during the thirties.

I mention this because I have heard other colleagues allude to the grandeur of the olden days, coming out of the Great Depression with a big jobs program by the CCC. I will tell my colleague, in section 177 there is a statement dealing with nondisplacement. It says 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.

I see that certainly as any construction project that has any size to it. I also see a problem—the Senator mentioned the Red Cross, and I could think of some other volunteer organizations. Sure, they would like to have the Federal Government pay for some of their volunteers. They have to pay for it now. They have to go out and raise money. They would love to have it—some of them would. I would think that some of them are smart enough to avoid such a pitfall. Many are very reluctant to have the Federal Government intrude. But I am sure there are a lot of organizations that would love to have Uncle Sam pay for some of their hired help or pay for some of the people who do staff work.

I might mention, when we talk about nonduplication, also section 177, it says 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 to the locality of such a program.

Mr. WOFFORD. Will the Senator yield?

Mr. NICKLES. Just a moment. I happen to think those 38 million people the Senator alluded to earlier are providing some kind of service. They are volunteering, maybe not on a full-time basis. They may be part time.

Mr. WOFFORD. The Senator, it seems to me, is continuing the confusion I do not understand between full-time service, whether in the military service or the Civilian Conservation Corps of the States that are existing today, or the new service corps that are existing in this country, and unpaid, part-time volunteer service. To suggest that that full-time service, whether in any of those enterprises that I just listed, should be unpaid, with no living expenses, no stipends, is to say that those programs, full-time programs, should be programs for the rich.

Who does the Senator know who is able to give full-time service other than someone who is retired? I would like to know who the Senator knows, the thousands and thousands of people, who are not very rich who can give full-time service without some kind of stipend to live on.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. I believe I still have the floor.

The PRESIDING OFFICER. That is correct.

Mr. NICKLES. Mr. President, just a couple of general comments and I will end this debate, and I will answer my colleague's question.

I think it is absurd to assume that we want to have the Federal Government come in and pick up and pay for the community service needs in this country. If that is the case, we are in serious trouble. This bill is going to explode to a lot more than $3.4 billion. This bill—and again I say to my colleague from Pennsylvania, I appreciate his frankness and I appreciate his openness—he said should be demand driven.

Mr. President, this program has so much potential to explode in cost. That is one of my problems with it. For $3.4 billion, we are going to help 150,000 people, not necessarily relegated to student status, either prior to school or after school. It could be at any age level. There happens to be something like 16 to 18 million students right now. And if this is a pretty good deal because you see benefits that are accruing where the cost is $22,000, the benefits look like they are going to proximate VISTA, which is approximately $16,000 this year and will only increase—that is $16,000 a year. For 2 years, that is $32,000. That is just the beginning.

You add the educational benefits on top of that, and this thing could be enormously expensive. And if it is going to be demand driven, if it is really a good deal, I am sure there are going to be a lot of people on various reservations in Colorado, New Mexico—I know a lot of people in my State say, wait a minute; this is a way for us to at least have some sort of a job, and Uncle Sam is going to take care of us, is going to give us health care. Uncle Sam is going to give us day care. Uncle Sam is going to help pay for our college.

Mr. President, the demand for this program can explode, and Congress has a tendency to respond if people are knocking the doors down, saying we have to have more money for this.

My colleague has alluded to the success of the Peace Corps. The Peace Corps last year cost $39,000 per participant. The Youth Corps is $20,000, VISTA $16,000. This thing can really explode. That is my point.

Do I think 150,000 paid Federal participant in this program are going to displace 38 million volunteers? No. Do I think it is going to create some inequities? I will answer part of my colleague's question. I serve on the Salvation Army Advisory Board in Ponca City, OK, and I have for years. We have people who work in the Salvation Army who receive almost no money but they cook meals every day for the homeless. We have people who are working, maybe some paid, some not paid, who distribute clothes to the people who are less fortunate. If they receive pay, their pay is so minimal it does not meet anything even close to the stipends. And I am sure they do not have benefits in addition to it. I think even the captain, who is head of the Salvation Army, his total pay and benefits hardly match that which we are talking about, and he is in charge of a large distribution, of a large—I guess you would call it a soup kitchen. They provide meals for the homeless throughout my region of Oklahoma.

My point is, the pay and benefits to the organization—and I am happy to be part of it, to be associated with it—the pay and benefits for those staff people is almost de minimis. I cannot help but wonder that some of those people are doing it because the job needs to be done; they are doing it for love out of their heart, but they also know their fellow man needs some help. But if they see another person coming in and doing a like-type function and maybe working a lot less, because that 1,700 hour requirement is not nearly as demanding as some jobs, and then getting $5,000 a year to boot, on top of that, to help in educational expenses, I see some inequities. I see some real problems.

Maybe some organizations would say we want Uncle Sam to help us pay for this; so they would charge ahead and sign up and they will endorse the legislation hoping they are going to get some workers, hoping Uncle Sam is going to help pay for some of their staffers. That may be the case. I do not know.

But the point is if you have a demand-driven system or if you take the cost expected by President Clinton and his administration as requested in their budget, this program has enormous potential to explode and cost taxpayers a lot.

I say that at the same time we are marking up a tax bill, presumably under the guise of deficit reduction. I say that because Congress is in the

process of spending the money, the new taxes that the Ways and Means Committee and the Finance Committee conferees are trying to raise. We are going to be spending it faster than they can bring it in. They are going to be bringing it in. They are going to be socking it to a lot of people with maybe a gasoline tax, a tax on Social Security, a tax on the wealthy, a tax on business, on anybody who pays alternative tax. And so they are going to sock it to them in new taxes and Congress is going to be spending it before the tax bill is completed.

I say that because I am very sincere that I see that as this type of a solution. Are there demands out there that need to be met? Yes. Is this a solution? No. Is this a solution towards an education bill? No. This is outrageously expensive compared to Pell grants or compared to the Guaranteed School Loan Program. If we want to do something towards education, let us make some improvements in the existing legislation we have that is many, many times more economical than the legislation we are now considering.

Mr. President, I yield the floor.

Mr. WOFFORD. Mr. President, just one more point, which is that a year from now, I hope since all we have before us is a proposal for a 1-year program for 25,000 people in full-time service, we will be back debating whether the record of what they have done and the record of the leadership of organizations like the Salvation Army in organizing programs, in proposing programs for community service, has proved itself.

If the attitude of those organizations is we are getting a few more staff members, the way it was with many social agencies under the Comprehensive Education and Training Act, CETA, I for one would be voting against it next year. If what we get is some of the things that are feared here, I will vote for at least reducing it.

We will meet again next year, and I would not be surprised if the Senator from Oklahoma finds a little different response from the Salvation Army or from the Police Athletic League.

Everywhere I have been in Pennsylvania, including talking recently to the Salvation Army people, who do wonderful work, they come alive with the thought. Most recently, the police leaders of a number of cities in the United States were in Philadelphia, and we presented this bill to them. They came alive with the thought of what they could do building onto their Police Athletic League with a group of full-time, young people in the neighborhoods where they are doing community policing, the kind of leadership they could give—the hardest jobs you ever loved.

And it is only if that is the spirit of the hardest job you have ever loved of serve, earn, and learn. If it is a reality, then next year both Senators from Oklahoma may want to expand it. If it is not a reality, then I will join this Senator from Oklahoma in favoring a reduction of the program a year hence.

Mr. AKAKA. Mr. President, I rise to support S. 919, the National and Community Service Trust Act. This bill promotes the American spirit of community and generosity. It offers an opportunity for the youth of our nation to earn funds to pay for their education, and it will ensure the continuation of successful programs for older Americans.

The youth of our nation is one of our most important assets, and we must invest in it to ensure our preservation. President Nixon once said, "Nothing matters more to the future of this Nation than insuring that our young men and women learn to believe in themselves and believe in their dreams, and that they develop this capacity. * * * America's most priceless assets is the idealism which motivates the young people of America."

Mr. President, S. 919 is the mechanism that perpetuates this idealism and reinforces our belief in man's humanity. It allows our young men and women to serve our Nation and, in return, provides them the means to further their education. Volunteers will assist their fellow Americans in a number of ways—tutoring children to assisting at-risk youth groups, helping to clean and protect our environment, or lending a helping hand to our Nation's elderly. This bill recognizes the self-sacrifice of Americans and attempts to reinforce our country's ethic of rewarding hard work.

Whether part-time or full-time, young or old, the National and Community Service Trust Act expands upon the outstanding success of previous service programs. It reaffirms our commitment to national service by building upon the foundation of two existing agencies, the Commission on National and Community Service and ACTION. Program participants will be able to receive a small stipend for living expenses, health care, and, if necessary, child care. These benefits ensure that the program is not limited to a specific group of individuals, but allows all Americans to participate in serving their country. Priority will be given to those individuals who come from the areas being served, and at least half of the funds provided by the bill will go directly to needy communities.

Younger Americans are not the only individuals to benefit from this bill. S. 919 reauthorizes the Volunteers in Service to America [VISTA], Retired Senior Volunteers, Foster Grandparents, and the Senior Companion Program. These programs provide our matured and experienced individuals to share their wisdom with our youth and their time with our elderly. Over 500,000 older Americans work with children, including those with exceptional or special needs, and provide companionship and assistance to other senior citizens.

President Clinton first proposed his season of service during last year's campaign, which was supported by millions of Americans. Hopefully, this bill will mark the beginning of a great humanity toward fellow human beings—a new beginning where Americans can choose their profession, not on the basis of salary or status, but on their ability to achieve personal satisfaction. S. 919 will allow Americans to choose a path of public service, without the financial burdens of education swaying their decisions.

The National and Community Service Trust Act of 1993 is an opportunity to unite this Nation by bringing together Americans from across this country in a reaffirmation of our values. Thirty years ago, Americans rose to the challenge in meeting the needs of Third World nations through the Peace Corps. Today, we are asking our citizens to once again rise to the challenge of meeting the needs of its own citizens. I have no doubt that we can meet the challenge.

Mr. President, as an original cosponsor of S. 919, I urge all my colleagues to support this important bill.

Thank you, Mr. President, I yield the floor.

Mr. HARKIN. Mr. President, a few days ago I returned from Iowa where I saw the massive destruction from the most devastating natural disasters in the history of my State and the Midwest. Flood waters and excessive rainfall over the past 4 months have ravaged every single county in the State.

The disaster encompasses the entire upper Mississippi and Missouri River Valleys and the destruction is heartbreaking—hundreds of thousands of people without safe drinking water, thousands of families driven from their homes by raging rivers, more than a billion dollars in crop damage and countless businesses destroyed by muddy flood waters.

In the midst of all of this despair, I also saw thousands of volunteers—individuals who have banded together to help their neighbors and save their communities. Volunteers are playing a vital role in helping communities survive the floods and will be critical to cleaning up, rebuilding and recovering from this natural disaster. It will take millions of hours to clean up and restore the homes, businesses, farms, neighborhoods and communities that have been demolished or damaged by this disaster.

As early as next week, we will be considering legislation to assist the flood victims. I intend to do all I can to make sure that the Federal Government provides the disaster relief that Iowa and other Midwestern States desperately need. However, the ability of

individuals, families and communities in the Midwest to recover from this natural disaster will be in large part determined by volunteer efforts.

Today, we are considering the National and Community Service Trust Act of 1993. This legislation creates the Corporation on National and Community Service by combining two existing federal domestic service programs under a single agency. Funding is reauthorized for VISTA, the Older American Volunteer Programs and the Commission on National and Community Service.

Volunteers from these programs have already been active in the Iowa flood relief effort. VISTA volunteers helped with sandbagging efforts in Des Moines and are working with FEMA to process disaster relief applications in northwest Iowa. In southeast Iowa, RSVP volunteers have provided food and refreshments for disaster workers and are conducting a food and clothing drive for flood victims. Members of the Iowa Conservation Corps and the Youth Volunteer Corps helped with sandbagging efforts along the Mississippi River and will be involved in cleanup activities throughout the State.

The Commission has allocated an additional $250,000 to the Iowa Conservation Corps for flood relief activities. These funds will add 300 individuals for 5 weeks to the cleanup and recovery efforts. ACTION is also processing a request to add 40 to 50 additional VISTA's to Iowa for flood recovery projects.

Mr. President, volunteers are not just needed when we have a natural disaster. Volunteers are needed to combat illiteracy, assist the homeless, teach in our schools, police our streets, provide health care services and protect our national parks. The Ford Foundation estimates that there are 3.5 million jobs, most currently unfilled, that need workers. The National and Community Service Trust Act of 1993 can be that catalyst to energize volunteers and help change America.

The premise of this legislation is simple. Volunteers can make a difference in our Nation and in our communities. But they need to be asked and they need to have opportunities to volunteer. Further, we can encourage and reward full-time participation with vouchers that can be used for college or other job training programs.

I benefited from national service and can offer personal testimony to its value. A Navy ROTC scholarship helped pay for my college education and I was proud to serve my country as a Navy pilot. But military service is not for everyone is cut out for military service and we have a myriad of problems in our own country that need attention. This legislation will help meet these needs while at the same time rewarding those that serve with education benefits.

The United States has numerous problems. Drugs, crime, and gangs are destroying many neighborhoods; thousands of people lack the literacy skills to get and keep good jobs; in 1990, the United States ranked twentieth in the world on infant mortality, behind nations such as Hong Kong, Spain, and Singapore; hazardous waste sites dot the countryside; and millions of senior citizens lack proper nutrition, companionship, and health care.

Three decades ago, President John Kennedy called people of my generation to service. It's time to renew this call for a new generation of service. We can do so much.

We can eradicate violence from our neighborhoods and schools; immunize children and make sure all children start school ready to learn; provide nutrition and companionship for older Americans and help individuals with disabilities achieve independence by providing personal assistance services.

These are ambitious goals for our Nation. But they are no less ambitious that the goals and accomplishments of our ancestors. It will not be easy, but the rewards will be many and we can start now by passing the legislation.

Mr. President, since 1987 I have had the honor of serving as chairman of the Subcommittee on Disability Policy. I am very pleased that this legislation contains numerous provisions to include individuals with disabilities in service opportunities, both as participants in the program and as beneficiaries of service when appropriate. At the conclusion of my statement, I ask unanimous consent that the summary outlining the importance of this legislation for individuals with disabilities be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

INDIVIDUALS WITH DISABILITIES AND THE NATIONAL AND COMMUNITY SERVICE TRUST ACT OF 1993

It is the purpose of this Act to . . . encourage citizens of the United States, regardless of race, religion, gender, age, disability, region, income, or education, to engage in full-time service, sec. 2(b)(4).

The National Service Trust legislation recognizes the ability of Americans with disabilities to contribute to the nation by encouraging their participation in the service programs authorized by the Act. Specifically, the legislation:

Explicitly provides for individuals with disabilities to serve in youth corps, diverse community corps, school-based adult volunteer programs, and programs for school-age youth;

Provides for support services to be provided to participants, including reasonable accommodations, auxiliary aids and services, and modifications to allow the participation of individuals with disabilities;

Requires that recruitment information be disseminated through state vocational rehabilitation agencies and other entities that work with individuals with disabilities;

Allows educational awards to be used for the transition from special education or supported employment to work;

Allows discretionary funding to support innovative and model programs involving individuals with disabilities as participants providing service;

Bans discrimination against participants or staff on the basis of disability; and

Provides for the national corporation board and state commissions governing the program to be diverse with respect to a variety of characteristics, including disability.

In addition, individuals with disabilities will benefit as recipients of service. For example, participants may:

Provide independent living assistance and respite care;

Make buildings wheelchair accessible;

Provide sign-language translation;

Work in early intervention programs for children with disabilities; and

Serve in adult day care centers.

Examples of Service Programs Involving Individuals with Disabilities:

In Kansas, ten percent of the thousands of students recruited into service by their school districts are youth with disabilities.

West Virginia is organizing a coalition of state agencies to expand community service projects involving youth with disabilities.

In Maryland, teenagers with mental retardation run a center for needy families; other special education students work in hospitals, soup kitchens, nursing homes, and day care centers.

The Minnesota Conservation Corps includes crews that combine deaf, hard of hearing, and hearing youth.

Mr. PRYOR. Mr. President, today we are gathered on the Senate floor to debate a bill that I believe will be one of the more important pieces of legislation we will consider all year, the National and Community Service Trust Act of 1993. Next to the $500 billion deficit reduction package we have been debating in the Senate and the soon-to-be-released health care reform package, this bill may not seem so significant. In my opinion, through, this legislation is about nothing less ambitious than reviving a sense of patriotism in America, and rebuilding our national community.

First of all I want to commend President Clinton for the tremendous vision he has shown by offering this legislation, and I would also like to compliment Mr. Eli Segal, the President's point man on this issue, for the leadership he has shown in working with the Congress and turning the President's vision into a legislative reality.

Mr. President, the history of America is a history of national service. In my lifetime, each American generation has embarked on its own agenda of service, helping to fuel our country's growth, spark our idealism, and bind us together as a people. In the 1930's, President Roosevelt's Civilian Conservation Corps developed our country's physical infrastructure and provided hope in the midst of the Depression. World War II enlisted our entire country in a campaign of national service, and the energy unleashed by the experience drove our Nation for two decades. In the 1960's, President Kennedy issued his famous call to service, "Ask not what your country can do for you; ask what

you can do for your country." Enrollment in the Peace Corps and VISTA soared in response.

The legislation before us today gives us a chance to revive the concept of national service for this generation of Americans, and by so doing, revive America. The National and Community Service Act of 1993 will enlist the talent and energy of patriotic Americans, particularly young Americans, in addressing unmet needs in the areas of education, environmental preservation and restoration, human services, and public safety.

Our country has so many needs. We have a crumbling infrastructure, crime plagued cities, and a hungry, sick, and undereducated population in many places. The legislation before us is like a church bell calling Americans out of their homes to help address these needs. By serving in the programs made possible by this act, more Americans will begin to realize that unless they take an active interest in their communities and their country, we will cease to be a healthy and prosperous nation.

This legislation will also help strengthen our sense of national community. As a result of this legislation, people of different races, from different backgrounds, and from different parts of the country will live and serve their country together. This new era of service will blend the melting pot of our population and promote greater unity within our diverse and often fragmented population. After a decade in which growing income inequality and racial strife has damaged our national cohesiveness and diluted our national purpose, we can surely use this unifying force.

Another thing I like about this legislation, Mr. President, is that it reinforces the concept of rights and responsibilities. Americans today enjoy one of the greatest societies this Earth has ever known. We have tremendous personal and political freedoms, one of the highest standards of living in the world, and almost limitless opportunities to move ahead and improve our lot in life.

Today, however, too few people realize that such privileges do come at a price. Many times in the past Americans have paid the ultimate price for these privileges by fighting and dying in our Armed Forces to defend our way of life. The threat from foreign aggressors is small today, but our domestic enemies, apathy and selfishness, still pose a real threat to our way of life. All Americans have an obligation to give something of their time and energies to help keep this country great so that the next generation will have it to enjoy.

Finally, Mr. President, I want to mention one aspect of this legislation that is of particular interest to me. One provision of the bill will extend and expand the Older American Volunteer Program. Eventually this program will be administered by the Corporation for National Service like all the other programs covered by this bill. As the chairman of the Special Committee on Aging, I know the vast talents, energy, and insights of America's senior citizens.

In fact, I have sponsored an intergenerational mentoring bill in this Congress which is designed to involve more of our senior citizens in acting as mentors for school age children. I am pleased that the National and Community Service Trust Act also recognizes our elderly Americans and will put them to work on behalf of our country. We all have a lot to gain from our seniors.

Mr. President, I think all of us in this Chamber are in a position to be advocates for national service. We would not be here if we did not believe serving our country was a worthwhile, rewarding cause. I am pleased that with this legislation we will be providing an avenue of service for other Americans, so that like us, they too will have the privilege of serving their country in some way.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California [Mrs. BOXER] is recognized.

Mrs. BOXER. Mr. President, I have just listened to this debate. I just want to say to the Senator from Oklahoma that I spent a lot of time, as I am sure he does in his State, with the young people. I go very often to high schools and to community colleges and to universities. Young people in our country are thirsting for this kind of idea. They want it. And I hope that we will not infer that they are greedy and that they are going to do this because they want to make this glorious stipend, because I think, if we look at them that way, then that is an unfair way of looking at young people of America.

I would like to associate myself with the remarks of the wonderful and fine Senator from Pennsylvania. I am sure we heard this kind of voice when the Peace Corps was formed, and VISTA, and, of course, we have to be on our guard to make sure these programs work. That is why it is designed in such a way so we can make this evaluation.

I would like to ask a question of my colleague, the Senator from Pennsylvania. I ask him for the record to tell us what is this stipend that the young people would get and does he think it is going to be something that is so enormous that they, in fact, would do it not for the spirit of giving to the community, not because they want to be good citizens, but because they needed to have this money? I would like to ask the Senator to explain to us the nature of this stipend.

Mr. WOFFORD. The living expense stipend is approximately the minimum wage. The $5,000, to be earned only at the end of a full year of service, is to be used for college or postsecondary education, job training; as an educational voucher, either before going to college and job training or after college and job training. And you will owe a debt in order to pay it back. That amount of $5,000 is about $1,500 less than the average debt that a student going to a 4-year public college is estimated to have to pay.

Mrs. BOXER. So, if I understand it, under the Senator's leadership and that of Senator KENNEDY and others on the committee, they have developed a program here that would pay the minimum wage to young people who would go out and make a contribution in the community, a contribution that we need to be made—we know the problems that we are facing in our country—and that, after that time, if they completed the course, they would be able to have funds to put toward their college education.

I would like to say, Mr. President, that I feel very good about this program. I agree with the Senator from Pennsylvania. We, of course, are going to look at it, we are going to evaluate it, make sure that it is working. But I am very pleased to be in the U.S. Senate at a time when we have a President who looks at what is best in our young people, not what is worst in them, appeals to what is best in them. I think we are going to create a generation of young people that we are going to be very proud of.

I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington is recognized [Mr. GORTON].

Mr. GORTON. Mr. President, in reviewing this bill and listening to the initial statements in support of and opposed to it, I am brought to reflect on one of the great problems, one of the great challenges that each of us as a policymaker must face, not just in this debate, but in program after program and in idea after idea.

Over the years that I have been involved in setting public policy, I have only rarely heard of a proposal the purpose of which is quite obviously destructive of good order and proper service in our society. Very few proposals, very few of the thousands of bills and measures which are introduced in this Congress have some shameful or ill-defined purpose. The purpose is always a worthy social goal. Clearly, the purpose of this bill is a highly worthy social goal, public service, the inspiration of our young people, another way to gain an education and to be more productive in society.

In that respect, of course, the purposes of this bill differ not in the slightest from the purposes of the alternative which the distinguished Senator from Kansas will offer. But wha

is exceedingly difficult, it seems to me, here and in other debates, is the relationship between a generalized and highly worthy purpose and the means which are proposed to reach a successful conclusion to that purpose—to approve a set of educational opportunities for our young people to provide real service.

Each year, in each Congress, there are new, worthy social goals which are proposed to be adopted by this Congress through the agencies of the Federal Government. These are almost always added onto programs which already exist; which when proposed, were pace-setting and were promoted with language much like the arguments of those who are promoting this bill at the time at which they are new.

But making those programs work better using experience we already have is never as inspiring or thrilling to any of us as individuals as is the opportunity to start an entirely new program.

Another observation I should like to make relates to part of the conservation between the Senators from Oklahoma and Pennsylvania about the experience of this country during the Depression. The CCC, created in a 1½ page bill, as I understand the two earlier Senators, was implemented almost instantly at a time when the country was faced with desperate needs; needs which we are faced with today.

I agree completely with the Senator from Pennsylvania. There is no way you can do this kind of thing in a ½ page bill. Our society is too complicated. But I do observe that this bill greatly adds to that complexity. We have guaranteed student loans. We have Pell grants. We have a half-dozen or a dozen or two dozen other programs to help young people gain a higher college and university education. We have in VISTA, in the Peace Corps, in a significant number of other statutes in the United States, provisions for service, mostly volunteer service, but, of course, in the case of the Peace Corps compensated for because it is full time in some respect or another.

Now what we propose in this bill and I think rather awkwardly, is a proposal connected in some fashion or other, through what is unfortunately a highly centralized form of administration. It is connected through a set of governmental standards set here in Washington, DC, operating through other bureaucracies in the States, governing but not superseding the managing bodies of several of these other Federal programs, all designed to entice young people not into private sector employment, but into the kind of employment which not more than a tiny percentage of them will ever have as a full-time career. This bill deliberately and quite consciously says this money is not to go into the private sector but shall go through existing organizations of a charitable nature with a theoretical eligibility for religious organizations as long as they keep religion entirely out of it.

Why would not the Red Cross like this idea, in fact, be enthusiastic about it, when it can get full-time service that is priced much, much lower than it can get even with the kind of idealistic people whom it already attracts? Of course it will be enthusiastic. There are all kinds of full-time service organizations funded primarily through charitable contributions at the present time that will jump at the chance to get additional employees—just as was the case with CETA, in which there was a careful attempt to make distinguishing characteristics earlier in this debate. An employee who thinks that he or she is going to be able to get a very substantial contribution to a college education and then be able, in effect, to pay it off through some form of service at a modest salary, but with very, very significant benefits, is not going to say, in the abstract, "What a great idea."

But when one is in the Congress of a country which, however large its resources, is faced with the problem of extremely limited resources and of choices. One faces the dilemma, of: Is this the single best way in which to spend $3 billion, for what, 25,000 people who will bring service?

But to have a program which is demand driven, the design of which by its sponsors and by the President itself is to grow exponentially over the years, what are we going to put it in the place of? Part of the debate over the reconciliation bill on the budget this year is that all of the spending cuts, or the great bulk of spending cuts for discretionary spending, which this will be, will come later in 1997 and 1998.

Members of the majority party are sensitive to that criticism. Members of this party point that out as a signaled effect in the budget with which we are faced. But something is going to have to give. These billions of dollars are going to come out of something else, but we have not been told what that something else is.

To this Senator it seems that my colleague from Oklahoma, Senator NICKLES, pointed out with great clarity that if our primary goal is education, we will educate infinitely more young people through programs we already have, with anything like this amount of money, than we will with the bill that we have before us; that if we are simply going to attempt to provide incentives for service, whether volunteer or otherwise, we can provide for many more through the expansion of some of our existing programs than we can through this one.

Mr. President, I am convinced that if this program does become a popular one, it will end up displacing far more cost-effective programs of the Federal Government. But even that is not the source of the principal objection which I have, or the principal reservation which I have for this idea. My principal objection is that somehow or other service to society in the single nation and civilization which has been most noted for national and local volunteer efforts can be so much more efficiently managed by a group of 15 people in Washington, DC, who are working directly or indirectly for the Federal Government.

From before the independence of the United States through the reports of Alexis de Tocqueville to the present time, this country has provided infinitely more service, whether it is in pure voluntarism, or whether it is undertaken on the part of people who will work for far less money in a service profession than they could get in the private sector than has any other nation in the world. Somehow, we figure there is not enough of it. We figure we need to do something. We need to manage it, and we can manage it better here in Washington, DC, than anyone else can.

How much more true service would we get if we allowed a broader set of tax deductions, or even tax credits for a directed group of charities and tax-exempt organizations, allowing them to compete, to compete not with a Federal bureaucracy, but with potential donors on the basis of how much they could do with that money, dealing directly with individual young people, or middle-aged people, or older people, with respect to whom they hire for this kind of service with that amount of money.

How often would we be better off directing these young people through educational grants into the private sector, where service to society is measured harshly and very well by the ability of a private sector employer to provide employment.

It is a curious element, it seems to me, in our society that somehow or another, working for a business organization seeking profit is not deemed to be service, though, in fact, it may provide infinitely more important contributions to our society as a whole than do many, some at least, nonprofit organizations.

So it seems to me, Mr. President, that the serious and unanswered questions about a potentially very expensive idea here are these: Why is it that a centralized Federal Government proposal will work better in providing service than an indirect, private sector competitive proposal, such as tax credits; or, a concentrated Federal program, which simply gives scholarships to young people to provide for their education and then lets them make an absolutely free choice as to whether they go to the public sector, the nonprofit sector, or the private sector?

My second reservation is that we are not doing the job now that we ought to

be doing in creating educational opportunities or volunteer service opportunities. Now why in the world would we pack on another bureaucracy on top of so many others? One which inevitably in 2 or 3 years will be superseded by another idea, but almost certainly not killed. And, why in the world would we do this while, at the very time, we are debating whether or not we need to impose another $250 billion in taxes on the American people over the next few years in order to reduce the budget deficit. Then to turn around with a program like this and say, well, reduce the budget deficit maybe, but not by this new program, not by another new program, not by what may be the idea of the year next year. It simply makes no sense.

Mr. President, the goals, the purposes of this bill are eminently worthy, as are the goals of almost every other proposal to spend money either through a new authorization or through existing authorizations with which we are faced. But is this the best idea?

Is it better than any existing program which this Congress is funding at the present time, at a level less than the proponents would like to spend? Mr. President, that proposition, at the very least, has not been proven.

Mr. WOFFORD. Mr. President, I hope as we move into the debate tomorrow, the thoughtful concerns of the Senator from Washington are going to be resolved, in some respect at least, as it becomes clear that the full-time participants in community service programs are not Federal employees. They will be volunteers with minimum wage stipends, who are admitted by organizations, most of which are indeed in the private sector in our society.

If anyone thinks living on the minimum wage in an urban or in a rural area in this country and living on the land on a minimum wage is not a lean condition of hard full-time service, then I suggest they try living on the minimum wage.

But most of all, I hope the Senator from Washington will see that what I hope someday he will believe is the genius of this act is that it is really reinventing Government by less Government and by the most complete decentralized proposal that the idea of national service has ever had; namely, that the structure, the building, the leadership, the supervision of this is going to come from those local organizations, and they might be a city or a State, but in most cases they are going to be in the private sector.

They are going to give the leadership and support of this, and the Corporation for National and Community Service is going to be a very lean antibureaucratic organization in which the whole structure of this system is going to be designed for the leadership and control of it to come from the grassroots up.

I also hope that the spirit that the Senator was concerned about in which organizations say, why not get some Federal support for this, is the last thing that we see in this and that the Senator will discover that he is underestimating the response of people to the crisis of our young in this country.

I was in south central Los Angeles right after the riots a year ago, and 25 years before I was in Watts in the same place, and I was given the same lesson that there were people of all backgrounds who were involved in the rioting but they were almost all young.

There is a crisis of our young people in this country that is, I think, not only the source of the greatest danger but it is the source of our greatest opportunity because we are now talking about what could happen to the lives of initially 25,000 young people who through this program may well discover that they turn around their lives the way the Senator from Connecticut said his life was turned around by his experience in the Peace Corps.

I remember the words of a great Secretary of Labor, Williard Wirtz on the idea of national service when we were thinking of it more as a Federal program instead of locally based and decentralized. Willard Wirtz said as Secretary of Labor he was deeply interested in education. He had been an educator and was deeply interested in job preparation and the work force, that most people live lives first of full-time education for 12, 16, and 20 years of their lives in the classroom, and then most people, if they are lucky, have 30 or 40 years of work in the private sector, hopefully. And in both cases one can hope that education at its best knows that service is part of its function, and high schools get connected to the community, and universities get connected to the cities they are in, and service is one of their functions as is the private sector and the free enterprise system not losing sight of its social responsibility and service.

Willard Wirtz said that the crux of bringing to life again what de Tocqueville was talking about when he said volunteer service was the secret of American success, the crux of doing that is to expand the very small circle of service in our society to a much larger circle in our lives and the idea of national service can be a way that you make the concept of service so contagious that it affects what they do in learning the rest of their lives, and it affects what they do when they go out into the world of work for the rest of their lives.

That is the reason I give in my mind top priority in imagining what can do the most to help young people become resources in this country.

Having seen the various job training programs and administrated them in Pennsylvania, from my own experience, compared to the well-organized youth corps that have been proving themselves, I would put my investment and my priority in expanding in what I consider a modest way to the 25,000 level opportunities for full-time service.

Let me just close for the night by saying that this program is not suddenly coming from out of the sky. It indeed is an example of building on what this Congress has started, the National and Community Service Act of 1990, set us forth on this road. President Bush set us forth on this road. Bipartisan support in both bodies of Congress set us forth on this road. National service was tested under that act in demonstration projects, and it is time now for those pilots which proved themselves to ignite the larger furnace of this program that will be debated.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FEINGOLD). The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

ROTH OBJECTION TO CONFERENCE ON HATCH ACT AMENDMENTS

Mr. DOLE. Mr. President, the Senator from Delaware was taken aback today by the reaction of the majority leader when he objected to going to conference on the Hatch Act amendments. Actually, Senator ROTH had not been informed they were going to make a formal request to go to conference until just prior to the request being made. Thus, he was taken by surprise by the request. Normally, the committee minority is informed by the committee majority that a request is forthcoming and the number of conferees each party will send. None of that was done here. As he stated at the time, there was precedent in 1990 for the House taking our amendment without a conference, which would speed up the process, not delay it.

HEALTH CARE

Mr. SPECTER. Mr. President, after attending countless hearings, proposing extensive legislation, and serving as the ranking Republican on the Appropriations Subcommittee on Health Issues, it is a strikingly different situation to be a health care recipient facing major surgery. It gives a person a new perspective and one worth sharing with colleagues and others as we look toward legislation in this field.

While my experience may not be totally representative, I was enormously

impressed with the competency and dedication of the medical personnel who cared for me, leading me to be a reinforced believer in what we often say, that the U.S. health care system is the best in the world. An expert team led by Dr. Eugene S. Flamm removed a benign intracranial lesion and I received excellent followup care at the Hospital of the University of Pennsylvania.

My experience gave me new insights on escalating costs. When we complain about how much the cost of medical care has risen over inflation generally, we do not focus on new techniques which were not available just a few years ago. The miracle of the MRI has been with us only since 1984. It raises costs, but it is obviously worth it.

There has been some difference of opinion as to whether I should have had an MRI which detected the intracranial lesion. Without any history of headaches or other symptoms, I felt a tightening in my neck and mild pains running up the side of my head for about 7 weeks. An extensive series of tests on my heart, chest, ears, nose, and throat were negative. I pressed for and ultimately received an MRI.

The MRI showed a 2 by 2-inch intracranial lesion, which would not otherwise have been detected, with potentially serious consequences if not removed. It is obviously a complex question as to what tests should be given depending on many factors. Long before my own problem, I opposed those who advocate rationing in our health care system. I realize that rationing is an oversimplification; but that is the terminology used, for example, in questionnaires during the 1992 Pennsylvania Senate campaign. I said then, and repeat now, that I do not want rationing for myself, for my family, or for America.

As we approach legislation on health care reform, I urge my colleagues to oppose the concept of rationing and to construct standards which will give substantial latitude on ordering tests. A patient's instincts, like mine, are worth considerable weight in my judgment.

An MRI examination is expensive because the machine is so costly. While inconvenient, there is no reason those machines could not be run around the clock because the marginal operating costs are relatively small. I understand that many MRI's run long hours, but even more use could be obtained from them. More people could receive that test at a lower cost.

The question inevitably arises as to how we pay for such testing. I am personally convinced that substantial savings are possible in our current system as specified in extensive legislation which I have introduced S. 18 and S. 631.

I understand the limited scientific value of a single case, but I offer my own experience and my own evaluation for your consideration. In a society dedicated to the worth of the individual, I urge that our health care policy should give side latitude to the use of life saving tests.

IN REMEMBRANCE OF GOVERNOR AKER

Mr. DECONCINI. Mr. President, I would like to say a few words in memory of a very dear friend of mine and of my family's who passed away on June 30—Mayor Governor "Gov" Aker.

Gov was a very special person to many in our community. Folks from the upper Gila Valley, like my mother, remember Gov for not only his incredible dedication and commitment to Arizona, but for his sense of humor, his love of golf, and his love of the people he represented. He never turned his back on anyone and always fought for what he believed in.

I would like to mention some of Gov's contributions to our State. Gov started his public service as a member of the Army Air Corps during World War II. After the war, he demonstrated his love of young people by being an assistant football coach at Northern Arizona University and then a head coach at Safford High School—a job he truly loved. Gov went on to become assistant superintendent of public instruction at our State capital. In 1964, he became director of youth programs for the secretary of the interior. Most recently, Gov was elected to the Safford City Council and, 4 years later in 1986, became its mayor.

Gov was and always part of Arizona. He loved it. It was his home. His untiring dedication to our State and its constituents will always be remembered. My deepest sympathies go out to his wife, Luwana. I would hope my colleagues would join me in wishing her the best and in celebrating the life of Gov Aker for his time, courage, commitment, and service not only to Arizona, but to the Nation.

THE 100TH BIRTHDAY OF GEORGE A. BROWN, SR.

Mr. SARBANES. Mr. President, on July 24, 1993, George Augustine Brown, a lifelong Maryland resident, will celebrate his 100th birthday surrounded by family and friends. A century of life is always cause for celebration—something few of us will have the pleasure of experiencing personally—but Mr. Brown is especially fortunate to be able to share this momentous occasion with his 10 children, 30 grandchildren, 43 great-grandchildren and 7 great, great-grandchildren. Were it not for the passing of his wife, Sarah, in 1985, after nearly 70 years of loving marriage, Mr. Brown's joy would surely be complete.

It is hard for many of us to imagine that there are Americans who still remember the Spanish-American War and every U.S. President since William McKinley. But Mr. Brown does more than just regale his listeners with exciting tales of people and events long forgotten; by his years of hard work, devotion to his family, religious faith, and public service he exemplifies the highest American values and is a model for us all. Having served some 34 years as a U.S. postal worker, where in his early years he delivered parcel post by horse-drawn wagon, Mr. Brown not only remembers Baltimore's history, but has become a living part of it.

Mr. President, I hope my colleagues will join me in offering my heartfelt congratulations and best wishes not just to Mr. Brown for having reached this milestone, but to all those who have had the benefit of knowing him as a relative or friend. I know they look forward to sharing with him many more years of health and happiness.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, as anyone even remotely familiar with the U.S. Constitution knows, no President can spend a dime of Federal tax money that has not first been approved by Congress, both the House of Representatives and the U.S. Senate.

So when you hear a politician or an editor or a commentator declare that "Reagan ran up the Federal debt" or that "Bush ran it up," bear in mind that it was, and is the constitutional duty of Congress to control Federal spending. Congress has failed miserably for about 50 years.

The fiscal irresponsibility of Congress has created a Federal debt which stood at $4,334,092,903,543.66 as of the close of business on Friday, July 16. Averaged out, every man, woman, and child in America owes a share of this massive debt, and that per capita share is $16,873.43.

OBJECTION TO CONFERENCE ON HATCH ACT AMENDMENTS

Mr. MITCHELL. Mr. President, I have just been apprised of the statement by the Republican leader regarding my request to go to conference with the House on H.R. 20, the Hatch Act reform bill. The Republican leader refers to a formal request by the majority on this matter. As is the usual case in these matters, my floor staff handed the Republican leader's floor staff this request at 9:15 a.m. this morning. Senator DOLE's staff refused the request at that time. The request was renewed and the negative response was reconfirmed later in the day.

As is my usual practice of informing the Republican leader prior to putting such a consent I, through my staff, informed Senator DOLE's staff of my intention to put the request during the

vote on final passage of the bill, and I asked that Senator DOLE be present on the floor when I made the request. Apparently his schedule did not permit that and thus it was left to Senator ROTH to object to the putting of the request.

Therefore, I want the record to be clear that this request was presented to the Republican leader's staff, in the normal course of business, twice during the day. I am not aware of, and thus cannot comment on what communications took place between the Republican leader's floor staff and other Republican Senators. But everything we did was in accordance with our standard practices in such matters, and the minority was fully, and repeatedly, informed of our intentions.

TRIBUTE TO PAT NIXON

Mr. LUGAR. Mr. President, I join all Americans in mourning the passing of Pat Nixon. This is a loss we feel deeply, as we pay tribute to her lasting and remarkable contributions as First Lady.

Pat Nixon will forever stand as a person who exemplified grace, charm, and perseverance. I recall how thoughtful Pat was to Char and me and all Hoosier delegates at the 1968 and 1972 GOP conventions in Miami Beach.

Although Pat was a private person, she shouldered the responsibilities of public life superbly. Her efforts to promote voluntarism and humanitarian service are legendary, providing a consummate example of altruistic public service. As America's most dedicated Ambassador of Goodwill, she traveled to more than 80 countries and touched the lives of millions of people throughout the world.

Pat Nixon will be remembered as an extraordinary First Lady. Her personal strength, devotion to her family, and dedication to her country were a constant inspiration. I extend my deepest condolences to President Nixon, Tricia, Julie, and all other members of a great American family, whose loss we share.

ENVIRONMENTAL RESTORATION OF SCRAP TIRES

Mr. HATCH. Mr. President, as my colleagues recognize, our country is facing a serious environmental hazard with the burgeoning numbers of scrap and automobile tire heaps dotting our landscape. Unfortunately, the shape and rubber content of tires makes them unsuitable for landfills and they are accumulating in these heaps near our urban and industrial centers, populated residential areas, and schoolyards and playgrounds. They are magnets for rodents, insects, and disease; and, if one ever catches on fire, it could burn for days, if not weeks. In addition, no one can deny that these heaps of old tires are eyesores.

I have been impressed with the entrepreneurial spirit that the presence of these old tire heaps has engendered in many of our environmentally conscious citizens, especially several Utahns. They have recognized the threat to the environment and public health that these heaps pose for our society and have attempted to develop commercial uses for scrap tires as a means of eliminating these heaps.

Recently, I was made aware of one of these unique uses developed by a resident of Provo, UT, that I want to bring to the attention of my colleagues. Mr. Don Cox has invented a process for the restoration of soil contaminated with petroleum products that operates in a closed system and is nonpolluting. The energy source for this new technology is scrap tires. With this technology, the level of contamination in groundwater caused when oil wells are drilled will be significantly decreased.

This technology has been used successfully in the field and has been approved for use in three States. In addition, it has received commendations in two States where it has been employed. I am pleased to note this technology as well as other procedures being pursued in my State and elsewhere to achieve a cleaner environment through the use of discarded tires.

Mr. President, I ask unanimous consent that an article from the Utah County Journal discussing this technology be inserted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Utah County Journal, May 4, 1993]

TURNING TIRES INTO MONEY

(By Lane Williams)

About a year and a half ago, an engineer told Don Cox that his idea to burn rubber tires for heat energy wouldn't work.

This skeptic, like others, had "waited until it was too late." Cox said. "It was already working."

Cox and his old friend Denzil Harvey spent about two years developing their idea to burn tires as a pollution-free source of heat energy. It's working. Earlier this year at an oil well in Summit County, tire energy saved Exxon Corporation an estimated $2 million in projected costs for getting oil out of the ground.

Burning tires provides heat for another environmentally sound idea developed by the two men. Their truck-trailer-sized "soil remediation system" can save millions in environmental cleanup costs. Drillers often use mineral oil in the drilling process; it's an effective drilling technique but causes groundwater contamination. Cox's idea significantly decreases the level of contamination. The technology also allows Cox to clean up sites of underground gasoline storage tanks.

One of the most difficult environmental problems the United States faces is what to do with used tires. Their shape and rubber content make them unsuitable for landfills. When they sit out in the open, water collects inside them, making a perfect breeding ground for dangerous disease-bearing mosquitoes and rodents. When burned, tires generally give off dangerous chemicals.

Tires are made of hydrocarbons—so is gasoline—and could be a good source of energy if someone could figure out how to burn them cleanly. The difficulty is that tire hydrocarbons include dangerous substances like polystyrene, which can explode.

Most inventors have tried to burn tires in large quantities. Cox and Harvey took the opposite approach, burning them in small boilers. In a patented, secret two-step process, they first control the amount of oxygen that goes into a small furnace. Volatile gases from the burning tires go to another chamber, where they are burned separately. The key principle in the process is that the volatile gases in a closed environment are like a match in a room with no oxygen; they won't burn. If you control or eliminate the amount of oxygen at important points in the chemical process, explosions won't result.

Early on, the two men did experience a few small explosions. The lid of the boiler was not properly secured and, on occasion, it would shoot off when the oxygen level got too high. "We've used those lids for Frisbees," Cox says.

Now the process just creates hot carbon dioxide. At 2,000 degrees, it is hot enough to provide a lot of heat energy for a wide variety of purposes.

Cox likens the process to a carburetor in an automobile. When it is running properly, almost no noticeable fumes escape from the back of the car. When the carburetor isn't working right, smoke is emitted. The smoke, like the black smoke from tire fires, is essentially unburned fuel.

Utah and Texas officials have checked Cox's process and have found no detectable levels of carbon monoxide or other dangerous gases. Other states have given the partners temporary permits.

A world of uses awaits the new technology. Tire burning can provide heat to operate greenhouses or water purification systems. It could potentially heat large buildings.

The company, National Fuel and Energy, has chosen to use the technology for another important environmental project, cleaning up soil contaminated by leaking underground storage tanks or from oils by crude oil drilling.

The first practical use of the idea involved Exxon's drilling in Summit County this year and last. When oil rigs drill through salty layers of earth, the workers must use a lubricant. Through the years, they've settled on a mineral oil mixed with dirt. A project like the one in Summit County would normally use about 400,000 gallons of lubricant, but National Fuel and Energy cut the usage to only 100,000 gallons—and only 30,000 of those gallons stayed in the ground, a decrease of about 370,000 gallons from the norm. The savings to Exxon was roughly $2 million, Cox said. It also was a benefit to the environment.

The company based this idea on the same principal as burning the tires: If you can keep oxygen away from the oil in the dirt, it won't burn when you heat it.

This makes it all surprisingly simple. Essentially, it works the same way as boiling dirty water. The water evaporates as steam and leaves a pile of dirt. Collect the steam, let it cool and you have a pail or water next to the dirt. Similarly, using the heat from burning tires, the company puts the oily mud in a long cylindrical device that turns inside a drum surrounded by a column of hot air. The oil vaporizes, separating oil and dirt, after which the oil is once again condensed.

NF&E is already helping the American Telephone and Telegraph Co. to clean some of its contaminated sites near Delta, where

AT&T used diesel fuel in underground tanks to run machines needed for old cross-country phone lines.

State of Utah officials were so impressed by Cox's idea that the company received a Resolution of Commendation for Earth Day on April 28.

Cox pauses to think of what he has done, and smiles. Finding innovative ways to take care of the Earth will be "my contribution" to the world, he says.

MAJ. GEN. ROBERT PARKER

Mr. HATCH. Mr. President, I rise to recognize Maj. Gen. Robert W. Parker, U.S. Air Force, as he relinquishes command of the On-Site Inspection Agency and takes up his new duties as Director of Operations at the U.S. Air Force Space Command.

The On-Site Inspection Agency [OSIA] is a joint-service Department of Defense organization responsible for implementing inspection, escort, and monitoring requirements under the verification provisions of international arms control treaties. With headquarters located at Washington-Dulles International Airport, the Agency has field offices at Travis Air Force Base, CA; Yokota Air Base, Japan; Rhein-Main Air Base, Germany; the United States Embassy, Moscow; Votkinsk, Russia; and Magna, UT. Approximately 750 men and women from the U.S. Army, Air Force, Marines, and the Federal civil service are assigned to OSIA.

In June, we marked the fifth anniversary of the entry-into-force of the Intermediate-Range Nuclear Forces [INF] Treaty, which called for the elimination of an entire class of nuclear-capable missiles. The terms of the INF Treaty called for a unique form of inspection called portal monitoring. Continuous portal monitoring is conducted on a round-the-clock basis at the Votkinsk Machine Building in the Udmurt Republic of the Russian Federation, former site of SS-20 production, and at the Hercules Bacchus Plant in Magna, UT, former site of Pershing missile rocket motor production. Under the escort supervision of the OSIA detachment in Magna, the Soviets, now the Russians, have had continuous presence of up to 30 inspectors in my State since July 2, 1988. Magna has accepted these inspectors and provided them with opportunities to participate in a variety of community cultural, and educational events. I am proud that my fellow Utahns have extended such hospitality, but that is typical of the people of my home State.

Under the exemplary leadership of General Parker, the OSIA has expanded its original mission of implementing the INF Treaty to encompass other international arms control agreements, including nuclear testing treaties, Conventional Armed Forces in Europe Treaty, Strategic Arms Reduction Treaty, Open Skies Treaty, and Chemical Weapons Agreements. OSIA also is the executive agent for Defense Department support to the United Nations Special Commission on Iraq and assists the State Department in providing humanitarian aid to the peoples of the former Soviet Union as part of Operation Provide Hope.

General Parker has served his country with loyalty and skill as an Air Force officer for nearly 30 years. Commissioned a second lieutenant, he began his service in the strategic missile career field as a missile combat crew member. He served as both an instructor and evaluator in the Minuteman weapons system. In July 1967, he was certified combat ready on the first airborne launch control system missile crew, later serving as an airborne launch control system instructor and chief of SAC's airborne launch control system. Other assignments included Headquarters, Strategic Air Command; Headquarters, U.S. Air Force; wing commander of Malmstrom Air Force Base, MT; and, as senior military advisor to the director, U.S. Arms Control and Disarmament Agency.

General Parker took command of the On-Site Inspection Agency on January 25, 1991, and he can be justifiably proud of all the OSIA has achieved during his tenure. I will miss his connection to Utah through the OSIA, but certainly join in saluting him for his past success and in wishing him well in his new position.

TRIBUTE TO FORMER FIRST LADY PAT NIXON

Mrs. HUTCHISON. Mr. President, I rise today to pay tribute to a very special American—Patricia Ryan Nixon, who served with great dignity and distinction as our Nation's First Lady.

Pat Nixon's 81 years of life can best be described as selfless. Growing up during the Depression on a farm in California, the daughter of an Irish-American father and a German immigrant mother, she knew much of hardship and sheer sacrifice. At the age of 12, she lost her mother to cancer. Five years later, she lost her father to black lung. During these illnesses, Pat took care of her parents and two brothers. Later, she worked her way through the University of Southern California and graduated cum laude. It was this fighting spirit that would mark her entire life.

Pat Nixon never wanted a public life, but her husband did. She went along willingly and put her best foot forward. Pat Nixon was loved by Americans as gracious, tactful, loyal, and practical. People found her quiet efficiency reassuring. Richard and Pat Nixon were a team. In his campaign speeches he would refer to Pat as, "my right hand man." Richard Nixon dedicated his book, "Six Crises," "To Pat; she also ran."

Pat Nixon became our Nation's First Lady in 1969. She expanded the role of First Lady as a goodwill Ambassador and foreign emissary. In 1970 she warmed the strained relationship between the United States and Peru by traveling to towns destroyed by earthquakes, delivering aid and supplies to the survivors. At home she was known to meet with demonstrators in riot-torn areas and to listen to hostile students on college campuses.

Pat Nixon stood behind her husband during the trying Watergate period. After his Presidency was over, she returned to private life with her husband and devoted herself to the family that she loved so much.

Mr. President, it is with tremendous respect and gratitude that I take this moment to recognize the important role that Pat Nixon played in our country's history. She was a pillar of grace, poise, and strength during some of our Nation's most tumultuous times. Pat Nixon, in her own way, played an important role in the history of the latter half of the 20th century. She will be missed.

S. 185, THE HATCH ACT REFORM AMENDMENTS OF 1993

Mr. GORTON. Mr. President, I will vote for, S. 185, the Hatch Act reform amendments, as it has been amended by the Senate. Although I continue to have real reservations with the bill, the version on which we are about to vote has been altered significantly enough to make it acceptable.

The debate which has played out on the Senate floor over the past several days has been extremely interesting. Proponents have argued that current law unfairly bans Federal employees from voluntarily participating in activities protected by the Constitution. They say that it is unconscionable to deny these employees the choice that every other American citizen enjoys—whether voluntarily to participate in partisan politics. This argument has significant merit.

In the past, however, that argument has always been outweighed by the legitimate concerns over keeping the Federal bureaucracy neutral and nonpartisan and protecting its people from political pressure and manipulation. That was the case with the legislation that the Congress considered in the 101st session. I voted against that bill because it did not strike an acceptable balance between two legitimate positions.

The bill recently passed by the House of Representatives is equally unacceptable. That version will allow Federal employees to solicit contributions from the general public and allow them to run for partisan elective local office. Even the bill reported by the Governmental Affairs Committee went too far in trying to strike a balance between citizen involvement and maintaining an effective and neutral Federal bureaucracy.

Some of my fears, however, were allayed when S. 185 was altered to reflect several amendments proposed by Republican Senators. These amendments will keep the existing rules in place for the Senior Executive Service, administrative law judges, boards of contract appeals, and some of the most sensitive Government posts and agencies, like the Federal Bureau of Investigations and the Internal Revenue Service's criminal investigative office.

With these amendments in place, I believe S. 185 strikes a much more acceptable balance between allowing for citizen involvement in politics and maintaining a neutral civil service. It is only with these amendments in place that I find myself able to vote for the bill.

I wish to make very clear, however, that I intend to vote against the conference report if it strays from the Senate version. Under those circumstances, it will clearly be unacceptable.

CHANGE IN VOTE

Mrs. BOXER. Mr. President, I would like to ask unanimous consent that I be permitted to change a vote which I cast earlier on vote No. 198 from nay to aye. This change will not alter the outcome of the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 103–9

Mr. MITCHELL. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from an amendment to Montreal Protocol on Substances That Deplete the Ozone Layer, Treaty Document 103–9, transmitted to the Senate by the President today; and ask the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer ("Montreal Protocol"), adopted at Copenhagen on November 23–25, 1992, by the Fourth Meeting of the Parties to the Montreal Protocol. I am also enclosing, for the information of the Senate: the adjustments, also adopted November 23–25, 1992, that accelerate the respective phaseout schedules for substances already controlled under the Protocol (chlorofluorocarbons (CFCs), halons, other fully halogenated CFCs, methyl chloroform, and carbon tetrachloride); and the report of the Department of State.

The principal feature of the Amendment that was negotiated under the auspices of the United Nations Environment Program (UNEP), is the addition of new controlled substances, namely hydrochlorofluorocarbons (HCFCs), hydrobromofluorocarbons (HBFCs), and methyl bromide. The Amendment, coupled with the adjustments, will constitute a major step forward in protecting public health and the environment from potential adverse effects of stratospheric ozone depletion.

The Amendment will enter into force on January 1, 1994, provided that 20 Parties to the Montreal Protocol have deposited their instruments of ratification, acceptance, or approval. Early ratification by the United States is important to demonstrate to the rest of the world our commitment to protection and preservation of the stratospheric ozone layer and will encourage the wide participation necessary for full realization of the Amendment's goals.

I recommend that the Senate give early and favorable consideration to the Amendment and give its advice and consent to ratification.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 20, 1993.*

THE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed en bloc to the immediate consideration of Calendar Order Nos. 130 and 131; that the committee amendments, where appropriate, be agreed to; that the bills be deemed read three times, passed, and the motion to reconsider the passage of these measures laid upon the table, en bloc; further, that the consideration of these items appear individually in the RECORD and any statements relative to these calendar items appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

INDIAN DAMS SAFETY ACT OF 1993

The bill (S. 442) to provide for the maintenance of dams located on Indian lands by the Bureau of Indian Affairs through contracts with Indian tribes was considered, ordered to be engrossed for a third reading, was deemed read the third time and passed; as follows:

S. 442

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 "Indian Dams Safety Act of 1993".

SEC. 2. FINDINGS.

The Congress finds that—

(1) in 1980, the Secretary of the Interior established a department-wide dam safety program to correct deficiencies identified by inspections of dams;

(2) the Bureau of Indian Affairs (hereafter referred to in this Act as the "BIA") did not make timely progress toward accomplishing the objectives of the dam safety program and, as a result, 53 dams on Indian lands are considered to present a high hazard to human life in the event of failure;

(3) unsafe BIA dams continue to pose an imminent threat to people and property because the dam safety program has not been given a sufficiently high priority either by the BIA or by the Congress;

(4) until 1991, the BIA did not have an adequate program to ensure proper periodic maintenance of dams under its jurisdiction and structural problems have often led to seepage and accelerated bank erosion, as well as other unsafe conditions;

(5) safe working dams are necessary on Indian lands to supply irrigation water, to provide flood control, to provide water for municipal, industrial, domestic, livestock, and recreation uses, and for fish and wildlife habitats;

(6) because of inadequate attention in the past to regular maintenance requirements for BIA dams, the costs for needed repairs and future maintenance are significantly increased;

(7) many dams have operation and maintenance deficiencies regardless of their current safety condition classification and the deficiencies must be corrected to avoid future threats to human life and property; and

(8) it is necessary to institute a regular dam maintenance and repair program, utilizing expertise either within the BIA, the Indian tribal governments, or other Federal agencies.

SEC. 3. DEFINITIONS.

For the purposes of this Act:

(1) INDIAN TRIBES.—The term "Indian tribes" has the meaning given such term in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)).

(2) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(3) DAM SAFETY PROGRAM.—The term "dam safety program" means the program established by the Secretary of the Interior by order dated February 28, 1980, to prevent dam failure and the resulting loss of life or serious property damage.

(4) DAM SAFETY OPERATION AND MAINTENANCE PROGRAM.—The term "dam safety operation and maintenance program" means the program established under section 4 of this Act.

(5) DAM SAFETY CONDITION CLASSIFICATIONS.—The term "dam safety condition classifications" means the following classifications cited in the Bureau of Reclamation glossary of dam safety terms:

(A) SATISFACTORY.—No existing or potential dam safety deficiencies are recognized. Safe performance is expected under all anticipated conditions.

(B) FAIR.—No existing dam safety deficiencies are recognized for normal loading conditions. Infrequent hydrologic or seismic events would probably result in a dam safety deficiency.

(C) CONDITIONALLY POOR.—A potential dam safety deficiency is recognized for unusual loading conditions that may realistically occur during the expected life of the structure.

(D) POOR.—A potential dam safety deficiency is clearly recognized for normal loading conditions. Immediate actions to resolve the deficiency are recommended; reservoir restrictions may be necessary until resolution of the problem.

(E) UNSATISFACTORY.—A dam safety deficiency exists for normal loading conditions. Immediate remedial action is required for resolution of the problem.

SEC. 4. ACTIONS BY SECRETARY.

(a) ESTABLISHMENT OF DAM SAFETY OPERATION AND MAINTENANCE PROGRAM.—The Secretary shall establish a dam safety operation and maintenance program within the BIA to ensure the regular, recurring, routine maintenance, examination, and monitoring of the condition of each dam identified pursuant to subsection (c) necessary to maintain the dam in a satisfactory condition on a long-term basis.

(b) REHABILITATION.—The Secretary is directed to perform such rehabilitation work as is necessary to bring the dams identified pursuant to subsection (c) to a satisfactory condition. Upon the completion of rehabilitation work on each dam, the dam shall be placed under the dam safety operation and maintenance program established pursuant to subsection (a) and shall be regularly maintained under the guidelines of such program.

(c) LIST OF DAMS.—The Secretary shall develop a comprehensive list of dams located on Indian lands that describes the dam safety condition classifications of each dam, as such terms are defined in section 3(5).

(d) PURPOSE.—Work authorized by this Act shall be for the purposes of dam safety operation and maintenance and not for the purposes of providing additional conservation storage capacity or developing benefits beyond those provided by the original dams and reservoirs.

(e) TECHNICAL ASSISTANCE.—To carry out the purposes of this Act, the Secretary may obtain technical assistance from agencies in addition to the BIA under his jurisdiction, such as the Bureau of Reclamation, or from other departments through memoranda of understanding, such as the Department of Defense. Notwithstanding any such technical assistance, the dam safety program and the dam safety operation and maintenance program shall remain under the direction of the BIA.

(f) CONTRACT AUTHORITY.—In addition to any other authority established by law, the Secretary is authorized to contract with appropriate Indian tribes to carry out the dam safety operation and maintenance program established pursuant to this Act.

SEC. 5. AUTHORIZATION.

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

INDIAN ENVIRONMENTAL GENERAL ASSISTANCE PROGRAM ACT

The Senate proceeded to consider the bill (S. 654) to amend the Indian Environmental General Assistance Program Act of 1992 to extend the authorization of appropriations, which had been reported from the Committee on Indian Affairs, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

S. 654

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

SECTION 1. EXTENSION OF AUTHORIZATION.

[Section 502] *Subsection* (h) of the Indian Environmental General Assistance Program Act of 1992 *(42 U.S.C. 4368b(h))* is amended by striking "and 1994" and inserting ", 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, and 2003".

SEC. 2. REPORT TO CONGRESS.

The Indian Environmental General Assistance Program Act of 1992 (42 U.S.C. 4368b) is amended by adding at the end the following:

"(i) REPORT TO CONGRESS.—The Administrator shall transmit an annual report to the Congress describing—

"(1) which Indian tribes or intertribal consortia have been granted approval by the Administrator pursuant to law to enforce certain environmental laws:

"(2) the effectiveness of any such enforcement; and

"(3) any conflicts that may have arisen regarding private property due to such enforcement.".

Mr. MCCAIN. Mr. President, I introduced S. 654 on March 25, 1993 along with Senators INOUYE, CAMPBELL, and SIMON whom I want to thank for their assistance and support. If enacted, the bill would extend the authorization for the Indian Environmental General Assistance Program Act (P.L. 102-497, 106 Stat. 3258, 42 U.S.C. 4368b) from fiscal years 1993 and 1994 to fiscal year 2003.

As enacted in late 1992, the act provided authorization for appropriations to the Environmental Protection Agency of $15 million per year for the 1993 and 1994 fiscal years. At the time of enactment, the Congress had already completed action on fiscal year 1993 appropriations for EPA. In effect, this means that the Act authorized appropriations for only the 1994 fiscal year. S. 654 would correct this situation by authorizing appropriations of $15 million per year through fiscal year 2003.

The Indian Environmental General Assistance Program Act is intended to correct a serious deficiency in Federal efforts to ensure environmental quality on Indian lands. Over the past 20 years the Federal Government has provided billions of dollars to the States to enable the States to establish laws and programs to protect the environment. It has only been in recent years that the Congress and EPA have begun to provide a role for tribal governments in the Federal environmental regulatory framework.

The act provides EPA with the authority to award grants to Indian tribal governments to build their capacity to develop and establish their environmental protection programs. Under the act, EPA and the tribal governments have the flexibility to tailor grants to the specific needs of each tribal government. These grants will enable tribal governments to develop the technical, legal and administrative infrastructure necessary for effective environmental regulation. Grant awards made under the act are in addition to and do not supplant awards which may otherwise be made to a tribal government for program specific purposes. One of the primary objectives of the act is to promote the development of multimedia environmental programs by tribal governments. For many tribal governments, multimedia programs made good sense for fiscal and administrative reasons.

The act was supported by EPA and was developed along the lines of a small, but successful multimedia grant pilot project that EPA administered for several years. While the administration has not taken any formal position on S. 654, EPA is in the process of developing regulations to implement the act and the President has requested $7.5 million for implementation in fiscal year 1994.

Mr. President, I urge all of my colleagues to support S. 654 and to join with us in assisting tribal governments to become full partners in Federal environmental regulatory efforts.

So the bill (S. 654), as amended, was deemed read three times and passed, as follows:

S. 654

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

SECTION 1. EXTENSION OF AUTHORIZATION.

Subsection (h) of the Indian Environmental General Assistance Program Act of 1992 (42 U.S.C. 4368b(h)) is amended by striking "and 1994" and inserting ", 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, and 2003".

SEC. 2. REPORT TO CONGRESS.

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"(1) which Indian tribes or intertribal consortia have been grated approval by the Administrator pursuant to law to enforce certain environmental laws:

"(2) the effectiveness of any such enforcement; and

"(3) any conflicts that may have arisen regarding private property due to such enforcement.".

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

CONCERNING EMIGRATION LAWS AND POLICIES OF THE REPUBLIC OF BULGARIA—MESSAGE FROM THE PRESIDENT—PM 32

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Finance:

To the Congress of the United States:

On June 3, 1993, I determined and reported to the Congress that Bulgaria is in full compliance with emigration criteria of the Jackson-Vanik amendment to, and Section 409 of, the Trade Act of 1974. This determination allowed for the continuation of most favored nation (MFN) status for Bulgaria without the requirement of an annual waiver.

As required by law, I am submitting an updated formal Report to Congress concerning emigration laws and policies of the Republic of Bulgaria. You will find that the report indicates continued Bulgarian compliance with U.S. and international standards in the areas of emigration and human rights policy.

The Administration intends to propose legislation, which would let me terminate the application of Title IV of the Trade Act of 1974 to Bulgaria.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 20, 1993.*

CONTINUATION OF THE IRAQI EMERGENCY—MESSAGE FROM THE PRESIDENT—PM 33

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing and Urban Affairs:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iraqi emergency is to continue in effect beyond August 2, 1993, to the Federal Register for publication.

The crisis between the United States and Iraq that led to the declaration on August 2, 1990, of a national emergency has not been resolved. The Government of Iraq continues to engage in activities inimical to stability in the Middle East and hostile to U.S. interests in the region. Such Iraqi actions pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to the Government of Iraq.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 20, 1993.*

REPORT OF THE COMMODITY CREDIT CORPORATION FOR FISCAL YEAR 1990—MESSAGE FROM THE PRESIDENT—PM 34

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Agriculture, Nutrition and Forestry:

To the Congress of the United States:

In accordance with the provisions of section 13, Public Law 806, 80th Congress (15 U.S.C. 714k), I transmit herewith the report of the Commodity Credit Corporation for fiscal year 1990.

WILLIAM J. CLINTON.

The White House, *July 20, 1993.*

REPORT OF THE COMMODITY CREDIT CORPORATION FOR FISCAL YEAR 1991—MESSAGE FROM THE PRESIDENT—PM 35

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Agriculture, Nutrition and Forestry:

To the Congress of the United States:

In accordance with the provisions of section 13, Public Law 806, 80th Congress (15 U.S.C. 714k), I transmit herewith the report of the Commodity Credit Corporation for fiscal year 1991.

WILLIAM J. CLINTON.

The White House, *July 20, 1993.*

MESSAGES FROM THE HOUSE RECEIVED DURING RECESS

Under the authority of the order of January 5, 1993, the Secretary of the Senate, on July 16, 1993, during the recess of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bill and joint resolution:

S. 20. An Act to provide for the establishment, testing, and evaluation of strategic planning and performance measurement in the Federal Government, and for other purposes; and

H.J. Res. 190. Joint resolution designating July 17 through July 23, 1993, as "National Veterans Golden Age Games Week."

Under the authority of the order of January 5, 1993, the enrolled bill and joint resolution were signed on July 16, 1993, during the recess of the Senate, by the President pro tempore (Mr. BYRD).

MESSAGES FROM THE HOUSE

At 4:35 p.m. a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 631. An Act to designate certain lands in the State of Colorado as components of the National Wilderness Preservation System, and for other purposes.

H.R. 1305. An Act to make boundary adjustments and other miscellaneous changes to authorities and programs of the National Park Service.

H.R. 1631. An Act to amend title 11, District of Columbia Code, to increase the maximum amount in controversy permitted for cases under the jurisdiction of the Small Claims and Conciliation Branch of the Superior Court of the District of Columbia.

H.R. 1632. An Act to amend title 11, District of Columbia Code, and Part C of title IV of the District of Columbia Self-Government and Governmental Reorganization Act to remove gender-specific references.

H.R. 2520. An Act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1994, and for other purposes.

The message also announced that the House has passed the following bill; without amendment:

S. 20. An Act to provide for the establishment of strategic planning and performance measurement in the Federal Government, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 631. An act to designate certain lands in the State of Colorado as components of the National Wilderness Preservation System, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 1305. An act to make boundary adjustments and other miscellaneous changes to authorities and programs of the National Park Service; to the Committee on Energy and Natural Resources.

H.R. 1631. An act to amend title 11, District of Columbia Code, to increase the maximum amount in controversy permitted for cases under the jurisdiction of the Small Claims and Conciliation Branch of the Superior Court of the District of Columbia; to the Committee on Governmental Affairs.

H.R. 1632. An act to amend title 11, District of Columbia Code, and Part C of title IV of the District of Columbia Self-Government and Governmental Reorganization Act to remove gender-specific references; to the Committee on Governmental Affairs.

H.R. 2520. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1994, and for other purposes; to the Committee on Appropriations.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on July 1, 1993, he presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 88. Joint resolution to designate July 1, 1993, as "National NYSP Day."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1106. A communication from the Secretary of Labor transmitting, pursuant to law, the Department's annual report for the period October 1, 1991 to September 30, 1992; to the Committee on Labor and Human Resources.

EC–1107. A communication from the Secretary of Labor transmitting, pursuant to law, a report relative to employers' authorized use of a training wage; to the Committee on Labor and Human Resources.

EC–1108. A communication from the Acting Senior Deputy Chairman of the National Endowment for the Arts, transmitting, pursuant to law, the annual report on the Arts and Artifacts Indemnity Program for fiscal year 1992; to the Committee on Labor and Human Resources.

EC–1109. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a report relative to the audit of the Student Loan Marketing Association; to the Committee on Labor and Human Resources.

EC–1110. A communication from the Commissioner of the National Center for Education Statistics, transmitting, pursuant to law, the annual statistical report of the Center; to the Committee on Labor and Human Resources.

EC–1111. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report relative to the audit of the Federal Family Education Loan Program; to the Committee on Labor and Human Resources.

EC–1112. A communication from the Chairman of the College Construction Loan Insurance Association, transmitting, pursuant to law, the annual report of the Association for 1992; to the Committee on Labor and Human Resources.

EC–1113. A communication from the Inspector General of the National Endowment for the Arts transmitting, pursuant to law, an internal audit report relative to restrictions in lobbying; to the Committee on Governmental Affairs.

EC–1114. A communication from the Director of the Administrative Office of the United States Courts, transmitting, pursuant to law, a report on the Judicial Retirement System; to the Committee on Governmental Affairs.

EC–1115. A communication from the Secretary of the Treasury, tranmitting, pursuant to law, the semiannual report of the Inspector General; to the Committee on Governmental Affairs.

EC–1116. A communication from the U.S. Special Counsel, transmitting, pursuant to law, the Counsel's report to Congress for fiscal year 1992; to the Committee on Governmental Affairs.

EC–1117. A communication from the Acting Director of the United States Information Agency, transmitting, pursuant to law, the Inspector General's semiannual report for the period October 1, 1992 through March 31, 1993; to the Committee on Governmental Affairs.

EC–1118. A communication from the Director of the Armed Forces Retirement Home, transmitting, pursuant to law, the annual report for fiscal year 1992; to the Committee on Governmental Affairs.

EC–1119. A communication from the Director, Office of Financial Management, General Accounting Office, transmitting, pursuant to law, the annual report of the Comptrollers General Retirement System; to the Committee on Governmental Affairs.

EC–1120. A communication from the Chairman of the Federal Housing Finance Board, transmitting, pursuant to law, the annual report under the Freedom of Information Act for calendar year 1992; to the Committee on the Judiciary.

EC–1121. A communication from the Chief Financial Officer of the Export-Import Bank of the United States, transmitting, pursuant to law, the annual report of the Bank; to the Committee on Governmental Affairs.

EC–1122. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the Agency's reports to Congress for the period October 1, 1992 through March 31, 1993; to the Committee on Governmental Affairs.

EC–1123. A communication from the District of Columbia Auditor, transmiting, pursuant to law, a report relative to the audit of the D.C. public school system; to the Committee on Governmental Affairs.

EC–1124. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report relative to the audit of the D.C. public schools internal accounting system; to the Committee on Governmental Affairs.

EC–1125. A communication from the Federal Co-Chairman of the Appalachian Regional Commission, tranmitting, pursuant to law, the semiannual report of the Inspector General for the period October 1, 1992 through March 31, 1993; to the Committee on Governmental Affairs.

EC–1126. A communication from the Chairman and President of the National Railway Passenger Corporation, transmitting, pursuant to law, the Corporation's second annual management report; to the Committee on Governmental Affairs.

EC–1127. A communication from the Chairman of the Federal Housing Finance Board, transmitting, pursuant to law, the Board's annual report for the period August 9, 1989 through December 31, 1992.

EC–1128. A communication from the Chairman of the United States Securities and Exchange Commission, transmitting, pursuant to law, the Commission's annual report on its Competition Advocacy Program for fiscal year 1992; to the Committee on Governmental Affairs.

EC–1129. A communication from the Inspector General, United States Department of Commerce, transmitting, pursuant to law a report relative to the Department's compliance with the Byrd Amendment; to the Committee on Governmental Affairs.

EC–1130. A communication from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, the Commission's report on final actions for the period ending March 31, 1993; to the Committee on Governmental Affairs.

EC–1131. A communication from the Secretary of Commerce, transmitting, pursuant to law, a report relative to the contracting for the rebuilding of Kuwait; to the Committee on Governmental Affairs.

EC–1132. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report relative to the assignment of General Accounting Office employees to congressional committees; to the Committee on Governmental Affairs.

EC–1133. A communication from the Acting Director of the Federal Domestic Volunteer Agency, tranmitting, pursuant to law, two semiannual reports of the Inspector General for the six month period ending March 31, 1992; to the Committee on Governmental Affairs.

EC–1134. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report relative to the valuation of the U.S. Coast Guard Military Retirement System; to the Committee on Governmental Affairs.

EC–1135. A communication from the Chairman of the Administrative Conference of the United States, transmitting, pursuant to law, a report relative to the reauthorization of the Conference; to the Committee on Governmental Affairs.

EC–1136. A communication from the Chairman of the Federal Labor Relations Authority, transmitting, pursuant to law, a draft of proposed legislation to provide for a pay adjustment for the Chairman, Members, and General Counsel of the Federal Labor Relations Authority; to the Committee on Governmental Affairs.

EC–1137. A communication from the Chairman of the Federal Housing Finance Board, transmitting, pursuant to law, a report relative to the management reports of certain Federal Home Loan Banks; to the Committee on Governmental Affairs.

EC–1138. A communication from the Secretary of Labor, transmitting, pursuant to law, the semiannual report of the Pension Benefit Guaranty Corporation; to the Committee on Governmental Affairs.

EC–1139. A communication from the Acting Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a copy of D.C. Act 10–41 adopted by the Council on June 1, 1993; to the Committee on Governmental Affairs.

EC–1140. A communication from the Acting Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a copy of D.C. Act 10–40 adopted by the Council on June 1, 1993; to the Committee on Governmental Affairs.

EC–1141. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a reoprt relative to cost overruns in the sewer system; to the Committee on Governmental Affairs.

EC–1142. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report relative to the water and sewer enterprise fund; to the Committee on Governmental Affairs.

EC–1143. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report relative to a review of Department of Public Works contracts; to the Committee on Governmental Affairs.

EC–1144. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report relative to a review of allegations regarding a UDC employee; to the Committee on Governmental Affairs.

EC–1145. A communication from the Chairman of the Consumer Products Safety Commission, transmitting, pursuant to law, the semiannual report of the Inspector General for the period October 1, 1993 through March 31, 1993; to the Committee on Governmental Affairs.

EC–1146. A communication from the Senior Attorney of the Copyright Office, transmitting, pursuant to law, a report relative to the Office's Freedom of Information Act activities for calendar year 1992; to the Committee on Governmental Affairs.

EC–1147. A communication from the Chairman of the Federal Communications Commission, transmitting, pursuant to law, a report relative to the Commission's implementation of the Government in the Sunshine

Act; to the Committee on Governmental Affairs.

EC–1148. A communication from the Secretary of Commerce, transmitting, pursuant to law, two reports relative to the audits of the Inspector General; to the Committee on Governmental Affairs.

EC–1149. A communication from the Director of the Federal Emergency Management Agency, transmitting, pursuant to law, a report relative to audit resolution and management; to the Committee on Governmental Affairs.

EC–1150. A communication from the Chairman of the Board of the National Credit Union Administration, transmitting, pursuant to law, a report relative to the adjustment or establishment of schedules of compensation; to the Committee on Governmental Affairs.

EC–1151. A communication from the Executive Director of the Neighborhood Reinvestment Corporation, transmitting, pursuant to law, a report regarding the Corporation's compliance with the Government in the Sunshine Act; to the Committee on Governmental Affairs.

EC–1152. A communication from the Chairman of the Federal Maritime Commission, transmitting, pursuant to law, the Commission's Inspector General report for the period October 1, 1992 through March 31, 1993; to the Committee on Governmental Affairs.

EC–1153. A communication from the Chairman of the National Labor Relations Board, transmitting, pursuant to law, a report relative to the Board's implementation of the Government in the Sunshine Act for calendar year 1992; to the Committee on Governmental Affairs.

EC–1154. A communication from the Executive Director of the Federal Labor Relations Authority, transmitting, pursuant to law, a report relative to the Agency's implementation of the Government in the Sunshine Act during calendar years 1990, 1991, and 1992; to the Committee on Governmental Affairs.

EC–1155. A communication from the Secretary of Labor, transmitting, pursuant to law, the semiannual report of the Inspector General for the period October 1, 1992 through March 31, 1993; to the Committee on Governmental Affairs.

EC–1156. A communication from the Attorney General of the United States, transmitting, pursuant to law, the semiannual management report for the period October 1, 1992 through March 31, 1993; to the Committee on Governmental Affairs.

EC–1157. A communication from the Attorney General of the United States, transmitting, pursuant to law, the annual report of the Federal Prison Industries, Inc for calendar year 1992; to the Committee on Governmental Affairs.

EC–1158. A communication from the President of the National Endowment for Democracy, transmitting, pursuant to law, an internal audit report for fiscal year 1992; to the Committee on Governmental Affairs.

EC–1159. A communication from the Chairman of the Interstate Commerce Commission, transmitting, pursuant to law, a report relative to the Commission's compliance with the Government in the Sunshine Act for calendar year 1992; to the Committee on Governmental Affairs.

EC–1160. A communication from the Director of the Information Security Oversight Office, transmitting, pursuant to law, the Office's "Report to the President for fiscal year 1992"; to the Committee on Governmental Affairs.

EC–1161. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the management report for the Government National Mortgage Association for fiscal year 1992; to the Committee on Governmental Affairs.

EC–1162. A communication from the Interim CEO of the Resolution Trust Corporation, transmitting, pursuant to law, the Corporation's management report for calendar year 1992; to the Committee on Governmental Affairs.

EC–1163. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the semiannual report of the Inspector General for the period October 1, 1992 through March 31, 1993; to the Committee on Governmental Affairs.

EC–1164. A communication from the Acting Director of the Office of Personnel Management, transmitting, pursuant to law, a report of altered Privacy Act systems; to the Committee on Governmental Affairs.

EC–1165. A communication from the Administrator of the Small Business Administration, transmitting, pursuant to law, the semiannual report of the Inspector General for the period October 1, 1992 through March 31, 1993; to the Committee on Governmental Affairs.

EC–1166. A communication from the Assistant Secretary (Legislative Affairs), Department of State, transmitting, pursuant to law, a report on the creation of a new system of records; to the Committee on Governmental Affairs.

EC–1167. A communication from the Acting Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the semiannual report of the Inspector General for the six month period ending March 31, 1993 and the management response of the Commission; to the Committee on Governmental Affairs.

EC–1168. A communication from the Acting Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the annual report of the Commission with respect to the Government in the Sunshine Act; to the Committee on Government Affairs.

EC–1169. A communication from the Executive Director of the Interstate Commerce Commission on the Potomac River Basin, transmitting, pursuant to law, the Commission's financial statement for the period October 1, 1992 through September 30, 1993; to the Committee on Governmental Afffairs.

EC–1170. A comunication from the Board Members of the Railroad Retirement Board, transmitting, pursuant to law, an annual report with respect to the Board's compliance with the Government in the Sunshine Act for calendar year 1991; to the Committee on Governmental Affairs.

EC–1171. A communication from the Chief Executive Officer, Postmaster General of the U.S. Postal Service, transmitting, pursuant to law, the annual report of the Postmaster General for fiscal year 1992; to the Committee on Governmental Affairs.

EC–1172. A communication from the Acting Director of the Peace Corps, transmitting, pursuant to law, the semiannual report of the Inspector General for the period October 1, 1992, through March 31, 1993; to the Committee on Governmental Affairs.

EC–1173. A communication from the Acting President and Chief Executive Officer of the Overseas Private Investment Corporation, transmitting, pursuant to law, the Commission's annual management report for fiscal year 1992; to the Committee on Governmental Affairs.

EC–1174. A communication from the Chairman of the Merit Systems Protection Board, transmitting, pursuant to law, a report describing the appeals to the Board; to the Committee on Governmental Affairs.

EC–1175. A communication from the Chairman of the Merit Systems Protection Board, transmitting, pursuant to law, the Board's annual report with respect to the Government in the Sunshine Act for calendar year 1992; to the Committee on Governmental Affairs.

REPORTS OF COMMITTEES

The following report of committee was submitted:

By Mr. BYRD, from the Committee on Appropriations:

Special Report entitled "Revised Allocations to Subcommittees of Budget Totals from the Concurrent Resolution for Fiscal Year 1994" (Rept. No. 103–99).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

H.R. 843. A bill to withdraw certain lands located in the Coronado National Forest from the mining and mineral leasing laws of the United States, and for other purposes (Rept. No. 103–100).

By Mr. GLENN, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 24. A bill to reauthorize the independent counsel law for an additional 5 years, and for other purposes (Rept. No. 103–101).

By Mr. BUMPERS, from the Committee on Appropriations, with amendments:

H.R. 2493. A bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1994, and for other purposes (Rept. No. 103–102).

By Mr. REID, from the Committee on Appropriations, with amendments:

H.R. 2348. A bill making appropriations for the Legislative Branch for the fiscal year ending September 30, 1994, and for other purposes (Rept. No. 103–103).

By Mr. KOHL, from the Committee on Appropriations, with amendments:

H.R. 2492. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1994, and for other purposes (Rept. No. 103–104).

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EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. WARNER, from the Committee on Armed Services:

John H. Dalton, of Texas, to be Secretary of the Navy, vice Sean Charles O'Keefe, resigned.

Printed report (Ex. Rept. 103–4) on above nomination filed by Mr. NUNN, Committee on Armed Services.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. D'AMATO:

S. 1257. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide death benefits to retired public safety officers; to the Committee on the Judiciary.

S. 1258. A bill for the relief of the estate of Irwin Rutman; to the Committee on the Judiciary.

By Mr. SIMON (for himself and Ms. MOSELEY-BRAUN):

S. 1259. A bill to amend chapter 93 of title 31, United States Code, to provide additional requirements for a surety corporation to be approved by the Secretary of the Treasury, to provide for equal access to surety bonding, and for other purposes; to the Committee on the Judiciary.

By Mr. GRAHAM:

S. 1260. A bill to provide that certain service in the American Field Service ambulance corps shall be considered active duty for the purposes of all laws administered by the Secretary of Veterans Affairs; to the Committee on Veterans Affairs.

By Mr. PELL (by request):

S. 1261. A bill to authorize appropriations for fiscal years 1994 and 1995 for the Board for International Broadcasting, and for other purposes; to the Committee on Foreign Relations.

S. 1262. A bill to reorganize United States international broadcasting, to authorize an Asian Democracy Radio service, and for other purposes; to the Committee on Foreign Relations.

By Mr. HARKIN (for himself and Mr. CONRAD):

S. 1263. A bill to provide disaster assistance to agricultural producers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. D'AMATO:

S. 1264. A bill to amend the Foreign Assistance Act of 1961 to authorize the Overseas Private Investment Corporation to issue loan guarantees for development projects in Ireland; to the Committee on Foreign Relations.

By Mrs. MURRAY (for herself and Mr. HATFIELD):

S. 1265. A bill to amend the Export Administration Act of 1979 to extend indefinitely the current provisions governing the export of certain domestically produced crude oil; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MACK (for himself, Mr. BUMPERS, Mr. GRAHAM, Mr. COCHRAN, Mr. PRYOR, and Mr. SASSER):

S. 1266. A bill to amend title XIX of the Social Security Act to improve the Federal medical assistance percentage used under the Medicaid program, and for other purposes; to the Committee on Finance.

By Mr. HATFIELD:

S. 1267. A bill to amend the Dwight D. Eisenhower Mathematics and Science Education Act, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. WOFFORD:

S. 1268. A bill to amend the Employee Retirement Income Security Act of 1974 with respect to rules governing litigation contesting termination or reduction of retiree health benefits; to the Committee on Labor and Human Resources.

By Mr. LEAHY (for himself and Mr. HARKIN):

S. 1269. A bill to amend the National School Lunch Act to protect school districts and the Department of Agriculture from anti-competitive activities of suppliers that sell commodities to schools that participate in the school lunch program, the school breakfast program, the special milk program, and the summer food service program for children, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mrs. FEINSTEIN (for herself, Mrs. BOXER, Mr. HOLLINGS, Mr. THURMOND, Mr. D'AMATO, and Mr. MOYNIHAN):

S.J. Res. 114. A joint resolution disapproving the recommendations of the Defense Base Closure and Realignment Commission; to the Committee on Armed Services.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. D'AMATO:

S. 1257. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide death benefits to retired public safety officers; to the Committee on the Judiciary.

S. 1258. A bill for the relief of the estate of Irwin Rutman; to the Committee on the Judiciary.

IRWIN RUTMAN RETIRED SAFETY OFFICERS BENEFITS ACT AND PRIVATE RELIEF LEGISLATION

• Mr. D'AMATO. Mr. President, I rise today to introduce the Irwin Rutman Retired Safety Officers Benefits Act. This bill extends death and disability benefits to retired public safety officers who are killed or disabled in the course of attempting to rescue or in responding to a fire or police emergency. These benefits are currently only available to those officers who had been on active duty.

In October 1990, Irwin Rutman, a retired 23-year veteran of the New York City Police Department, witnessed a mugging in a dark Manhattan subway train. After Mr. Rutman immediately attempted to intervene and aid the crime victim, a struggle ensued between Mr. Rutman and the mugger. Mr. Rutman was brutally shot in the head.

He left behind a wife and four young sons. Two sons were in college at the time of his death. Because Mr. Rutman was retired, his family was ineligible to apply for the death benefit funds available under the Public Safety Officers' Benefits Act. If Mr. Rutman had been on active duty, his family would have been eligible for up to $100,000 in death benefits.

The cost of this provision is negligible. The House Budget Committee has not characterized the budgetary impact as significant. The Congressional Budget Office has advised the House Judiciary Committee that this expansion of benefits would result in direct spending of under $500,000 annually. Even though the expense of this bill is minimal, it appropriately honors those heroes and their families who deserve our support.

Mr. Rutman's widow, Elaine, believes that, in order to help other families whose loved ones died or were maimed in acts of bravery, we should name and pass a bill in Mr. Rutman's honor. I agree. Irwin Rutman made the ultimate sacrifice in the battle against crime. This would be a living memorial to a concerned citizen, a good Samaritan, and a police officer who never shed his duty even though he has retired.

Mr. President, I urge my colleagues to support this important legislation.

I ask unanimous consent that a copy of this bill and a bill for the relief of the estate of Irwin Rutman, be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1257

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 "Irwin Rutman Retired Public Safety Officers Death Benefits Act".

SEC. 2. DEATH BENEFITS.

(a) PAYMENTS.—Section 1201 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended—

(1) in subsection (a) by inserting after "line of duty" the following: "or a retired public safety officer has died as the direct and proximate result of a personal injury sustained while responding to a fire, rescue, or police emergency";

(2) in subsection (b) by inserting after "line of duty" the following: "or a retired public safety officer has become permanently and totally disabled as the direct result of a catastrophic injury sustained while responding to a fire, rescue, or police emergency"; and

(3) in subsections (c), (i), and (j) by inserting after "public safety officer" every place it appears the following: "or a retired public safety officer".

(b) LIMITATIONS.—Section 1202 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended—

(1) in paragraph (1) by striking "the public safety officer or by such officer's intention" and inserting "the public safety officer or the retired public safety officer who had the intention";

(2) in paragraph (2) by striking "the public safety officer" and inserting "the public safety officer or the retired public safety officer"; and

(3) in paragraph (3) by striking "the public safety officer" and inserting "the public safety officer or the retired public safety officer".

(c) NATIONAL PROGRAM.—Section 1203 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by inserting before the period "or retired public safety officers who have died while responding to a fire, rescue, or police emergency".

(d) DEFINITIONS.—Section 1204 of the Omnibus Crime Control and Safe Streets Act of 1968 is amended—

(1) by striking "and" at the end of paragraph (6);

(2) by striking the period and inserting "; and" at the end of paragraph (7); and

(3) by adding at the end the following:

"(8) 'retired public safety officer' means a former public safety officer, as defined in paragraph (7), who has served a sufficient period of time in such capacity to become vested in the retirement system of a public agency in which the officer was employed and

who retired from such agency in good standing.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to death or injuries occurring after the date of the enactment of this section.

S. 1258

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

SECTION 1. PUBLIC SAFETY OFFICER DESIGNATION.

For purposes of part L of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796 et seq.), relating to benefits for survivors of public safety officers, Irwin Rutman of Staten Island, New York, shall be deemed to have been a public safety officer on October 29, 1990, and his family shall be entitled to death benefits under such part.

SEC. 2. LIMITATION OF ATTORNEYS' AND AGENTS FEES.

No amount exceeding 10 percent of a payment made under section 1 may be paid to or received by any attorney or agent for services rendered in connection with the payment. Any person who violates the provisions of this section shall be guilty of an infraction and shall be subject to a fine in the amount provided under title 18, United States Code.

SEC. 3. EFFECTIVE DATE.

The provisions of section 1 shall take effect on the date of the enactment of this Act.•

By Mr. SIMON (for himself and Ms. MOSELEY-BRAUN):

S. 1259. A bill to amend chapter 93 of title 31, United States Code, to provide additional requirements for a surety corporation to be approved by the Secretary of the Treasury, to provide for equal access to surety bonding, and for other purposes; to the Committee on the Judiciary.

EQUAL SURETY BOND OPPORTUNITY ACT OF 1993

• Mr. SIMON. Mr. President, I am pleased to joined by my distinguished colleague, the junior Senator from Illinois, in introducing the Equal Surety Bond Opportunity Act of 1993. This bill is designed to further equal opportunity for surety bond applicants and to equip bond applicants—particularly small business applicants—with information to help them to strengthen their businesses.

Construction firms must have surety bonds to bid on all Federal projects in excess of $25,000 and all federally assisted projects in excess of $100,000. In fact, bonding is now required for most State and local government construction projects and an increasing number of private construction projects. Clearly, access to surety bonding is essential to the livelihood of the majority of construction companies.

Surety bonds ensure that a contractor is capable of completing the specified work and has the financial ability to pay its bills on time. If the bonded contractor fails to complete the project, the surety firm steps in to fulfill the contracts.

Furthermore, surety firms minimize their own risk by determining, before they issue a bond, whether the applicant is capable of completing the particular project in question. The principal source of bonds—for-profit corporate surety firms—use undisclosed underwriting standards to make this determination. Essentially, they assess an applicant's three C's—cash, capacity to do work, and character. But the personal character of a contractor may be evaluated in a very subjective manner, which can result in discrimination.

Although classified as a type of insurance, these bonds are really more like a line of credit. If a surety firm has to step in to fulfill the bonded company's obligation under a contract, it expects to be reimbursed. Unfortunately, as with other types of lines of credit such as mortgage financing, women and minority contractors face serious problems in obtaining surety bonds. Several relatively recent studies of mortgage lending rates in Detroit, Atlanta, and Washington, DC have revealed a significant race-related mortgage lending gap even after adjusting the data for legitimate business concerns. These studies were based in part on data that banks and other lending institutions are required to report to the Federal Government. Federal law does not require surety firms to report any similar data for applications received or granted.

I sponsored and held hearings on the Equal Surety Bond Opportunity Act in the 102d Congress. Witnesses at that hearing included representatives of the Women Construction Owners and Executives and the National Association of Minority Contractors who testified in support of the bill. According to these witnesses, bond applicants have been rejected simply for being a woman, or being a minority. Clearly, these are unacceptable reasons for rejecting a bond applicant.

The American Subcontractors Association also presented testimony at this hearing. They agreed that women and minority-owned construction companies face special problems in getting bonds, as do many small and emerging construction firms. They noted, however, that all of these companies would benefit if surety companies were required to give an explanation for rejecting a bond application. This would allow them to take corrective action for future applications.

By law, the U.S. Treasury Department maintains a list of federally approved surety firms authorized to issue bonds on Federal projects. My bill, which is modeled after the Equal Credit Opportunity Act, would make it unlawful for a Treasury-approved surety to discriminate against applicants based on race, color, religion, national origin, sex, marital status, or age. Simply put, the bill makes it clear that the three C's cannot be determined by reference to an applicant's race, color, religion, national origin, sex, or marital status.

The bill would also require Treasury-approved firms to provide denied applicants, upon request, full written disclosure of the reasons for their denial. A written explanation will give all construction firms the opportunity to take appropriate corrective action—an opportunity now available to all prospective Federal small business contractors when denied by an agency contracting officer. The written explanation would also help curb denials of bonding based on nonlegitimate reasons.

Again, this legislation will benefit all construction firms. It does not dictate underwriting standards for the surety industry. It does not require sureties to report data on applications received or bonds written. Nor does it inflict onerous regulations on the industry. What is does, however, is give businesses the information they need to improve their businesses. Also, the bill will ensure that surety firms comply with the same nondiscrimination laws that bind banks and other lending institutions. If a surety firm is in compliance with these laws, it has nothing to fear from this legislation.

Mr. President, I urge my colleagues to support this very simple, but important legislation.

I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1259

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 "Equal Surety Bond Opportunity Act of 1993".

SEC. 2. ADDITIONAL REQUIREMENTS REGARDING APPROVAL OF SURETIES.

(a) IN GENERAL.—A company may not be approved as a surety by the Secretary of the Treasury under section 9304 of title 31, United States Code, or provide any surety bond pursuant to such section unless the company maintains full compliance with the requirements of section 9310 of title 31, United States Code.

(b) REQUIREMENTS RELATING TO ENFORCEABILITY.—

(1) SIGNED STATEMENT OF COMPLIANCE WITH APPLICATION.—Section 9305(a) of title 31, United States Code, is amended—

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

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

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

"(3) a statement of compliance with section 9310, which is signed under penalty of perjury by the president and the secretary of the corporation.".

(2) COMPLIANCE AS A CONDITION FOR APPROVAL OF APPLICATION.—Section 9305(b) of title 31, United States Code, is amended—

(A) by striking "and" at the end of paragraph (2);

(B) by striking the period at the end of paragraph (3) and inserting "; and"; and

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

"(4) the corporation is in full compliance with section 9310.".

(3) SIGNED STATEMENT OF COMPLIANCE WITH QUARTERLY REPORTS.—Section 9305(c) of title 31, United States Code, is amended by inserting "and a statement of compliance with section 9310," before "signed and sworn".

(4) ENFORCEMENT AUTHORITY OF SECRETARY OF THE TREASURY.—Section 9305(d) of title 31, United States Code, is amended—

(A) in paragraph (1), by striking "9304 or 9306" and inserting "9304, 9306, or 9310"; and

(B) by striking "and" at the end of paragraph (2);

(C) by striking the period at the end of paragraph (3) and inserting "; and"; and

(D) by adding at the end the following new paragraph:

"(4) may, after the end of the 1-year period beginning on the effective date of any revocation under paragraph (1) of the authority of a surety corporation for noncompliance with section 9310, reauthorize such corporation to provide surety bonds under section 9304.".

(5) REVOCATION FOR FAILURE TO PAY CERTAIN JUDGMENTS.—Section 9305(e) of title 31, United States Code, is amended—

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

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

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

"(2) the corporation does not pay a final judgment or order against the corporation for noncompliance with section 9310, or fails to comply with any order under that section; and".

(c) TECHNICAL AND CONFORMING AMENDMENT.—Section 9304(a)(3) of title 31, United States Code, is amended by striking "9305 and 9306" and inserting "9305, 9306, and 9310".

SEC. 3. INFORMATION FOR BOND APPLICANTS AND NONDISCRIMINATION.

(a) IN GENERAL.—Chapter 93 of title 31, United States Code, is amended by adding at the end the following new section:

"SEC. 9310. INFORMATION FOR BOND APPLICANTS; NONDISCRIMINATION.

"(a) REASONS FOR ADVERSE ACTION; PROCEDURE APPLICABLE.—

"(1) NOTICE REQUIRED.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), any surety approved under section 9304 shall notify an applicant for a bid bond, payment bond, or performance bond of its action on a completed application within 10 days of receipt of the application.

"(B) EXTENSION.—The notification required by subparagraph (A) may be furnished within 20 days, if the surety has not issued a bond to the applicant in the preceding 12 months.

"(2) STATEMENT OF REASONS.—

"(A) IN GENERAL.—Each applicant against whom adverse action is taken shall be entitled to a statement of reasons for such action from the surety.

"(B) ACCEPTABLE FORMS OF STATEMENT.—A surety satisfies the requirements of subparagraph (A)—

"(i) by providing a statement of reasons in writing as a matter of course to applicants against whom adverse action is taken; or

"(ii) by giving written notification of adverse action which discloses—

"(I) the applicant's right to a statement of reasons not later than 30 days after receipt by the surety of a written request made by the applicant not later than 60 days after such notification; and

"(II) the identity of the person or office from which such statement may be obtained.

"(C) ORAL STATEMENT PERMITTED.—A required statement of reasons for adverse action may be given orally if written notification advises the applicant of the applicant's right to have the statement of reasons confirmed in writing upon the applicant's written request.

"(3) SPECIFICITY OF REASONS.—A statement of reasons meets the requirements of this section only if it contains specific reasons for the adverse action taken.

"(4) APPLICABILITY IN CASE OF THIRD PARTY APPLICATIONS.—In the case of a request to a surety by a third party to issue a bond directly or indirectly to an applicant, the notification and statement of reasons required by this section may be made directly by such surety, or indirectly through the third party, if the identity of the surety is disclosed to the applicant.

"(5) APPLICABILITY IN CASE OF SURETIES WHICH ACCEPT FEW APPLICATIONS.—The requirements of paragraphs (2), (3), and (4) may be satisfied by oral statements or notifications in the case of any surety which acted on not more than 100 applications during the calendar year in which the adverse action is taken.

"(b) NONDISCRIMINATION.—

"(1) ACTIVITIES.—It shall be unlawful for any surety to discriminate against any applicant, with respect to any aspect of a surety bond transaction—

"(A) on the basis of race, color, religion, national origin, sex, marital status, disability, or age (if the applicant has the capacity to contract);

"(B) because the applicant has in good faith exercised any right under this chapter;

"(C) because the applicant previously obtained a bond through an individual or personal surety; or

"(D) because the applicant previously obtained a bond through—

"(i) any bonding assistance program expressly authorized by law;

"(ii) any bonding assistance program administered by a nonprofit organization for its members or an economically disadvantaged class of persons; or

"(iii) any special purpose bonding program offered by a profitmaking organization to meet special needs.

"(2) ACTIVITIES NOT CONSTITUTING DISCRIMINATION.—It shall not constitute discrimination for purposes of this section for a surety—

"(A) to make an inquiry of marital status if such inquiry is for the purpose of ascertaining the surety's rights and remedies applicable to the granting of a bond and not to discriminate in a determination of bondability;

"(B) to make an inquiry of the applicant's age if such inquiry is for the purpose of determining the amount and probable continuance of bondability; or

"(C) to make an inquiry as to where the applicant has previously obtained a bond, in order to determine bonding history, or other pertinent element of bondability, except that an applicant may not be assigned a negative factor or value because such applicant previously obtained a bond through—

"(i) an individual or personal surety;

"(ii) a bonding assistance program expressly authorized by law;

"(iii) any bonding program administered by a nonprofit organization for its members or an economically disadvantaged class of persons; or

"(iv) any special purpose bonding program offered by a profitmaking organization to meet special needs.

"(3) ADDITIONAL ACTIVITIES NOT CONSTITUTING DISCRIMINATION.—It is not a violation of this section for a surety to refuse to issue a bond pursuant to—

"(A) any bonding assistance program authorized by law for an economically disadvantaged class of persons;

"(B) any bonding assistance program administered by a nonprofit organization for its members or an economically disadvantaged class of persons; or

"(C) any special purpose bonding program offered by a profitmaking organization to meet special needs,

if such refusal is required by or made pursuant to such program.".

(b) DEFINITION OF ADVERSE ACTION.—Section 9301 of title 31, United States Code, is amended—

(1) by striking the period at the end of paragraph (1) and inserting a semicolon;

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

(3) by adding at the end the following new paragraph:

"(3) 'adverse action'—

"(A) means a denial of a bond, a change in the terms of an existing bonding arrangement, or a refusal to issue a bond in the amount or on substantially the terms requested; and

"(B) does not include any refusal to issue an additional bond under an existing bonding arrangement where the applicant is in default, or where such additional bond would exceed a previously established bonding limit.".

SEC. 4. CIVIL PENALTIES.

Section 9308 of title 31, United States Code, is amended—

(1) in the first sentence by striking "A surety corporation" and inserting the following:

"(a) LIABILITY TO THE UNITED STATES.—A surety corporation";

(2) in the second sentence by striking "A civil action" and inserting the following:

"(c) JURISDICTION.—A civil action";

(3) in the third sentence by striking "A penalty imposed" and inserting the following:

"(d) EFFECT OF PENALTIES ON CONTRACTS.—A penalty imposed"; and

(4) by inserting after subsection (a) (as designated by paragraph (1)) the following new subsection:

"(b) LIABILITY FOR DISCRIMINATORY ACTION.—Any surety corporation that fails to comply with section 9310(b) shall be liable to the applicant for—

"(1) any actual damage sustained by such applicant (individually or as a member of a class); and

"(2) in the case of any successful action under this subsection, the costs of the action, together with reasonable attorney's fees, as determined by the court.".

SEC. 5. REGULATIONS.

The Secretary of the Treasury shall issue such proposed regulations as may be necessary to carry out this Act not later than 270 days after the date of the enactment of this Act. The final regulations shall become effective not later than 1 year after the date of enactment of this Act.

SEC. 6. EFFECTIVE DATE.

The amendments made by this Act shall become effective on the earlier of—

(1) the effective date of final regulations promulgated pursuant to section 5; or

(2) the end of the 1-year period beginning on the date of enactment of this Act.●

By Mr. GRAHAM:

S. 1260. A bill to provide that certain service in the American Field Service

ambulance corps shall be considered active duty for the purposes of all laws administered by the Secretary of Veterans Affairs; to the Committee on Veterans Affairs.

AMERICAN FIELD SERVICE LEGISLATION

• Mr. GRAHAM. Mr. President, I rise today to introduce legislation which will remedy an inequity suffered by a small but important group of American veterans, members of the American Field Service ambulance corps. All wartime AFS ambulance drivers of World War II rendered service on battlefields in U.S. combat areas, but the Secretary of the Air Force has entitled only 53 percent of the AFS roster to U.S. Army status and veterans' benefits under the provisions of section 401, Public Law 95–202. The disapproved 47 percent of the roster, who enlisted for overseas duty on the same terms, subject to court martial for failing to serve, have been unable to obtain an administrative remedy.

My legislation would provide that any person who was part of the enlisted wartime personnel of the AFS corps and who reported for duty overseas during World War II shall be considered active duty for the purposes of all laws administered by the Secretary of Veterans Affairs. It is similar to legislation introduced in 1992 by Representative JOHN TANNER.

The AFS corps was a prewar American volunteer group of combat ambulance drivers that the U.S. Government sponsored as a wartime service with American and Allied army troops in Africa, Europe, and India-Burma campaigns. Peak deployment overseas was three companies and one half company, totalling 437 ambulances and 891 men.

AFS units deployed on army orders of battle conducted an estimated 714,000 ambulance patient evacuations, which represented aid to 139,500 soldiers hit by enemy fire. More than 11 percent of all wounded Allied ground troops in the Italy and Western Europe campaigns were transported one or more times by AFS drivers.

The principal AFS service evacuated 338,000 American and Allied army soldiers in Italy. This included helping at least 35 percent of the total Allied wounded in the campaign and 20 percent of the U.S. 5th Army wounded. AFS groups provided similar frontline service in North Africa, Western Europe, and India-Burma.

From 1942 to 1945, the AFS ambulance drivers were registered by the State Department under article 10 of the Geneva Red Cross Convention as an American Government responsibility and as members of the American Army medical services. The drivers were attached to Allied army units in this capacity. They also aided Americans and served at all times under U.S. War Department control or U.S. Army command. Secretary of War Stimson personally authorized the AFS service.

In 1945, the U.S. War Department recognized duty performed by AFS personnel as active military service, but in 1946, the Veterans Administration refused to honor this finding. The VA acted to discredit the AFS group, even though AFS men already had been discharged from the Army and Navy, and been granted draft exemption by counting their ambulance service time.

Although 27 AFS drivers were killed by enemy action and 72 were wounded, only 13 received Purple Heart decorations during the war. In June 1989, the Department of the Army authorized retroactive issue of this medal to the other AFS wounded, confirming the wartime view that they served the U.S. Armed Forces.

In December 1989, I presented two Purple Hearts to Cliff Bissler of Stuart, FL, an AFS veteran who sustained disabling wounds in the India-Burma campaign. Mr. Bissler was the first AFS veteran to receive a Purple Heart. At the time, I remarked that I would do all in my power to see that the members of the AFS corps were granted full entitlement as war veterans. It seemed unlikely at that moment that I would need to act further because the Purple Heart awards signed by the Secretary of the Army attested that Cliff Bissler, like the other members of the AFS corps, qualified as serving with the U.S. forces. Sadly, the need for further action remains.

In 1977, Congress passed Public Law 95–202, which granted veterans' status and the right to apply for veterans' benefits to members of several organizations which had not been members of the U.S. Armed Forces. Among these were members of the WAAF, the so-called Flying Tigers, the AFS, the Women Airforce Service Pilots [WASP], and others. Unfortunately, only about 53 percent of the AFS corps were determined to be eligible, because a person had to have served, however briefly, under direct American command. The phrase has been strictly interpreted by the Department of the Air Force to exclude not only Cliff Bissler and his comrades who served in India-Burma, but also AFS men who served in Syria, Egypt, Libya, and under the command of General Eisenhower in Tunisia, Northern Europe, and part of Italy.

The intent of Public Law 95–202 is to remove retroactively all technical obstacles which on past occasions prevented entitlement of the WASP corps and any other similarly situated American group of civilians who rendered actual military service aiding the Armed Forces, specifically groups that previously tried to claim recognition, as WASP and AFS did. The only other essential statutory criteria are the two that DOD agrees the AFS applicants meet: military service and benefit to the Armed Forces. But now the Pentagon claims numerous additional technical criteria must be met. This creation of new technical obstacles is the antithesis of the law's intent to entitle major service groups which have preexisting claims of grievances.

Although this is strictly an issue of fairness, rather than cost, it must be noted that in posting notice in the Federal Register of the partial AFS approval, VA stated that the added expenses it incurred through approval of the small AFS group were an insignificant cost to its agency and the Government.

Of the total AFS World War II roster, only about 1,000 individuals lack approval under Public Law 95–202. However, about 40 percent of these total numbers are deceased veterans, and approximately 35 percent of the remainder already are qualified, via other wartime services, for U.S. Army, Navy, or Public Law 95–202 discharges. Thus, the number of AFS veterans who would benefit by additional AFS entitlement is about 475 surviving individuals, of whom not more than 275 are likely to apply for discharges.

This estimate is quite definite, for out of the 1,000 gross number already granted Public Law 95–202 entitlement, scarcely 225 have applied, a number including several survivors of deceased veterans. The principal reason for nonapplication is "whereabouts unknown." The fact that the average age of AFS veterans now exceeds 70 years also is a factor. Recognition comes too late for many survivors.

The AFS performed unique combat medical missions which were essential to the successful campaigns of the U.S. Army. We must hurry to correct the current inequity in law which denies rightful compensation to Cliff Bissler and other AFS veterans for their brave contributions to victory in World War II. I urge my colleagues to support this long overdue legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1260

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

SECTION. 1. AMERICAN FIELD SERVICE.

Section 401 of the GI Bill Improvement Act of 1977 (38 U.S.C. 106 note) is amended—

(1) in subsection (b), by striking "subsection (a)" each place it appears and inserting "subsections (a) and (d)";

(2) in subsection (c), by striking "subsection (a)" and inserting "subsections (a) and (d)"; and

(3) by adding at the end the following new subsection:

"(d) Notwithstanding any other provision of law, service rendered before August 15, 1945, by any person who was part of the enlisted wartime personnel of the American Field Service ambulance corps and who reported for duty overseas during World War II, shall be considered active duty for the

purposes of all laws administered by the Secretary of Veterans Affairs.".●

By Mr. PELL (by request):

S. 1261. A bill to authorize appropriations for fiscal years 1994 and 1995 for the Board for International Broadcasting, and for other purposes; to the Committee on Foreign Relations.

BOARD FOR INTERNATIONAL BROADCASTING ACT, FISCAL YEARS 1994 AND 1995

Mr. PELL. Mr. President, by request, I introduce for appropriate reference a bill to authorize appropriations for fiscal years 1994 and 1995 for the Board for International Broadcasting, and for other purposes.

This proposed legislation has been requested by the Board for International Broadcasting, and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the Executive Director of the Board for International Broadcasting, which was received on July 6, 1993.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1261

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 "Board for International Broadcasting Act, Fiscal Years 1994 and 1995.

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 8(a)(1)(A) of the Board for International Broadcasting Act of 1973 (22 U.S.C. 287(a)(1)(A)) is amended to read as follows:

"(A) $220,000,000 for fiscal year 1994 and such sums as may be necessary for fiscal year 1995 and such additional amounts for each such fiscal year as may be necessary to offset adverse fluctuations in foreign currency exchange rates; and".

BOARD FOR
INTERNATIONAL BROADCASTING,
Washington, DC, May 19, 1993.

Hon. ALBERT GORE, Jr.,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: I am submitting with this letter proposed legislation amending the Board for International Broadcasting Act of 1973 to authorize appropriations for the Board to carry out its responsibilities as specified in that Act.

The proposed bill provides for authorization of appropriations for the Board's operations for Fiscal Years 1994 and 1995. This legislative proposal is needed to carry out the President's FY 1994 budget plan.

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

Sincerely,

MARK G. POMAR,
Executive Director.

By Mr. PELL (by request):

S. 1262. A bill to reorganize United States international broadcasting, to authorize an Asian Democracy Radio service, and for other purposes; to the Committee on Foreign Relations.

UNITED STATES INTERNATIONAL BROADCASTING ACT OF 1993

Mr. PELL. Mr. President, by request, I introduce for appropriate reference a bill to reorganize U.S. international broadcasting, authorize an Asian Democracy Radio service, and for other purposes.

This proposed legislation has been requested by the U.S. Information Agency and the Board for International Broadcasting, and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the section-by-section analysis and the letter from the Director of the U.S. Information Agency and the Chairman of the Board for International Broadcasting, which was received on June 30, 1993.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1262

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

SECTION 1. SHORT TITLE.

This title may be cited as the "United States International Broadcasting Act of 1993."

SEC. 2. CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSES.

The Congress hereby finds and declares—

(a) that U.S. publicly-Funded international radio broadcasters—VOA, RFE/RL, Inc., and Radio Marti—have won the attention and respect of millions of listeners, especially in closed societies and emerging democracies, by serving as a consistently reliable and authoritative source of news and information about events in the respective audience areas, as well as in the international community and in the United States;

(b) that the Voice of America (VOA) has built a substantial global listenership by providing full-service programming of high quality about events around the world, significant developments in all countries to which it broadcasts, as well as information about the United States, its policies, institutions and people, consistent with Public Law 94-350;

(c) that the continuation of Radio Free Europe and Radio Liberty broadcasting operating in a manner not inconsistent with the broad foreign policy objectives of the United States and in accordance with high professional standards is in the national interest;

(d) that Radio Marti and Television Marti, continue to broadcast, in a manner not inconsistent with the broad foreign policy of the United States, to Cuba news, commentary, and other information about events in Cuba and elsewhere, and promote the cause of freedom in Cuba;

(e) that the introduction of similar radio broadcasting to the people of Asia in those countries where communications media are not fully developed or free would serve the goals of United States foreign policy by promoting freedom and democracy in those countries;

(f) that it is the policy of the United States to promote the rights of freedom of opinion and expression, including the freedom to seek, receive, and impart information and ideas through any media and regardless of frontiers, in accordance with Article 19 of the Universal Declaration of Human Rights;

(g) that open communication of information and ideas among the peoples of the world contributes to the advances of democracy and international peace, and that promotion of such information is in the interests of the United States;

(h) that the long-range interests of the United States continue to be served by communicating directly with the peoples of the world by radio and television;

(i) that the continuation of all broadcasting carried out prior to the date of enactment of this Act by the United States Information Agency including, but not limited to the Voice of America, Radio Marti, TV Marti, WORLDNET Television and Film Service, all under existing mandates, charters, and authorities is in the national interest; and,

(j) that a reorganization and consolidation of United States non-military international broadcasting will strengthen the capability of such broadcasting to support freedom and democracy around the world and will achieve a more efficient utilization of scarce national resources.

SEC. 3. ESTABLISHMENT OF BROADCASTING BOARD OF GOVERNORS.

(a) ESTABLISHMENT.—

There is hereby established within the United States Information Agency a Broadcasting Board of Governors (hereinafter referred to as the "Board").

(b) COMPOSITION OF THE BOARD.—

The Board shall consist of eight members. The President shall appoint, by and with the advice and consent of the Senate, seven voting members to the Board. The President shall designate one member (other than the Director of the United States Information Agency) as Chairman of the Board. The Director of the United States Information Agency shall be one of the voting members. The Director of the International Broadcasting Bureau, ex officio, shall be a member of the Board, but may not vote in the determinations of the Board.

(c) TERM OF OFFICE.—

The term of office of each member of the Board shall be three years, except that the Director of the United States Information Agency and the Director of the International Broadcasting Bureau of the United States Information Agency shall remain members of the Board during their respective terms of service. The President shall appoint, by and with the advice and consent of the Senate, Board members to fill vacancies occurring prior to the expiration of a term, in which case the members so appointed shall serve for the remainder of such term. Any member whose term has expired may serve until his or her successor has been appointed and qualified.

(d) SELECTION OF BOARD.—

Members of the Board appointed by the President shall be citizens of the United States who are not currently regular full-time employees of the United States Government, except the Director of the United States Information Agency. Such members shall be selected by the President from among Americans distinguished in the fields of mass communications, print, broadcast media or foreign affairs.

(e) COMPENSATION.—

Members of the Board, while attending meetings of the Board or while engaged in duties relating to such meetings or in other activities of the Board pursuant to this section, including travel time, shall be entitled to receive compensation equal to the daily equivalent of the compensation provided for Level IV of the Executive Schedule under Section 5315 of Title 5, United States Code. While away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently: *Provided, however,* that the Director of the United States Information Agency and the Director, International Broadcasting Bureau, United States Information Agency, shall not be entitled to any compensation under this Act, but may be allowed travel expenses as provided in the preceding sentence.

SEC. 4. FUNCTIONS OF THE BOARD.

The Board is authorized:

(a) To provide guidance and oversight to the International Broadcasting Bureau which is authorized to administer Radio Free Europe, Radio Liberty, Voice of America, the Office of Cuban Broadcasting, Asian Democracy Radio, and such services of WORLDNET Television and Film Service as determined by the Board with the concurrence of the Director of the United States Information Agency;

(b) To review and evaluate the mission and operation of the International Broadcasting Bureau and to assess the quality, effectiveness and professional integrity of its programming within the context of the foreign policy objectives of the United States;

(c) To review and evaluate, at least annually, the mix of traditional Voice of America programming and surrogate programming and make recommendations to the President, through the Director of the United States Information Agency, on the addition or deletion of language services;

(d) To undertake such studies as may be necessary to identify areas in which the operations of the International Broadcasting Bureau could be made more efficient and economical;

(e) To report annually to the President, through the Director of the United States Information Agency, summarizing the activities of the Board and evaluating the operations of the International Broadcasting Bureau;

(f) To the extent it deems necessary to carry out the functions under this Act, procure supplies, services and other personal property;

(g) To appoint such staff personnel for the Board as may be necessary, subject to the provisions of Title 5, United States Code, governing appointments in the competitive service, and to fix their compensation in accordance with the provisions of Chapter 51 and Subchapter III of Chapter 53 of such title relating to classification and General Schedule pay rates; and,

(h) To make available for its own use, for official reception and representation expenses not to exceed the current amount authorized for the Board for International Broadcasting, which will not be increased or decreased without the concurrence of the Director of the United States Information Agency and the Chairman of the Board.

SEC. 5. JOURNALISTIC INTEGRITY AND FOREIGN POLICY GUIDANCE.

The Board shall protect the Bureau against political interference with broadcasting. The United States Information Agency will respect the professional independence and integrity of the broadcasting services. The Secretary of State shall provide information and guidance on foreign policy issues to the Director of the United States Information Agency. The Director of the United States Information Agency shall provide guidance on foreign policy issues to the Board members.

SEC. 6. INTERNATIONAL BROADCASTING BUREAU.

(a) ESTABLISHMENT.—

There is hereby established an International Broadcasting Bureau within the United States Information Agency (hereinafter the "Bureau").

(b) ORGANIZATION OF THE BUREAU.—

The Bureau, in recognition of and to implement the purposes of this Act, will consist of the following separate elements:

(1) Voice of America;

(2) Office of Surrogate Broadcasting;

(3) Such services of the WORLDNET Television and Film Service as determined by the Board within the concurrence of the Director of the United States Information Agency;

(4) Engineering and Technical Operations; and,

(5) Such other elements as the Director of the International Broadcasting Bureau may from time to time establish with the concurrence of the Director of the United States Information Agency and the Board.

(c) ORGANIZATION OF THE OFFICE OF SURROGATE BROADCASTING.—

The Office of Surrogate Broadcasting will administer and oversee Radio Free Europe, Radio Liberty, the Office of Cuba Broadcasting (including Radio Marti and TV Marti), and Asian Democracy Radio, and such other surrogate services as may from time to time be established.

(d) SELECTION OF THE DIRECTOR OF THE BUREAU.—

The Director of the Bureau will be appointed by the Chairman of the Board, in consultation with the Director of the United States Information Agency and with the concurrence of a majority of the Board. The Director of the Bureau shall be entitled to receive compensation at the rate now or hereafter prescribed by law for Level IV of the Executive Schedule.

(e) SEPARATELY IDENTIFIED APPROPRIATION ACCOUNT.—

Funding for the Bureau and the Board shall be provided in a separately identified appropriation account and be authorized as a separate category by the Congress. The Director of the Bureau shall submit proposals on appropriation of broadcasting funds to the Board. The Board will forward its recommendations concerning the proposed budget for the Board and the Bureau to the Director of the United States Information Agency for his consideration as a part of the Agency's budget submission to the Office of Management and Budget. The Director of the United States Information Agency shall include in the Agency's submission to the Office of Management and Budget, the comments and recommendations of the Board concerning the proposed broadcasting budget.

SEC. 7. ASIAN DEMOCRACY RADIO.

The Director of the United States Information Agency is authorized to create and support within the Office of Surrogate Broadcasting of the International Broadcasting Bureau a surrogate broadcasting service to be known as "Asian Democracy Radio," which shall—

(a) Provide accurate and timely information, news, commentary about events in the respective countries of Asia and elsewhere to promote the cause of freedom and democracy in those countries of Asia where communications media are not fully developed or free; and,

(b) Be a source of information about developments in Asia and a forum for a variety of opinions and voices from within Asian nations whose people do not fully enjoy freedom of expression.

SEC. 8. TRANSITION.

(a) AUTHORIZATION.—

The President is hereby authorized to direct the transfer of all functions and authorities from the Board for International Broadcasting to the United States Information Agency, the Board, or the Bureau as may be necessary to implement this Act.

(b) EXCEPTED SERVICE APPOINTMENT AUTHORITY.—

Notwithstanding the provisions of section 607 of the Treasury, Postal Service, and General Government Appropriations Act, 1993, Pub. L. 102-393, or any other Act, now or hereafter enacted barring employment or compensation on the basis of citizenship, the Director of the United States Information Agency shall appoint to the United States Information Agency, the Bureau, or the Board, any personnel of RFE/RL, Inc., who are permanent employees as of September 30, 1995, without regard to the provisions of Title 5 of the United States Code governing appointments in the competitive service, and fix their compensation without regard to the provisions of Chapter 51 and Subchapter III of Chapter 53 of such Title 5, governing classification and General Schedule pay rates. To the extent permitted by law, compensation, benefits, and personnel rules shall be modeled after existing RFE/RL, Inc., personnel and compensation system until the employees leave or retire.

(c) NEW APPOINTEES.—

The Director of United States Information Agency may assign personnel for service with RFE/RL, Inc., with the concurrence of the President of RFE/RL, Inc., between the date of enactment of this Act and September 30, 1995. Such assignment shall not affect the rights and benefits of such personnel as employees of the United States Information Agency.

(d) BOARD FOR INTERNATIONAL BROADCASTING PERSONNEL.—

All Board for International Broadcasting full-time United States Government personnel (except special Government employees) and part-time United States Government personnel holding permanent positions shall be transferred to the United States Information Agency, the Board, or the Bureau. Such transfer shall not cause any such employee to be separated or reduced in grade or compensation.

(e) OTHER AUTHORITIES.—

The Director of the United States Information Agency is authorized to utilize the provisions of Titles VIII and IX of the United States Information and Educational Exchange Act of 1948, as amended, and any other authority available to the Director on

the effective date of this Act, to the extent that he or she deems necessary in carrying out the provisions and purposes of this Act.

(f) REPEAL.—

The Board for International Broadcasting Act of 1973, as amended, (22 U.S.C. 2871, et seq.) is hereby repealed effective September 30, 1994, but in no event shall the Act be repealed before the appointment and confirmation of all members to the Broadcasting Board of Governors.

(g) APPROPRIATED FUNDS.—

No appropriated funds shall be available for grants to RFE/RL, Inc. after September 30, 1995.

(h) SERVINGS PROVISIONS.—

(1) CONTINUING EFFECT OF LEGAL DOCUMENTS.—

All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(a) which have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under this Act, and

(b) which are in effect at the time this Act takes effect, or were final before the effective date of this Act and are to become effective on or after the effective date of this Act,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Director of the United States Information Agency or other authorized official, a court of competent jurisdiction, or by operation of law.

(2) PROCEEDINGS NOT AFFECTED.—

The provisions of this Act shall not affect any proceedings pending before the Board for International Broadcasting at the time this Act takes effect, with respect to functions transferred by this Act, but such proceedings shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this Act had not been enacted.

(3) SUITS NOT AFFECTED.—

The provisions of this Act shall not affect suits commenced before the effective date of this Act, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this Act had not been enacted.

(4) NONABATEMENT OF ACTIONS.—

No suit, action, or other proceeding commenced by or against the Board for International Broadcasting or by or against any individual in the official capacity of such individual as an officer of the Board for International Broadcasting shall abate by reason of the enactment of this Act.

(5) ADMINISTRATIVE ACTIONS RELATING TO PROMULGATION OF REGULATIONS.—

Any administrative action relating to the preparation or promulgation of a regulation by the Board for International Broadcasting relating to a function transferred under this Act may be continued by the United States Information Agency with the same effect as if this Act had not been enacted.

(6) REFERENCES.—

A reference in any provision of law, reorganization plan, or other authority to the Associate Director for Broadcasting of the United States Information Agency shall be considered to be a reference to the Director of the International Broadcasting Bureau of the United States Information Agency.

(7) EFFECT ON OTHER LAWS.—

The provisions of, and authorities contained in or transferred pursuant to, this Act are not intended to repeal, limit, or otherwise derogate from the authorities or functions of or available to the Director of the United States Information Agency or the Secretary of State under law, reorganization plan, or otherwise, unless such provision hereof—

(a) specifically refers to the provision of law or authority existing on the effective date of this Act, so affected; or

(b) is in direct conflict with such law or authority existing on the effective date of this Act.

(8) BOARD OF DIRECTORS, RFE/RL, INC.—

(a) At such time, and in such manner as the President directs, no grant may be made to RFE/RL, Inc., unless the certificate of incorporation of RFE/RL, Inc., has been amended to provide that—

(1) the Broadcasting Board of Directors of RFE/RL, Inc., shall consist of the members of the Board of Governors and of no other members, except that the Director of the Bureau shall be a non-voting member; and

(2) such Broadcasting Board of Governors shall make all major policy determinations governing the operation or RFE/RL, Inc., and shall appoint and fix the compensation of such managerial officers and employees of RFE/RL, Inc., as it deems necessary to carry out the purposes of this act.

(b) Compliance with the requirement of paragraph (1) of Subsection (a) shall not be construed to make of RFE/RL, Inc., a federal agency or instrumentality.

(9) AUTHORIZATION FOR APPROPRIATION.—

There is authorized to be appropriated $540,046,000 for Fiscal Year 1995, $395,356,000 for Fiscal Year 1996, and $400,784,000 for Fiscal Year 1997 for the International Broadcasting Operations account. In addition, $106,271,000 for Fiscal Year 1995, $108,874,000 for Fiscal Year 1996, and $111,528,000 for Fiscal Year 1997 are authorized to be appropriated for the Radio Construction Account.

SECTION-BY-SECTION ANALYSIS

SECTION 1. SHORT TITLE

This section is self-explanatory.

SECTION 2. CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSES

This section sets forth the findings of Congress that U.S. Government non-military broadcasting as carried on by the Voice of America, RFE/RL, Inc., Radio and TV Marti, and WORLDNET have been effective instruments for mutual understanding among the United States and people of other nations, explaining the United States and its people and policies, and furthering open communication of information and ideas in countries where communications media are not fully developed or free. The Congress believes that such broadcasting is in the national interest and should continue to carry out the purposes set forth in this section in a reorganized and more efficient and economical instrumentality within the United States Information Agency.

Congress also finds that it is in the national interest to initiate broadcasting to the people of Asia who because of a lack of development or unfettered access to expression of ideas, may not be receiving the information available to make judgments and reach understandings that are necessary to help foster the causes of freedom and democracy in today's world. This section finds that the creation of an Asian Democracy Radio within the new international broadcast establishment in the United States Information Agency is in the national interest.

SECTION 3. ESTABLISHMENT OF BROADCASTING BOARD OF GOVERNORS

Subsection (a) establishes within the United States Information Agency under all of its existing administrative, operating, and technical authorities a new Broadcasting Board of Governors which will act to protect the political and journalistic integrity of the newly established International Broadcasting Bureau. It has been determined by the United States Information Agency that this Board would not be a federal advisory committee and therefore would not be covered by the Federal Advisory Committee Act.

The remainder of this section is self-explanatory in setting forth the composition of the Board, terms of office, the selection criteria, and compensation. The Administration intends that not more than four voting members of the Board appointed by the President shall be of same political party.

SECTION 4. FUNCTIONS OF THE BOARD

This section implements the President's mandate that there be established a new and independent Board of Governors located within the United States Information Agency. The Board would oversee and provide guidance to a newly created International Broadcasting Bureau and would replace and perform tasks similar to those of the Board for International Broadcasting with respect to surrogate broadcasting. The Board will be responsible for assessing the quality, effectiveness, and professional integrity of United States surrogate and other broadcasting.

This section also lists the specific authorities of the Board. Subsections (a) through (e) specify the Boards duties and are based primarily on the current statutory oversight functions of the Board for International Broadcasting regarding surrogate broadcasting. They include the following: guidance and oversight of U.S. non-military international broadcasting by the United States Information Agency; review and evaluate the mission and operation of the broadcasting services, engineering activities, and uses of new broadcast technologies, as well as assess the programming quality, effectiveness and integrity of the broadcast services within the context of the foreign policy objectives of the U.S.; review annually the mix of traditional VOA programming and surrogate programming with recommendations on additions or deletions to the President through the Director of the United States Information Agency; undertake studies, as may be necessary, to identify broadcasting areas which could be made more efficient and economical; and report annually to the President, through the Director of the United States Information Agency, summarizing the activities of the Board and evaluating the operations of the Bureau.

Subsections (f) through (h) list the administrative authorities of the Board of Governors. They provide the Board authority for the following activities: to procure supplies and services; appoint necessary staff; and to have available official reception and representation expenses at the level currently

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available to the Board for International Broadcasting. With respect to subsection (h), the Chairman of the Board may only act in pursuance to a majority vote of the Board.

SECTION 5. JOURNALISTIC INTEGRITY AND FOREIGN POLICY GUIDANCE

This section provides for the protection of the newly established International Broadcasting Bureau against political interference with its broadcasting. It seeks to ensure that the Director of the United States Information Agency will respect the professional independence and integrity of the broadcast services. This provision recognizes that the Director is the appropriate source of guidance on foreign policy issues to the Board members, including the Director of the International Broadcasting Bureau. It also recognizes the necessity and practicality of the day-to-day requirements of the Bureau for the United States Information Agency's Director's foreign policy guidance on particular topics and more general broadcast matters. It is expected that the Director of the Bureau will be a regular participant in the usual staff and policy meetings of the United States Information Agency. The Secretary of State is expected to continue his or her present role of providing foreign policy information and guidance to the Director of the United States Information Agency. This does not mean, however, that the Secretary is to be involved in the management or day-to-day decision-making of the Agency or any of its operations or programs such as international broadcasting or otherwise.

SECTION 6. INTERNATIONAL BROADCASTING BUREAU

Subsection (a) establishes the International Broadcasting Bureau, a new operational entity to carry out the U.S. Government's non-military international broadcasting. The Act contemplates broadcasting by the Bureau utilizing the current means of mass communications such as radio and television, as well as by any new methods of mass communication developed as a product of the rapid evolution of modern technology.

Subsections (b) and (c) set forth the general composition of the new Bureau. The Bureau will include the Voice of America, and a new office of surrogate broadcasting comprised of the newly established federal Office of Radio Free Europe and Radio Liberty, Radio Marti, and TV Marti, and the newly established Asian Democracy Radio. The Bureau will also include engineering and technical operations elements and may also be expanded to accommodate other broadcasting elements as needed. The Broadcasting Board of Governors with the concurrence of the Director of the United States Information Agency are enabled to include within the Bureau certain program services of the WORLDNET Television and Film Service. This recognizes that there are certain elements of WORLDNET, such as teleconferencing, which are not properly part of the broadcasting services.

Subsection (d) provides that the Chairman, based on a majority vote of the Board of Governors and after consulting with the Director of the United States Information Agency, will appoint the Director of the International Broadcasting Bureau. All parties understand that it is essential that the Chairman of the Board work closely with and seek agreement with the Director of the United States Information Agency on the selection and appointment of the Director of the Bureau. This subsection also provides that the Director of the Bureau be compensated at the rate of Level IV of the Executive Schedule.

Subsection (e) provides that the Bureau and the Board shall be funded by a separately identified account and be authorized as a separate category by the Congress, within the overall appropriation accounts of the United States Information Agency. This section provides that the Broadcasting Board of Governors, working with the Director of the Bureau, will propose a budget for the Board of Governors and the Bureau for consideration by the Director of the United States Information Agency as a part of the Agency's budget submission to the Office of Management and Budget. This provision recognizes that the Director of the United States Information Agency is responsible for and is the final authority on the Agency's budget proposal for the appropriation cycle; however, it also ensures that the recommendations and comments of the Broadcasting Board of Governors are included with the Agency's budget proposal submitted to the Office of Management and Budget.

SECTION 7. ASIAN DEMOCRACY RADIO

This section provides authority for the Director of the United States Information Agency to create and support within the Office of Surrogate Broadcasting of the International Broadcasting Bureau a surrogate broadcasting service to be known as "Asian Democracy Radio." This new service shall provide information, news, and commentary about events in Asia and elsewhere to promote freedom and democracy in those Asian countries where communications media are not fully developed or free. The Radio shall also be a source of information about developments in Asia and a forum for a variety of opinions from within Asian nations whose people do not fully enjoy freedom of expression.

SECTION 8. TRANSITION

This section addresses legal and administrative issues arising from the dissolution of the Board for International Broadcasting and RFE/RL, Inc., as well as the establishment of the new Board of Governors and International Broadcasting Bureau within the United States Information Agency.

The Director of the United States Information Agency and the Chairman of the Board for International Broadcasting will jointly prepare and submit to the President for approval and implementation of a plan to accomplish the orderly dissolution of RFE/RL, Inc., on September 30, 1995, and in its place, to create the Office of Radio Free Europe and the Office of Radio Liberty within the Office of Surrogate Broadcasting of the Bureau. The plan will be submitted to the President within 120 days following the effective date of the Act in order to ensure timely implementation of this Act. The plan will address all issues related to the transition including, but not limited to the following:

(1) transfer of RFE/RL, Inc., personnel;

(2) hiring of new personnel, either for RFE/RL, Inc., or for the new office of Radio Free Europe or Radio Liberty;

(3) transfer of assets and liabilities;

(4) transfer of the Board for International Broadcasting functions to the United States Information Agency;

(5) transfer of unexpended balances of appropriations and other funds to the United States Information Agency; and

(6) a provision for the continuation, in a manner to be decided, of the prestigious RFE/RL, Inc., Research Institute.

The plan will also provide for the continuation of the RFE/RL, Inc., Research Institute. This institute is now supported by funds granted to RFE/RL, Inc., by the Board for International Broadcasting. It is envisioned that the plan will provide for continuing the operation of the research institute with reduced federal funding and eventually, solely by private funds.

Subsection (a) authorizes that any expiring authorities of the Board for International Broadcasting are transferred to the Director of the United States Information Agency to assist in carrying out this reorganization and consolidation.

Subsection (b) provides that the Director of the United States Information Agency shall appoint in the excepted service, U.S. citizens and non-citizens, who are permanent employees of RFE/RL, Inc., as of September 30, 1995, who wish to be converted for service within, the United States Information Agency, the Bureau, or the Board.

This subsection will also address our intention to preserve, insofar as possible, the compensation, benefits, and personnel rules for permanent employees of RFE/RL, Inc., who are on the rolls as of September 30, 1995. This will be modeled after their current personnel system until the employees leave or retire. This protection of benefits is intended to be available for those who wish to be converted on or after September 30, 1995, to the excepted service for employment by the United States Information Agency, the Bureau or the Board.

Subsection (c) gives the Director of USIA the authority to assign personnel for service with RFE/RL, Inc., with the concurrence of the President of RFE/RL, Inc., in the General Schedule. This provision is intended to give flexibility in achieving the goals of the consolidation.

Subsection (d) provides that full-time and part-time U.S. Government personnel occupying permanent positions in the Board for International Broadcasting shall be transferred to the United States Information Agency for service with the Agency, the Board, or the Bureau. Such persons shall not be separated, or reduced in grade or compensation as a result of this transfer. This provision is intended to ensure that Board for International Broadcasting personnel transferred to the United States Information Agency are not treated differently from United States Information Agency personnel as a result of the transfer.

Subsection (e) is intended to ensure that the Director of the United States Information Agency and therefore the newly established broadcasting entity have available for carrying out all the purposes of this Act, all of the authorities which are available to the Director of the United States Information Agency on the effective date of this Act. It is intended that the new broadcast entity be enabled thereby to operate utilizing the Director's full range of administrative, technical, contracting, personnel and all other authorities, liberally interpreted, to carry out the purposes of this Act.

Subsection (f) repeals the Board for International Broadcasting Act of 1973, as of September 30, 1994, but only if members of the Broadcasting Board of Governors have been appointed and confirmed by the Senate.

Subsection (g) discontinues U.S. Government funding to RFE/RL, Inc., after September 30, 1995.

Subsection (h) is largely self-explanatory.

Paragraph (6) provides that the Director of the newly established International Broadcasting Bureau succeeds to all existing authority vested by law or otherwise in the Presidentially appointed Associate Director of Broadcasting position established by Reorganization Plan No. 2 of 1977.

Paragraph (7) is intended to ensure that no legal authorities available to the Director of the United States Information Agency or the Secretary of State on the date of enactment of the Act are inadvertently repealed, modified, or otherwise adversely affected by this Act.

Paragraph (8) is intended to substitute, at the appropriate time under the President's plan for consolidation, the Broadcasting Board of Governors for the Board for International Broadcasting as the sole members of the Board of Directors of RFE/RL, Inc. The Director of the International Broadcasting Bureau may participate as a member of the Board of Directors of RFE/RL, Inc., but only as a non-voting member. This is consistent with his or her non-voting status on the Broadcasting Board of Governors. During its continued existence, RFE/RL, Inc., is not to be construed as a federal entity or instrumentality.

Paragraph (9) provides authorization of appropriations for fiscal years 1995, 1996, 1997 for International Broadcasting Operations and for Radio Construction. These authorization levels will provide cost savings of at least $250 million dollars over fiscal years 1994-1997 as a result of this consolidation.

U.S. INFORMATION AGENCY, BOARD
FOR INTERNATIONAL BROADCASTING,
Washington, DC, June 29, 1993.

The Hon. AL GORE,
President of the Senate.

DEAR MR. PRESIDENT: We are hereby submitting the enclosed proposed legislation, the "United States International Broadcasting Act of 1993," to reorganize United States international broadcasting, to authorize an Asian Democracy Radio service, and for other purposes. A section-by-section analysis further explaining the proposed legislation is also enclosed.

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

Sincerely yours,

JOSEPH DUFFEY,
Director, United States Information Agency.
DANIEL A. MICA,
Chairman, Board for International Broadcasting.

By Mr. HARKIN (for himself and Mr. CONRAD):

S. 1263. A bill to provide disaster assistance to agricultural producers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

DISASTER ASSISTANCE ACT OF 1993

Mr. HARKIN. Mr. President, I am today introducing legislation to provide assistance to help alleviate the critical problems facing farm families, rural businesses and communities caused by natural disaster in Iowa and other parts of our Nation.

The entire Nation has watched in awe as a disaster of Biblical proportions has unfolded, laying waste to vast areas of my State of Iowa and the Midwest. Even television cannot convey the magnitude of the devastation. President Clinton has not made two trips to my State, and Secretary Espy has visited Iowa three times to assess the situation. And on Saturday, the President and a large number of his cabinet were in St. Louis for a special meeting on the disaster. The excessive rains and flooding impressed President Clinton just as they have everyone else: He had never seen anything like it.

A lot of national attention has focused on the capital city of my State, Des Moines, where flooding has left some 250,000 people in the metropolitan area without running water and caused hundreds of millions of dollars in damages.

But the disaster extends to every part of Iowa—where all 99 of our counties have been designated by President Clinton as disaster areas—and far into many of the surrounding States. And from my travels around Iowa for most of the past week, I can tell you that this tragedy is profoundly affecting many, many farm families, rural businesses and small communities throughout Iowa and the Midwest.

In the past 2 weeks we have witnessed the culmination of an agricultural crisis that has been building for months. In Iowa, for example, we have had more rain since November of last year than in any similar period since records were first kept. It has rained nearly every day in Iowa for the past 2 months. First, we had severe planting delays. Then the cool and rainy weather hampered crop growth. Now flooding has dealt another crippling blow.

The amount of damage and the economic losses are almost beyond comprehension. Any estimate of the magnitude of the losses is certain to be too low. But we know it will cost billions of dollars and take a monumental amount of hard work to rebuild and restore these farms, agriculture-related businesses, and rural communities.

The people of Iowa have stood solid with strength, spirit, and concern for one another through this disaster. Seeing them in action this week has made me so proud. And they have had good support from the Federal agencies such as FEMA, the Federal Emergency Management Agency, and USDA in responding to the emergency. I am very grateful that President Clinton, Secretary Espy, FEMA Director James Lee Witt and others in the administration are responding with compassion and commitment to help Iowans and others in the Midwest. Now we must begin crafting the assistance that is needed for the longer term task of rebuilding and recovering from this disaster.

President Clinton deserves a lot of credit for responding quickly to this crisis, and for starting the legislative process so soon in order to speed disaster assistance. I also would commend the President for recognizing that more assistance is going to be required than was included in the initial package that he has sent to Congress.

In particular, the figure for agricultural crop losses is bound to increase. The administration has recommended applying a 50-percent factor to the formulas contained in the 1990 farm bill, which were in turn derived from the 1988 and 1989 disaster bills. In general terms, those formulas provide for payments of 65 percent of the target price or average market price on losses greater than 35 percent of the program payment yield or average yield. What that 50-percent factor means, is that the farmer basically receives half of the compensation that would otherwise be paid under the disaster program if it were fully funded. Combining the disaster formulas with the 50 percent factor, a farmer who has a total loss will receive compensation of 21 cents or less on the dollar for disaster losses.

This level of compensation is not enough to help farm families adequately, nor is it enough to mitigate the severe impacts on rural economies. To be sure, there is a precedent for making payments at this prorated level of 50 percent. But that precedent was set back in 1991 when President Bush threatened to veto disaster assistance and a compromise was reached. As a result, the limited amount of funds had to be prorated and spread around among those who had suffered disaster losses.

As we craft a response to these horrendous losses we are now witnessing, we are not bound by that precedent. It was a bad precedent to begin with, forced upon us by the past administration, and it is by no means controlling in the current situation.

The legislation I am introducing today is based on the Disaster Assistance Act of 1988 and the Disaster Assistance Act of 1989. These bills were carefully crafted to address the large economic losses incurred as a result of the devastating drought in those years.

The need for this legislation is compelling. Without it, tens of thousands of farm families will be in serious jeopardy of being forced out of business. And without income to replace that lost to natural disaster, farmers will not be able to pay their bills and make the purchases that fuel the economies of agricultural communities. Farm disaster benefits are not just for farm families; they help the entire rural economy as that money is quickly spent to pay bills, to rebuild and make repairs, and to cover other costs of picking up the pieces and starting over.

Because so much of the agricultural loss this year is caused by flooding or prevented planting, we will have millions of acres on which there is no crop production whatsoever. So for many farmers this year will be worse than a drought year, in which there generally is at least something to harvest. In view of these widespread instances of total loss, I have included in this legislation that feature of the Disaster Assistance Act of 1988 providing greater benefits to those who suffer the highest levels of loss.

Whenever the topic of disaster assistance arises, the debate over crop insurance also resumes. We know that reforms are needed in the crop insurance program so that it will provide better coverage for the kinds of crop losses that our farmers are suffering in Iowa and the Midwest. Gaps in coverage, combined with the magnitude of this disaster, justify supplemental disaster assistance. Until they are offered a better product, we can only expect so much from farmers in the way of buying crop insurance. At the same time, crop insurance was available to cover some of the losses we are seeing this year. Any disaster assistance that is provided must not remove the incentive for farmers to purchase crop insurance. For that reason, my legislation makes certain that those farmers who purchased crop insurance will be better compensated under the disaster program than those who did not.

As I mentioned earlier, natural disasters in agricultural areas have dramatic impacts upon whole communities and their economies and businesses. The adverse weather conditions that have delayed or prevented planting translate into reduced sales of agricultural supplies. Reduced production also means there will be less economic activity this fall from the hauling, storing, selling and processing of agricultural commodities in communities affected by natural disaster. And when farm income falls, businesses up and down main street in rural communities also suffer. Accordingly, the legislation I am introducing today also includes provisions designed to assist rural businesses.

These are the principal provisions of this legislation:

Crop loss benefits: Provides disaster benefits to producers of all commercial crops, including program crops, nonprogram crops and soybeans and sunflowers, who suffer 1993 crop losses in excess of 35 percent (40 percent in the case of producers who did not purchase crop insurance) of the program payment yield, county yield or normal yield as a result of damaging weather in 1992 or 1993—defined to include drought, hail, excessive moisture, freeze, tornado, hurricane, earthquake or excessive wind—or related condition.

Standard disaster benefits: Disaster payments on wheat, feedgrains, cotton and rice are paid at the rate of 65 percent of the target price level for producers who participated in the commodity program. For those who did not participate in the program the payment would be 65 percent of the county loan rate on the commodity. For soybeans and other nonprogram crops, disaster payments will be made at a rate of 65 percent of the average producer market price for the last 5 years, excluding the high and low years. For peanuts, sugar beets, sugarcane and tobacco, payments will be made at the rate of 65 percent of the support price level. Disaster payments are made at the 65 percent rate on losses greater than 35 percent—40 percent for producers who did not purchase crop insurance—but not exceeding 75 percent.

High loss disaster benefits: Disaster payments on the portion of the production loss in excess of 75 percent—80 percent in the case of producers who did not purchase crop insurance—will be made at a rate of 90 percent of the target price, support price, average price or loan rate, as applicable.

Crop quality reduction payments: The bill provides additional payments up to 10 percent of the applicable payment rate to compensate for reduced quality of the crop actually harvested caused by adverse weather or related condition.

Repayment of advance deficiency payments: No repayment of advance deficiency payments will be required on that part of production losses up to 35 percent—40 percent in the case of producers who did not purchase crop insurance. For losses above these levels, producers may not receive both a deficiency payment and a disaster payment. However, producers would not be required to repay advance deficiency payments prior to July 31, 1994.

Federal crop insurance payments and future year coverage: In order to prevent windfalls, the combined crop insurance benefits and disaster payments for lost crop production may not exceed 100 percent of the yield used for calculating disaster payments, or the crop insurance yield if it is greater, times the acreage for the crop planted or prevented from being planted times the target price, support price, average price or loan rate, as applicable.

Producers accepting disaster payments, or forgiveness of any requirement to refund advance deficiency payments, would be required to purchase crop insurance for the 1994 and 1995 crop years with the following exceptions: First, if crop insurance coverage is not available, if the producer's annual premium rate is greater than 125 percent of the average premium rate for the 1993 crop, if the producer's annual premium rate is greater than 25 percent of the disaster benefits received, if on appeal, the county committee determines that purchase of crop insurance would impose an undue financial hardship on the producer, or if the payment or guarantee is for a loss from prevented planting, unless FCIC offers the same coverage in terms of yields and prices for prevented planting as it does for other perils in its standard policy.

Payment limitations: Total benefits to a producer for crop losses are limited to $100,000. The combined benefits to a producer for crop losses and emergency livestock assistance may not exceed $100,000. Producers may not receive both disaster payments and emergency livestock assistance based on the same crop loss.

Oilseeds planted on prevented planting acres: Current USDA rules would be changed for 1993 to allow soybeans and other oilseeds grown on intended program crop acreage for which prevented planting credit is obtained to be placed under CCC loan.

Orchards and tree farms: The bill would provide benefits up to $25,000 for tree mortality losses greater than 35 percent.

Farm operating loans: The bill directs USDA to provide operating loans to the maximum extent possible to farmers suffering major losses due to damaging weather or related condition and to provide guarantees for loans to refinance and reamortize 1993 operating loans, or 1993 or 1994 installments due on loans for real estate, buildings, equipment, livestock or operating expenses.

Assistance for rural businesses: USDA is directed to provide guarantees for loans, and restructuring and refinancing of loans, to businesses in rural areas to alleviable financial stress from damaging weather or related condition in 1992 or 1993. Up to $200 million is to be available in the program, with individual guarantees of up to $500,000.

Mr. President, I hope my colleagues will fully support this urgently needed legislation.

Mr. President, I ask unanimous consent that a copy of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1263

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Disaster Assistance Act of 1993".

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

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.

TITLE I—EMERGENCY CROP LOSS ASSISTANCE

Subtitle A—Annual Crops

Sec. 101. Payments to program participants for target price commodities.
Sec. 102. Payments to program nonparticipants for target price commodities.
Sec. 103. Peanuts, sugar, and tobacco.
Sec. 104. Soybeans and nonprogram crops.
Sec. 105. Crop quality reduction disaster payments.
Sec. 106. Effect of Federal crop insurance payments.
Sec. 107. Crop insurance coverage for the 1994 and 1995 crops.
Sec. 108. Crops harvested for forage uses.
Sec. 109. Payment limitations.
Sec. 110. De minimis yields.
Sec. 111. Substitution of crop insurance program yields.
Sec. 112. Planting oilseeds on prevented planting acreage.

Subtitle B—Orchards
Sec. 121. Definition of eligible orchardist.
Sec. 122. Eligibility.
Sec. 123. Assistance.
Sec. 124. Limitation on assistance.
Sec. 125. Duplicative payments.
Subtitle C—Forest Crops
Sec. 131. Definition of eligible tree farmer.
Sec. 132. Eligibility.
Sec. 133. Assistance.
Sec. 134. Limitation on assistance.
Sec. 135. Duplicative payments.
Subtitle D—Administrative Provisions
Sec. 141. Ineligibility.
Sec. 142. Timing and manner of assistance.
Sec. 143. Commodity Credit Corporation.
Sec. 144. Regulations.
Sec. 145. Application of subtitle.
TITLE II—RURAL BUSINESSES
Sec. 201. Disaster assistance for rural business enterprises.
TITLE III—DISASTER CREDIT AND FORBEARANCE
Sec. 301. Emergency loans.
Sec. 302. Farm operating loans.

SEC. 2. DEFINITIONS.

As used in this Act:

(1) DAMAGING WEATHER.—The term "damaging weather" includes drought, hail, excessive moisture, freeze, tornado, hurricane, earthquake, or excessive wind, or any combination thereof.

(2) RELATED CONDITION.—The term "related condition" includes insect infestations that do not regularly reoccur, plant diseases, or other deterioration of a crop of a commodity, including aflatoxin, that is accelerated or exacerbated naturally as a result of damaging weather occurring prior to or during harvest.

(3) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

TITLE I—EMERGENCY CROP LOSS ASSISTANCE

Subtitle A—Annual Crops

SEC. 101. PAYMENTS TO PROGRAM PARTICIPANTS FOR TARGET PRICE COMMODITIES.

(a) DISASTER PAYMENTS.—

(1) IN GENERAL.—Effective only for producers on a farm who elected to participate in the production adjustment program established under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) for the 1993 crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice, except as otherwise provided in this subsection, if the Secretary determines that, because of damaging weather or related condition in 1992 or 1993, the total quantity of the 1993 crop of the commodity that the producers are able to harvest on the farm is less than the result of multiplying 60 percent (or, in the case of producers who obtained crop insurance for the 1993 crop of the commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), 65 percent) of the farm program payment yield established by the Secretary for the crop by the sum of the acreage planted for harvest and the acreage prevented from being planted (because of a natural disaster, as determined by the Secretary) for the crop, the Secretary shall make a disaster payment available to the producers at a rate equal to—

(A) 65 percent of the established price for the crop for any deficiency in production greater than—

(i) 40 percent, but not greater than 80 percent, for the crop; or

(ii) in the case of producers who obtained crop insurance for the 1993 crop of the commodity under the Federal Crop Insurance Act, 35 percent, but not greater than 75 percent, for the crop; and

(B) 90 percent of the established price for the crop for any deficiency in production greater than—

(i) 80 percent for the crop; or

(ii) in the case of producers who obtained crop insurance for the 1993 crop of the commodity under such Act, 75 percent for the crop.

(2) LIMITATIONS.—

(A) ACREAGE IN EXCESS OF PERMITTED ACREAGE.—Payments provided under paragraph (1) for a crop of a commodity may not be made available to producers on a farm with respect to any acreage in excess of the permitted acreage for the farm for the commodity.

(B) CROP INSURANCE.—Payments provided under paragraph (1) for a crop of a commodity may not be made available to producers on a farm unless the producers enter into an agreement to obtain multiperil crop insurance, to the extent required under section 107.

(3) REDUCTION IN DEFICIENCY PAYMENTS.—The total quantity of a crop of a commodity on which deficiency payments otherwise would be payable to producers on a farm under the Agricultural Act of 1949 shall be reduced by the quantity on which a payment is made to the producers for the crop under paragraph (1).

(4) ELECTION OF PAYMENTS.—

(A) APPLICATION OF PARAGRAPH.—This paragraph shall apply, effective only for the 1993 crops of wheat, feed grains, upland cotton, extra long staple cotton, and rice, to producers on a farm who—

(i) had failed wheat, feed grain, upland cotton, extra long staple cotton, or rice acreage; or

(ii) were prevented from planting acreage to the commodity because of damaging weather or related condition in 1992 or 1993.

(B) ELECTION.—The Secretary shall (not later than 30 days after the date of enactment of this Act) permit producers referred to in subparagraph (A) to elect whether to receive disaster payments in accordance with this section in lieu of payments received under the Agricultural Act of 1949.

(b) ADVANCE DEFICIENCY PAYMENTS.—

(1) APPLICATION OF SUBSECTION.—This subsection shall apply only to producers on a farm who elected to participate in the production adjustment program established under the Agricultural Act of 1949 for the 1993 crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice.

(2) FORGIVENESS OF REFUND REQUIREMENT.—

(A) IN GENERAL.—Subject to subparagraph (B), if because of damaging weather or related condition in 1992 or 1993 the total quantity of the 1993 crop of the commodity that the producers are able to harvest on the farm is less than the result of multiplying the farm program payment yield established by the Secretary for the crop by the sum of the acreage planted for harvest and the acreage prevented from being planted (because of a natural disaster, as determined by the Secretary) for the crop (referred to in this subsection as the "qualifying quantity"), the producers shall not be required to refund any advance deficiency payment made to the producers for the crop under section 107C of the Agricultural Act of 1949 (7 U.S.C. 1445b–2) with respect to that portion of the deficiency in production that does not exceed—

(i) in the case of producers who obtained crop insurance for the 1993 crop of the commodity under the Federal Crop Insurance Act, 35 percent of the qualifying quantity; and

(ii) in the case of other producers, 40 percent of the qualifying quantity.

(B) CROP INSURANCE.—Producers on a farm shall not be eligible for the forgiveness provided for under subparagraph (A), unless the producers enter into an agreement to obtain multiperil crop insurance, to the extent required under section 107.

(3) ELECTION FOR NONRECIPIENTS.—The Secretary shall allow producers on a farm who elected, prior to the date of enactment of this Act, not to receive advance deficiency payments made available for the 1993 crop under section 107C of the Agricultural Act of 1949, to elect (not later than 30 days after the date of enactment of this Act) whether to receive the advance deficiency payments.

(4) DATE OF REFUND FOR PAYMENTS.—Effective only for the 1993 crops of wheat, feed grains, upland cotton, and rice, if the Secretary determines that any portion of the advance deficiency payment made to producers for the crop under section 107C of the Agricultural Act of 1949 must be refunded, the refund shall not be required prior to July 31, 1994, for that portion of the crop for which a disaster payment is made under subsection (a).

SEC. 102. PAYMENTS TO PROGRAM NONPARTICIPANTS FOR TARGET PRICE COMMODITIES.

(a) DISASTER PAYMENTS.—

(1) IN GENERAL.—Effective only for producers on a farm who elected not to participate in the production adjustment program established under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) for the 1993 crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice, if the Secretary determines that because of damaging weather or related condition in 1992 or 1993, the total quantity of the 1993 crop of the commodity that the producers are able to harvest on the farm is less than the result of multiplying 60 percent (or in the case of producers who obtained crop insurance for the 1993 crop of the commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), 65 percent) of the county average yield established by the Secretary for the crop by the sum of acreage planted for harvest and the acreage for which prevented planted credit is approved by the Secretary for the crop under subsection (b), the Secretary shall make a disaster payment available to the producers.

(2) PAYMENT RATE.—The payment shall be made to the producers at a rate equal to—

(A) 65 percent of the basic county loan rate (or a comparable price if there is no current basic county loan rate) for the crop, as determined by the Secretary, for any deficiency in production greater than—

(i) 40 percent, but not greater than 80 percent, for the crop; or

(ii) in the case of producers who obtained crop insurance for the 1993 crop of the commodity under the Federal Crop Insurance Act, 35 percent, but not greater than 75 percent, for the crop; and

(B) 90 percent of the basic county loan rate (or a comparable price if there is no current basic county loan rate) for the crop, as determined by the Secretary, for any deficiency in production greater than—

(i) 80 percent for the crop; or

(ii) in the case of producers who obtained crop insurance for the 1993 crop of the commodity under such Act, 75 percent for the crop.

(b) PREVENTED PLANTING CREDIT.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall provide prevented planting credit under subsection (a) with respect

to acreage that producers on a farm were prevented from planting to the 1993 crop of the commodity for harvest because of damaging weather or related condition in 1992 or 1993, as determined by the Secretary.

(2) MAXIMUM ACREAGE.—The acreage may not exceed the greater of—

(A) a quantity equal to the acreage on the farm planted (or prevented from being planted because of a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1992 minus acreage actually planted to the commodity for harvest in 1993; or

(B) a quantity equal to the average of the acreage on the farm planted (or prevented from being planted because of a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1990, 1991, and 1992 minus acreage actually planted to the commodity for harvest in 1993.

(3) ADJUSTMENTS.—The Secretary shall make appropriate adjustments in applying the limitations contained in paragraph (2) to take into account crop rotation practices of the producers.

(c) LIMITATIONS.—

(1) ACREAGE LIMITATION PROGRAM.—The amount of payments made available to producers on a farm for a crop of a commodity under subsection (a) shall be reduced by a factor equivalent to the acreage limitation program percentage established for the crop under the Agricultural Act of 1949.

(2) CROP INSURANCE.—Payments provided under subsection (a) for a crop of a commodity may not be made available to the producers on a farm unless the producers enter into an agreement to obtain multiperil crop insurance, to the extent required under section 107.

SEC. 103. PEANUTS, SUGAR, AND TOBACCO.

(a) DISASTER PAYMENTS.—

(1) IN GENERAL.—Effective only for the 1993 crops of peanuts, sugar beets, sugarcane, and tobacco, if the Secretary determines that, because of damaging weather or related condition in 1992 or 1993, the total quantity of the 1993 crop of the commodity that the producers on a farm are able to harvest is less than the result of multiplying 60 percent (or, in the case of producers who obtained crop insurance for the 1993 crop of the commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), 65 percent) of the county average yield (or program yield, in the case of peanuts) established by the Secretary for the crop by the sum of the acreage planted for harvest and the acreage for which prevented planted credit is approved by the Secretary for the crop under subsection (b), the Secretary shall make a disaster payment available to the producers.

(2) PAYMENT RATE.—The payment shall be made to the producers at a rate equal to—

(i) 65 percent of the applicable payment level under paragraph (3), as determined by the Secretary—

(I) for any deficiency in production greater than 40 percent (or, in the case of producers who purchased crop insurance for the 1993 crop of the commodity under the Federal Crop Insurance Act, 35 percent), but not greater than 80 percent (or, in the case of producers who purchased crop insurance for the 1993 crop of the commodity under such Act, 75 percent), for the crop; or

(II) in the case of a crop of burley tobacco or flue-cured tobacco, for any deficiency in production greater than 40 percent (or, in the case of producers who purchased crop insurance for the 1993 crop of the commodity under such Act, 35 percent), but not greater than 80 percent (or, in the case of producers who purchased crop insurance for the 1993 crop of the commodity under such Act, 75 percent), of the effective marketing quota for 1993 of the farm; and

(ii) 90 percent of the applicable payment level under paragraph (3), as determined by the Secretary—

(I) for any deficiency in production greater than 80 percent (or, in the case of producers who purchased crop insurance for the 1993 crop of the commodity under such Act, 75 percent) for the crop; or

(II) in the case of burley tobacco or flue-cured tobacco, for any deficiency in production greater than 80 percent (or, in the case of producers who purchased crop insurance for the 1993 crop of the commodity under such Act, 75 percent) of the effective marketing quota of the farm for 1993.

(3) PAYMENT LEVEL.—For purposes of paragraph (1), the payment level for a commodity shall be equal to—

(A) for peanuts, the price support level for quota peanuts or the price support level for additional peanuts, as applicable;

(B) for tobacco, the national average loan rate for the type of tobacco involved, or (if there is no rate) the payment level, as determined under section 104(a)(2); and

(C) for sugar beets and sugarcane, a level determined by the Secretary to be fair and reasonable in relation to the level of price support established for the 1993 crops of sugar beets and sugarcane, and that, insofar as is practicable, shall reflect no less return to the producer than under the 1993 price support levels.

(b) PREVENTED PLANTING CREDIT.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall provide prevented planting credit under subsection (a) with respect to acreage that producers on a farm were prevented from planting to the 1993 crop of the commodity for harvest because of damaging weather or related condition in 1992 or 1993, as determined by the Secretary.

(2) MAXIMUM ACREAGE.—The acreage may not exceed the greater of—

(A) a quantity equal to the acreage on the farm planted (or prevented from being planted because of a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1992 minus acreage actually to the commodity planted for harvest in 1993; or

(B) a quantity equal to the average of the acreage on the farm planted (or prevented from being planted because of a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1990, 1991, and 1992 minus acreage actually planted to the commodity for harvest in 1993.

(3) ADJUSTMENTS.—The Secretary shall make appropriate adjustments in applying the limitations contained in paragraph (2) to take into account crop rotation practices of the producers and any change in quotas for the 1993 crop of tobacco.

(c) LIMITATION.—Payments provided under subsection (a) for a crop of a commodity may not be made available to the producers on a farm unless the producers enter into an agreement to obtain multiperil crop insurance, to the extent required under section 107.

(d) SPECIAL RULES FOR PEANUTS.—Notwithstanding any other provision of law—

(1) a deficiency in production of quota peanuts from a farm, as otherwise determined under this section, shall be reduced by the quantity of peanut poundage quota that was the basis of the anticipated production that has been transferred from the farm;

(2) payments made under this section shall be made taking into account whether the deficiency for which the deficiency in production is claimed was a deficiency in production of quota or additional peanuts and the payment rate shall be established accordingly; and

(3) the quantity of undermarketings of quota peanuts from a farm for the 1993 crop that may otherwise be claimed under section 358 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1358) for purposes of future quota increases shall be reduced by the quantity of the deficiency of production of the peanuts for which payment has been received under this section.

(e) SPECIAL RULES FOR TOBACCO.—Notwithstanding any other provision of law—

(1) the quantity of undermarketings of quota tobacco from a farm for the 1993 crop that may otherwise be claimed under section 317 or 319 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314c or 1314e) for purposes of future quota increases shall be reduced by the quantity of the deficiency of production of the tobacco for which payment has been received under this section; and

(2) disaster payments made to producers under this section may not be considered by the Secretary in determining the net losses of the Commodity Credit Corporation under section 106A(d) of the Agricultural Act of 1949 (7 U.S.C. 1445–1(d)).

(f) SPECIAL RULE FOR SUGARCANE.—For purposes of determining the total quantity of the 1993 crop of sugarcane that the producers on a farm are able to harvest, the Secretary shall make the determination based on the quantity of recoverable sugar.

SEC. 104. SOYBEANS AND NONPROGRAM CROPS.

(a) DISASTER PAYMENTS.—

(1) IN GENERAL.—

(A) ELIGIBILITY.—Effective only for the 1993 crops of soybeans and nonprogram crops, if the Secretary determines that, because of damaging weather or related condition in 1992 or 1993, the total quantity of the 1993 crop of the commodity that the producers on a farm are able to harvest is less than—

(i) with respect to soybeans and sunflowers, the result of multiplying 60 percent (or in the case of producers who obtained crop insurance, if available, for the 1993 crop year of the commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), 65 percent) of the State, area, or county yield, adjusted for adverse weather conditions during the 1990, 1991, and 1992 crop years, as determined by the Secretary, for the crop by the sum of the acreage planted for harvest and the acreage for which prevented planting credit is approved by the Secretary for the crop under subsection (b);

(ii) with respect to nonprogram crops (other than as provided in clauses (i) and (iii)), the result of multiplying 60 percent (or, in the case of producers who obtained crop insurance, if available, for the 1993 crop year of the commodity under the Federal Crop Insurance Act, 65 percent) of the yield established by the Commodity Credit Corporation under subsection (d)(2) for the crop by the sum of the acreage planted for harvest and the acreage for which prevented planting credit is approved by the Secretary for the crop under subsection (b); and

(iii) with respect to crops covered in section 201(b) of the Agricultural Act of 1949 (7 U.S.C. 1446(b)), 60 percent (or in the case of producers who obtained crop insurance, if available, for the 1993 crop year of the commodity under such Act, 65 percent) of the historical annual yield of the producers for the crops, as determined by the Secretary,

the Secretary shall make a disaster payment available to the producers.

(B) PAYMENT RATE.—The payment shall be made to the producers at a rate equal to—

(i) 65 percent of the applicable payment level under paragraph (2), as determined by the Secretary, for any deficiency in production for soybeans, sunflowers, and for other nonprogram crops greater than—

(I) 40 percent, but not greater than 80 percent; or

(II) in the case of producers who obtained crop insurance, if available, for the 1993 crop under the Federal Crop Insurance Act, 35 percent, but not greater than 75 percent; and

(ii) 90 percent of the applicable payment level under paragraph (2), as determined by the Secretary, for any deficiency in production for soybeans, sunflowers, and for other nonprogram crops greater than—

(I) 80 percent; or

(II) in the case of producers who obtained crop insurance, if available, for the 1993 crop under such Act, 75 percent.

(2) PAYMENT LEVEL.—For purposes of paragraph (1), the payment level for a commodity shall equal the simple average price received by producers of the commodity, as determined by the Secretary subject to paragraph (3), during the marketing years for the immediately preceding 5 crops of the commodity, excluding the year in which the average price was the highest and the year in which the average price was the lowest in the period.

(3) CALCULATION OF PAYMENTS FOR DIFFERENT VARIETIES.—

(A) CROP-BY-CROP BASIS.—The Secretary shall make disaster payments under this subsection on a crop-by-crop basis, with consideration given to markets and uses of the crops, under regulations issued by the Secretary.

(B) DIFFERENT VARIETIES.—For purposes of determining the payment levels on a crop-by-crop basis, the Secretary shall consider as separate crops, and develop separate payment levels insofar as is practicable for, different varieties of the same commodity, and commodities for which there is a significant difference in the economic value in the market.

(C) DOUBLE CROPPING.—

(i) TREATED SEPARATELY.—In the case of a crop that is historically double cropped (including two crops of the same commodity) by the producers on a farm, the Secretary shall treat each cropping separately for purposes of determining whether the crop was affected by damaging weather or related condition and the total quantity of the crop that the producers are able to harvest.

(ii) APPLICATION OF PARAGRAPH.—This paragraph shall not apply in the case of a replacement crop.

(4) EXCLUSIONS FROM HARVESTED QUANTITIES.—For purposes of determining the total quantity of the 1993 nonprogram crop of the commodity that the producers on a farm are able to harvest under paragraph (1), the Secretary shall exclude—

(A) commodities that cannot be sold in normal commercial channels of trade; and

(B) dockage, including husks and shells, if the dockage is excluded in determining yields under subsection (d)(2).

(b) PREVENTED PLANTING CREDIT.—

(1) IN GENERAL.—The Secretary shall provide prevented planting credit under subsection (a) with respect to acreage that producers on a farm were prevented from planting to the 1993 crop of the commodity for harvest because of damaging weather or related condition in 1992 or 1993, as determined by the Secretary.

(2) MAXIMUM ACREAGE.—The acreage may not exceed the greater of—

(A) a quantity equal to the acreage on the farm planted (or prevented from being planted because of a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1992 minus acreage actually planted to the commodity for harvest in 1993; or

(B) a quantity equal to the average of the acreage on the farm planted (or prevented from being planted because of a natural disaster or other condition beyond the control of the producers) to the commodity for harvest in 1990, 1991, and 1992 minus acreage actually planted to the commodity for harvest in 1993.

(3) ADJUSTMENTS.—The Secretary shall make appropriate adjustments in applying the limitations contained in paragraph (2) to take into account crop rotation practices of the producers.

(c) LIMITATION.—Payments provided under subsection (a) for a crop of a commodity may not be made available to the producers on a farm unless the producers enter into an agreement to obtain multiperil crop insurance, to the extent required under section 107.

(d) SPECIAL RULES FOR NONPROGRAM CROPS.—

(1) DEFINITION OF NONPROGRAM CROP.—As used in this section, the term "nonprogram crop" means all crops for which crop insurance through the Federal Crop Insurance Corporation was available for crop year 1993, and other commercial crops (including ornamentals which shall include flowering shrubs, flowering trees, and field or container grown roses or turf and sweet potatoes for which the insurance was not available for crop year 1993), except that the term shall not include a crop covered under section 101, 102, or 103, soybeans, or sunflowers.

(2) FARM YIELDS.—

(A) ESTABLISHMENT.—The Commodity Credit Corporation shall establish disaster program farm yields for nonprogram crops to carry out this section.

(B) PROVEN YIELDS AVAILABLE.—If the producers on a farm can provide satisfactory evidence to the Commodity Credit Corporation of actual crop yields on the farm for at least 1 of the immediately preceding 3 crop years, the yield for the farm shall be based on the proven yield.

(C) PROVEN YIELDS NOT AVAILABLE.—If the data do not exist for any of the 3 preceding crop years, the Commodity Credit Corporation shall establish a yield for the farm by using a county average yield for the commodity, or by using other data available to the Corporation.

(D) COUNTY AVERAGE YIELDS.—In establishing county average yields for nonprogram crops, the Commodity Credit Corporation shall use the best available information concerning yields. The information may include extension service records, credible nongovernmental studies, and yields in similar counties.

(3) RESPONSIBILITY OF PRODUCERS.—It shall be the responsibility of the producers of nonprogram crops to provide satisfactory evidence of 1993 crop losses resulting from damaging weather or related condition in 1992 or 1993 in order for the producers to obtain disaster payments under this section.

SEC. 105. CROP QUALITY REDUCTION DISASTER PAYMENTS.

(a) IN GENERAL.—To ensure that all producers of 1993 crops covered under sections 101 through 104 are treated equitably, the Secretary shall make additional disaster payments to producers of the crops who suffer losses resulting from the reduced quality of the crops caused by damaging weather or related condition in 1992 or 1993, as determined by the Secretary.

(b) ELIGIBLE PRODUCERS.—Producers on a farm of a crop described in subsection (a) shall be eligible to receive reduced quality disaster payments only if the producers incur a deficiency in production of—

(1) not less than—

(A) 40 percent; or

(B) in the case of producers who obtained crop insurance for the crop under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), 35 percent; and

(2) not more than 75 percent for the crop (as determined under section 101, 102, 103, or 104, as appropriate).

(c) MAXIMUM PAYMENT RATE.—The Secretary shall establish the reduced quality disaster payment rate, except that the rate shall not exceed 10 percent, as determined by the Secretary, of—

(1) the established price for the crop, for commodities covered under section 101;

(2) the basic county loan rate for the crop (or a comparable price if there is no current basic county loan rate), for commodities covered under section 102;

(3) the payment level under section 103(a)(3), for commodities covered by section 103; and

(4) the payment level under section 104(a)(2), for commodities covered under section 104.

(d) DETERMINATION OF PAYMENT.—The amount of payment to a producer under this section shall be determined by multiplying the payment rate established under subsection (c) by the portion of the actual harvested crop on the farm of the producer that is reduced in quality by the natural disaster in 1992 or 1993, as determined by the Secretary.

SEC. 106. EFFECT OF FEDERAL CROP INSURANCE PAYMENTS.

In the case of producers on a farm who obtained crop insurance for the 1993 crop of a commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), the Secretary shall reduce the amount of payments made available under this subtitle for the crop to the extent that the amount determined by adding the net amount of crop insurance indemnity payment (gross indemnity less premium paid) received by the producers for the deficiency in the production of the crop and the disaster payment determined in accordance with this subtitle for the crop exceeds the amount determined by multiplying—

(1) 100 percent of the greater of—

(A) the yield used for the calculation of disaster payments made under this subtitle for the crop; or

(B) the crop insurance yield for the crop; by

(2) the sum of the acreage of the crop planted to harvest and the acreage for which prevented planting credit is approved by the Secretary (or, in the case of disaster payments under section 101, the eligible acreage established under sections 101(a)(1) and 101(a)(2)(A)); by

(3)(A) in the case of producers who participated in a production adjustment program for the 1993 crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice, the established price for the 1993 crop of the commodity;

(B) in the case of producers who did not participate in a production adjustment program for the 1993 crop of wheat, feed grains, upland cotton, extra long staple cotton, or

rice, the basic county loan rate (or a comparable price, as determined by the Secretary, if there is no current basic county loan rate) for the 1993 crop of the commodity;

(C) in the case of producers of sugar beets, sugarcane, peanuts, or tobacco, the payment level for the commodity established under section 103(a)(3); and

(D) in the case of producers of soybeans or a nonprogram crop (as defined in section 104(d)(1)), the simple average price received by producers of the commodity, as determined by the Secretary, during the marketing years for the immediately preceding 5 crops of the commodity, excluding the year in which the average price was the highest and the year in which the average price was the lowest in the period.

SEC. 107. CROP INSURANCE COVERAGE FOR THE 1994 AND 1995 CROPS.

(a) REQUIREMENT.—Subject to the limitations under subsection (b), producers on a farm, to be eligible to receive a disaster payment under this subtitle, an emergency loan under subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.) for crop losses due to damaging weather or related condition in 1992 or 1993, or forgiveness of the repayment of advance deficiency payments under section 101(b), shall agree to obtain multiperil crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) for each of the 1994 and 1995 crops of the commodity for which the payment, loan, or forgiveness is sought.

(b) LIMITATIONS.—Producers on a farm shall not be required to agree to obtain crop insurance under subsection (a) for a commodity—

(1) where, or if, crop insurance coverage is not available to the producers for the commodity for which the payment, loan, or forgiveness is sought;

(2) if the annual premium rate of the producers for the crop insurance is an amount greater than 125 percent of the average premium rate for insurance on the commodity for the 1993 crop in the county in which the producers are located;

(3) in any case in which the annual premium of the producers for the crop insurance is an amount greater than 25 percent of the amount of the payment, loan, or forgiveness sought;

(4) if the producers can establish by appeal to the county committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590(b)), or to the county committee established under section 332 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1982), as appropriate, that the purchase of crop insurance would impose an undue financial hardship on the producers and that a waiver of the requirement to obtain crop insurance should, in the discretion of the county committee, be granted; or

(5) if the disaster payment or forgiveness of repayment of advance deficiency payments arises from conditions that prevent planting, except that this paragraph shall not apply if the Federal Crop Insurance Corporation offers a policy providing the same coverage in terms of yields and prices for the risk of prevented planting as the Corporation does for other perils covered in the Corporation policy.

(c) IMPLEMENTATION.—

(1) COUNTY COMMITTEES.—The Secretary shall ensure (acting through the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act and located in the counties in which the assistance programs provided for under sections 101 through 105 are carried out and through the county committees established under section 332 of the Consolidated Farm and Rural Development Act in counties in which emergency loans, as described in subsection (a), are made available) that producers who apply for assistance, as described in subsection (a), obtain multiperil crop insurance as required under this section.

(2) OTHER SOURCES.—Each producer who is subject to the requirements of this section may comply with the requirements by providing evidence of multiperil crop insurance coverage from sources other than through the county committee office, as approved by the Secretary.

(3) COMMISSIONS.—The Secretary shall provide by regulation for a reduction in the commissions paid to private insurance agents, brokers, or companies on crop insurance contracts entered into under this section sufficient to reflect that the insurance contracts principally involve only a servicing function to be performed by the agent, broker, or company.

(d) REPAYMENT OF BENEFITS.—Notwithstanding any other provision of law, if (prior to the end of the 1994 crop year for the commodity involved) the crop insurance coverage required of the producer under this section is canceled by the producer, the producer—

(1) shall make immediate repayment to the Secretary of any disaster payment or forgiven advance deficiency payment that the producer otherwise is required to repay; and

(2) shall become immediately liable for full repayment of all principal and interest outstanding on any emergency loan described in subsection (a).

SEC. 108. CROPS HARVESTED FOR FORAGE USES.

Not later than 15 days after the date of enactment of this Act, the Secretary shall announce the terms and conditions by which producers on a farm may establish a 1993 yield with respect to crops that will be harvested for silage and other forage uses.

SEC. 109. PAYMENT LIMITATIONS.

(a) LIMITATION.—Subject to subsections (b) and (c), the total amount of payments that a person shall be entitled to receive under one or more of the programs established under this subtitle may not exceed $100,000.

(b) NO DOUBLE BENEFITS.—No person may receive disaster payments under this subtitle to the extent that the person receives a livestock emergency benefit for lost feed production in 1993 under section 606 of the Agricultural Act of 1949 (7 U.S.C. 1471d).

(c) COMBINED LIMITATION.—

(1) IN GENERAL.—No person may receive any payment under this subtitle or benefit under title VI of the Agricultural Act of 1949 (7 U.S.C. 1471 et seq.) for livestock emergency losses suffered in 1993 if the payment or benefit will cause the combined total amount of the payments and benefits received by the person to exceed $100,000.

(2) ELECTION.—If a person is subject to paragraph (1), the person may elect (subject to the benefits limitations under section 609 of the Agricultural Act of 1949 (7 U.S.C. 1471g)) whether to receive the $100,000 in the payments, or the livestock emergency benefits (not to exceed $50,000), or a combination of payments and benefits specified by the person.

(d) REGULATIONS.—The Secretary shall issue regulations—

(1) defining the term "person" for the purposes of this section and section 141, which shall conform, to the extent practicable, to the regulations defining the term "person" issued under section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) and chapter 3 of subtitle B of title XXII of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 1421 note); and

(2) prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitations established under this section.

SEC. 110. DE MINIMIS YIELDS.

(a) DISASTER PAYMENTS.—

(1) IN GENERAL.—The Secretary shall determine a de minimis yield for each crop eligible for reduced yield disaster payments under this subtitle.

(2) LEVEL.—The de minimis yield shall be set at a level that will minimize any incentive provided by the prospect of disaster payments to abandon crops that have a value that exceeds the cost of harvesting. The de minimis yield may not be less than the quantity of production that, when valued at then current market prices, equals the average cost of harvesting the crop, as determined by the Secretary.

(3) ACTUAL YIELD LESS THAN DE MINIMIS YIELD.—A producer with an actual yield for a crop that is equal to or less than the de minimis yield for the crop shall be considered as having an actual yield of zero for the purpose of calculating any reduced yield disaster payments for the crop under this subtitle.

(b) CROP INSURANCE.—If the actual yield for a crop on a farm is equal to or less than the de minimis yield for the crop determined by the Secretary pursuant to subsection (a), neither the Federal Crop Insurance Corporation (including an agent or employee of the Corporation), nor a company reinsured by the Federal Crop Insurance Corporation (including an agent or employee of the company), may require the destruction of a portion of the crop as a condition for making a full crop loss indemnity payment to a producer under the terms of a valid contract of insurance on the crop.

SEC. 111. SUBSTITUTION OF CROP INSURANCE PROGRAM YIELDS.

(a) IN GENERAL.—Notwithstanding any other provision of this subtitle, the Secretary may permit each eligible producer (as defined in subsection (d)) of a 1993 crop of a commodity who has obtained multiperil crop insurance for the crop (or, as provided in subsection (c), who obtained multiperil crop insurance for the 1992 crop of the producer of the commodity) under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) to substitute, at the discretion of the producer, the crop insurance yield for the crop, as established under such Act, for the farm yield otherwise assigned to the producer under this subtitle, for the purposes of determining the eligibility of the producer for a disaster payment on the 1993 crop under this subtitle and the amount of the payment.

(b) ADJUSTMENT OF ADVANCE DEFICIENCY PAYMENTS.—

(1) IN GENERAL.—Notwithstanding any other provision of this subtitle, if an eligible producer of wheat, feed grains, upland cotton, extra long staple cotton, or rice elects to substitute yields for the 1993 crop of the producer under subsection (a), the eligibility of the producer for a waiver or repayment of an advance deficiency payment on the crop under this subtitle shall be adjusted as provided in paragraph (2).

(2) QUANTITY.—The quantity of production of the crop on which the producer otherwise would be eligible for waiver of repayment of advance deficiency payments under this subtitle shall be reduced by a quantity of production equal to the difference between—

(A) the quantity of production eligible for disaster payments under this subtitle using a substituted yield under this section; and

(B) the quantity of production that would have been eligible for disaster payments using the farm program payment yield otherwise assigned to the producer under this subtitle.

(c) MULTIPERIL CROP INSURANCE NOT AVAILABLE.—A producer may use the crop insurance yield for the 1992 crop of the producer of a commodity for purposes of substituting yields under subsection (a) if the producer demonstrates to the Secretary that, through no fault of the producer, multiperil crop insurance under the Federal Crop Insurance Act was not made available to the producer for the 1993 crop of the producer of the commodity.

(d) DEFINITION OF ELIGIBLE PRODUCER.—As used in this section, the term "eligible producer" means a producer of the 1993 crop of wheat, feed grains, upland cotton, extra long staple cotton, rice, or soybeans.

SEC. 112. PLANTING OILSEEDS ON PREVENTED PLANTING ACREAGE.

If the producers on a farm are prevented from planting a program crop because of damaging weather or related condition in 1993 and file with the Secretary for prevented planting credit to preserve the program crop base of the producers for future crop years, the producers shall be permitted to place under a price support loan a substitute oilseed crop grown on the prevented planting acreage.

Subtitle B—Orchards

SEC. 121. DEFINITION OF ELIGIBLE ORCHARDIST.

As used in this subtitle, the term "eligible orchardist" means a person who produces annual crops from trees for commercial purposes and owns 500 acres or less of the trees.

SEC. 122. ELIGIBILITY.

(a) LOSS.—Subject to the limitation in subsection (b), the Secretary shall provide assistance, as specified in section 123, to eligible orchardists that planted trees for commercial purposes but lost the trees as a result of freeze, earthquake, or related condition in 1993, as determined by the Secretary.

(b) LIMITATION.—An eligible orchardist shall qualify for assistance under subsection (a) only if the tree mortality of the orchardist, as a result of the natural disaster, exceeds 35 percent (adjusted for normal mortality).

SEC. 123. ASSISTANCE.

The assistance provided by the Secretary to eligible orchardists for losses described in section 122 shall consist of—

(1) reimbursement of 65 percent of the cost of replanting trees lost because of freeze, earthquake, or related condition in 1993 in excess of 35 percent mortality (adjusted for normal mortality); or

(2) at the discretion of the Secretary, sufficient seedlings to reestablish the stand.

SEC. 124. LIMITATION ON ASSISTANCE.

(a) IN GENERAL.—The total amount of payments that a person shall be entitled to receive under this subtitle may not exceed $25,000, or an equivalent value in tree seedlings.

(b) REGULATIONS.—The Secretary shall issue regulations—

(1) defining the term "person" for the purposes of this subtitle, which shall conform, to the extent practicable, to the regulations defining the term "person" issued under section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) and chapter 3 of subtitle B of title XXII of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 1421 note); and

(2) prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitation established under this section.

SEC. 125. DUPLICATIVE PAYMENTS.

The Secretary shall establish guidelines to ensure that no person receives duplicative payments under this subtitle and the forestry incentives program, agricultural conservation program, or other Federal program.

Subtitle C—Forest Crops

SEC. 131. DEFINITION OF ELIGIBLE TREE FARMER.

As used in this subtitle, the term "eligible tree farmer" means a person who grows trees for harvest for commercial purposes and owns 1,000 acres or less of the trees.

SEC. 132. ELIGIBILITY.

(a) LOSS.—Subject to the limitation in subsection (b), the Secretary shall provide assistance, as specified in section 133, to eligible tree farmers that planted tree seedlings in 1992 or 1993 for commercial purposes but lost the seedlings as a result of drought, earthquake, or related condition in 1993, as determined by the Secretary.

(b) LIMITATION.—An eligible tree farmer shall qualify for assistance under subsection (a) only if the tree seedling mortality of the tree farmer, as a result of the natural disaster, exceeds 35 percent (adjusted for normal mortality).

SEC. 133. ASSISTANCE.

The assistance provided by the Secretary to eligible tree farmers for losses described in section 132 shall consist of—

(1) reimbursement of 65 percent of the cost of replanting seedlings lost because of drought, earthquake, or related condition in 1993 in excess of 35 percent mortality (adjusted for normal mortality); or

(2) at the discretion of the Secretary, sufficient tree seedlings to reestablish the stand.

SEC. 134. LIMITATION ON ASSISTANCE.

(a) IN GENERAL.—The total amount of payments that a person shall be entitled to receive under this subtitle may not exceed $25,000, or an equivalent value in tree seedlings.

(b) REGULATIONS.—The Secretary shall issue regulations—

(1) defining the term "person" for the purposes of this subtitle, which shall conform, to the extent practicable, to the regulations defining the term "person" issued under section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) and chapter 3 of subtitle B of title XXII of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 1421 note); and

(2) prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitation established under this section.

SEC. 135. DUPLICATIVE PAYMENTS.

The Secretary shall establish guidelines to ensure that no person receives duplicative payments under this subtitle and the forestry incentives program, agricultural conservation program, or other Federal program.

Subtitle D—Administrative Provisions

SEC. 141. INELIGIBILITY.

(a) GENERAL RULE.—A person who has qualifying gross revenues in excess of $2,000,000 annually, as determined by the Secretary, shall not be eligible to receive any disaster payment or other benefits under this title.

(b) QUALIFYING GROSS REVENUES.—As used in this section, the term "qualifying gross revenues" means—

(1) if a majority of the annual gross revenues of the person are received from farming, ranching, and forestry operations, the gross revenue from the farming, ranching, and forestry operations of the person; and

(2) if less than a majority of the annual gross revenues of the person are received from farming, ranching, and forestry operations, the gross revenue of the person from all sources.

SEC. 142. TIMING AND MANNER OF ASSISTANCE.

(a) TIMING OF ASSISTANCE.—

(1) ASSISTANCE MADE AVAILABLE AS SOON AS PRACTICABLE.—Subject to paragraph (2), the Secretary shall make disaster assistance available under this title as soon as practicable after the date on which funds are made available to carry out this title.

(2) COMPLETED APPLICATION.—No payment or benefit provided under this title shall be payable or due until such time as a completed application for a crop of a commodity has been approved.

(b) MANNER.—The Secretary may make payments available under this title in the form of cash, commodities, or commodity certificates, as determined by the Secretary.

SEC. 143. COMMODITY CREDIT CORPORATION.

(a) USE.—The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation in carrying out this title.

(b) EXISTING AUTHORITY.—The authority provided by this title shall be in addition to, and not in place of, any authority granted to the Secretary or the Commodity Credit Corporation under any other provision of law.

SEC. 144. REGULATIONS.

The Secretary or the Commodity Credit Corporation, as appropriate, shall issue regulations to implement this title as soon as practicable after the date of enactment of this Act, without regard to the requirement for notice and public participation in rulemaking prescribed in section 553 of title 5, United States Code, or in any directive of the Secretary.

SEC. 145. APPLICATION OF SUBTITLE.

Except as otherwise provided in this title, this subtitle shall apply to subtitles A, B, and C.

TITLE II—RURAL BUSINESSES

SEC. 201. DISASTER ASSISTANCE FOR RURAL BUSINESS ENTERPRISES.

(a) LOAN GUARANTEES.—The Secretary shall guarantee loans made in rural areas—

(1) to public, private, or cooperative organizations, to Indian tribes on Federal and State reservations or other Federally recognized Indian tribal groups, or to any other business entities to assist the organizations, tribes, or entities in alleviating the distress caused to the organizations, tribes, or entities, directly or indirectly, by damaging weather or related condition in 1992 or 1993; and

(2) to organizations, tribes, or entities described in paragraph (1) that refinance or restructure debt as a result of losses incurred, directly or indirectly, because of damaging weather or related condition in 1992 or 1993.

(b) ELIGIBLE LOANS.—To be eligible for a loan guarantee under this section, a loan shall be a loan made by a Federal or State chartered bank, savings and loan association, cooperative lending agency, insurance company, or other legally organized lending agency.

(c) LOAN GUARANTEE LIMITS.—

(1) PERCENTAGE OF PRINCIPAL AND INTEREST.—No guarantee under this section shall exceed 90 percent of the principal and interest amount of the loan or $500,000, whichever is less.

(2) TOTAL AMOUNT.—The total amount of loan guarantees under this section shall not exceed $200,000,000.

(d) USE OF THE RURAL DEVELOPMENT INSURANCE FUND.—The Secretary shall use the Rural Development Insurance Fund established under section 309A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1929a) for the purpose of discharging the obligations of the Secretary under this section.

TITLE III—DISASTER CREDIT AND FORBEARANCE

SEC. 301. EMERGENCY LOANS.

Section 321(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(b)) shall not apply to a person who otherwise would be eligible for an emergency loan under subtitle C of such Act, if the eligibility is the result of damage to an annual crop planted for harvest in 1993.

SEC. 302. FARM OPERATING LOANS.

(a) DIRECT CREDIT.—To the maximum extent practicable, the Secretary shall ensure that direct operating loans made or insured under subtitle B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941 et seq.) for 1994 crop production are made available to farmers and ranchers suffering major losses due to damaging weather or related condition in 1992 or 1993 as authorized under laws in existence on the date of enactment of this Act, and under regulations of the Secretary, that promote the objective of enabling farmers and ranchers to stay in business.

(b) LOAN GUARANTEES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall make available for fiscal year 1994 guarantees to commercial or cooperative lenders for loans under subtitle B of the Consolidated Farm and Rural Development Act, to refinance or reamortize 1993 operating loans, or 1993 or 1994 installments due and payable on real estate debt, farm equipment or building debt (including debt for a storage facility), livestock loan, or other operating debt, of farmers and ranchers that otherwise cannot be repaid due to major losses incurred by the farmers or ranchers because of damaging weather or related condition in 1992 or 1993.

(2) REAMORTIZATION.—Each loan guaranteed because of damaging weather or related condition in 1992 or 1993 using funds made available for fiscal year 1994, as described in paragraph (1), shall contain terms and conditions governing the reamortization of the debt of the farmer or rancher that will provide the farmer or rancher a reasonable opportunity to continue to receive new operating credit while repaying the guaranteed loan, as determined by the Secretary.

(3) ELIGIBILITY.—Notwithstanding any other provision of law, a person eligible to receive payments under subtitle A of title I shall be eligible for a guarantee, in accordance with this subsection, for a loan made to the person by a commercial or cooperative lender to refinance installment payments that are or become due and payable during 1993 or 1994, as described in paragraph (1), except that, to be eligible to have the loan guaranteed, the person shall otherwise—

(A) be current in the obligation of the person to the commercial or cooperative lender that agrees to accept the guarantee in consideration of allowing the person to make the 1993 or 1994 payment or installment over a period of time not to exceed 6 years from the original due date of the payment or installment; and

(B) meet the criteria for guaranteed loan borrowers under subtitle B of the Consolidated Farm and Rural Development Act established by the Secretary.

(c) USE OF AGRICULTURAL CREDIT INSURANCE FUND.—For purposes of providing guaranteed loans in accordance with subsection (b), in addition to funds otherwise available, the Secretary may use any funds available from the Agricultural Credit Insurance Fund for fiscal years 1993 or 1994 for emergency insured and guaranteed loans under subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.) to meet the needs resulting from damaging weather or related condition in 1992 or 1993, except that funds available from the Fund first shall be used to satisfy the level of assistance estimated by the Secretary to meet the needs of persons eligible for emergency disaster loans.

By Mr. D'AMATO:

S. 1264. A bill to amend the Foreign Assistance Act of 1961 to authorize the Overseas Private Investment Corporation to issue loan guarantees for development projects in Ireland; to the Committee on Foreign Relations.

IRISH DEVELOPMENT BONDS LEGISLATION

• Mr. D'AMATO. Mr. President, I rise today to introduce legislation to create Irish Development Bonds for American companies to open distribution facilities in Ireland. My legislation will increase U.S. exports and allow U.S. companies an entre into the European Community.

Increased exports from the United States to Ireland, a member of the European Community, will aid the United States economy by increasing employment through increased exports, two vital components of economic revitalization. If American companies are able to establish low-cost distribution facilities in Ireland that use American-manufactured products and components, exports from the United States will increase. A United States Government sponsored program to guarantee such loans to American corporations establishing distribution facilities in Ireland would mean more manufacturing jobs in the United States, while increasing the United States trade overseas, with the European community.

My legislation will provide up to $200 million in loan guarantees through the Overseas Private Investment Corporation [OPIC] to carry out this worthwhile program allowing American corporations to raise low-cost funds in the U.S. capital markets.

It was the Irish who saved the vote on European Unity, known as Maastricht. Because of that, Ireland's role in the European Community is important and one that cannot be overlooked.

Moreover, Ireland has much to offer American businesses. Ireland has a large, well-educated labor force that is under-employed and its corporate tax rate is very low—10 percent for American companies until 2010.

I urge my colleagues to help bolster U.S. economic development by supporting this important legislation. Thank you Mr. President.

I ask unanimous consent that the text of my bill be included in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1264

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

SECTION 1. GUARANTEED LENDING PROGRAM FOR IRISH DEVELOPMENT.

The Foreign Assistance Act of 1961 is amended by inserting after section 231A (22 U.S.C. 2191a) the following new section:

"SEC. 231B. GUARANTEED LENDING PROGRAM FOR IRISH DEVELOPMENT.

"(a) PURPOSES.—The purposes of this section are—

"(1) to create more employment opportunities in the United States and Ireland; and

"(2) to increase United States exports to, and the United States trade surplus with, the European Community.

"(b) AUTHORITY.—During the period beginning on the date of enactment of this Act, and ending on September 30 1995, the Overseas Private Investment Corporation (hereafter in this section referred to as the 'Corporation') shall, consistent with the purposes of subsection (a), issue guarantees against losses incurred in connection with loans to United States firms for the establishment or maintenance of low-cost, financially, viable distribution facilities in Ireland that utilize United States manufactured products and components.

"(c) TERMS AND CONDITIONS OF LOAN GUARANTEES.—

"(1) The total principal amount of guarantees which may be issued by the Corporation under this section shall not exceed $200,000,000. The total amount of guarantees authorized under this section shall be made available during the period from the date of enactment of this Act through September 30, 1995, except that, in the event that less than $200,000,000 of guarantees is issued in such period, the authority to issue the balance of such guarantees shall be available in the fiscal year ending on September 30, 1995. Each guarantee issued by the Corporation under this section shall guarantee 100 percent of the principal and interest payable on such loans.

"(2) Guarantees, once issued by the Corporation hereunder, shall be unconditional and fully and freely transferable.

"(3) The standard terms of any loan or increment guaranteed by the Corporation under this section shall be 30 years, with semiannual payments of interest only over the first 10 years, and with semiannual payments of principal and interest, on a level-payment basis, over the last 20 years thereof, except that the guaranteed loan or any increments issued in a single transaction may include obligations having different maturities, interest rates, and payment terms if the aggregate scheduled debt service for all obligations issued in a single transaction equals the debt service for a single loan or increment of like amount having the standard terms described in this sentence. For purposes of determining the maximum principal amount of any loan to be guaranteed under this section, the principal amount of each such loan shall be—

"(A) in the case of any loan issued on a discount basis, the original issue price (excluding any transaction costs) thereof; or

"(B) in the case of any loan issued on an interest-bearing basis, the stated principal amount thereof.

"(d) FEES.—(1) Reasonable origination or scoring charges for the loan guarantee program under this section are to be paid pro data as each guarantee or increment of guarantee is issued. Such charges may be financed as part of the loans or increments guaranteed under this section. Except for the charges provided in this section, no other fees or charges shall be payable to the Corporation in connection with the loan guarantee program.

"(2) Paragraph (1) does not in any way preclude the voluntary participation of eligible investors in any other OPIC program which may or may not require the payment of charges.

"(e) NONAPPLICABILITY OF OTHER LAWS.—The loan guarantees authorized to be issued under this section may be made available under the terms and conditions specified in this section notwithstanding any other provision of law, rule, regulation, or practice, except for the Federal Credit Reform Act of 1990.

"(f) SUBJECT TO APPROPRIATIONS.—The authority to issue loan guarantees under this section may be exercised only to such extent or in such amounts as are provided in advance in appropriation Acts. Appropriations made pursuant to such authority are authorized to remain available during the period beginning on the date of enactment of this Act, and ending September 30, 1995.

"(g) SAVING PROVISION.—The termination of the authorities of this section on September 30, 1995, shall not affect any guarantee issued before such date.".●

By Mrs. MURRAY (for herself and Mr. HATFIELD):

S. 1265. A bill to amend the Export Administration Act of 1979 to extend indefinitely the current provisions governing the export of certain domestically produced crude oil; to the Committee on Banking, Housing, and Urban Affairs.

CRUDE OIL LEGISLATION

● Mrs. MURRAY. Mr. President, today I rise to introduce S. 1265, a bill to amend the Export Administration Act of 1979. This legislation will extend indefinitely the provisions of the Act governing the export of Alaska North Slope crude oil. I am pleased that Senator HATFIELD is joining me in cosponsoring this effort to promote our national security and to save important maritime and domestic refinery jobs.

Since 1973, Congress has consistently expressed its overwhelming support for restrictions on the export of Alaska North Slope crude oil, including the export restrictions in the Export Administration Act, the Mineral Leasing Act, and other statutes. Under this policy, our country has promoted its national security by reducing our reliance upon unstable Persian Gulf oil supplies. The export restrictions have also led to the creation of an efficient transportation infrastructure to move Alaskan crude oil to West Coast domestic markets. As a result, consumers in Washington State and elsewhere have saved billions of dollars on the price of gasoline. In addition, export restrictions on Alaska North Slope crude oil have promoted construction and repair work in U.S. shipyards, especially in our region of the country. Moreover, these restrictions have allowed us to augment and preserve a domestic merchant marine necessary to supply oil essential to the domestic economy and our military forces.

If we allow the export of Alaska North Slope crude oil we will sacrifice good, family wage jobs. A good portion of our domestic merchant marine will be lost. These mariners depend on the tanker trade provided by the transport of Alaska North Slope crude oil to refineries across the country. Of the approximately 2,500–3,000 workers in the Alaskan oil trade, roughly one-fourth are based in Washington. In addition, 300 workers are employed in the oil refineries that depend on North Slope crude to meet consumer demand in the Pacific Northwest. At a time when many timber and Boeing workers face uncertain employment prospects, a special premium should be placed on preserving existing, skilled jobs.

Alaska North Slope crude accounts for approximately 90 percent of the supply for the six refineries operating in the Puget Sound area. During the first 4 months of 1993, these refineries—which supply consumers in Washington and Oregon—have refined an average of approximately 500,000 barrels per day of Alaska North Slope crude. If exports are permitted, these refineries would face major conversion costs to refine other grades of oil. The conversion and the change in oil suppliers would cause higher crude oil prices that, if passed on to the consumer, would lead to increased costs for petroleum products. The State of Alaska, through higher royalties and severance taxes, might receive more revenues through exports, but it would be at the expense of the consumers and industry in the rest of the Pacific Northwest and California.

Mr. President, Energy Secretary O'Leary has stated that "[a] major energy policy of the new administration will be to reduce the nation's dependence on foreign oil." This bill advances the Administration's policy by continuing to restrict the export of Alaska North Slope crude oil, one of our most valuable domestic energy resources. Today, the approximately 1.6 million barrels per day produced on the Alaska North Slope crude represents about 25 percent of total U.S. consumption.

Critics who argue that Congress should lift the export restrictions on Alaska North Slope crude oil cannot justify why it is in the national interest. Every barrel of oil that is exported will eventually have to be replaced by foreign oil. Japan might benefit from this arrangement, but the United States would not. Lifting the ban on the export of this oil only increases our dependency on foreign oil. Arguments that lifting the ban will increase the well head price of the oil enough to encourage more production are mere speculation.

Last year, the State of Alaska filed a lawsuit in Federal District Court claiming that the export restrictions on Alaskan oil are unconstitutional. But the Constitution grants Congress and the President broad authority and discretion to regulate trade and to prohibit certain trade with other nations. The Constitution also empowers Congress with the right to impose conditions on the use of Federal rights-to-way to transport oil across it. Let us remember that it was the U.S. Senate that first demanded the export ban as part of the quid pro quo for granting Federal rights-of-way to allow the development and marketing of Alaska North Slope crude oil. For these reasons, I am sure that the legal action taken by the State of Alaska is bound to fail. In the interim, Congress should not hesitate to reaffirm its continuing commitment to restrict the export of Alaska North Slope crude oil.

Mr. President, the reasons for restricting the export of Alaska North Slope crude oil remain as compelling today as they were in 1973. This country has already been shaken by two major oil crises. Alaska North Slope oil provides an insurance policy to consumers on the west coast that the giant gasoline lines of yesterday will not reappear because of the irrational acts of some Middle East despot or a group of crazed religious zealots. Beyond that, refinery and maritime workers in the Pacific Northwest have invested their lives in an oil industry that depends on the continuation of the oil export ban. Lifting the ban would destroy their jobs. Lifting the ban would place additional burdens on communities that are already struggling for their economic existence. We must not allow this to happen. That is why I urge all my colleagues to join Senator HATFIELD and I in a truly bipartisan effort to continue to save Alaska North Slope crude oil for American workers, industry, and consumers.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1265

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

SECTION 1. EXTENSION OF RESTRICTIONS ON OIL EXPORTS.

Section 7(d) of the Export Administration Act of 1979 (50 U.S.C. App. 2406(d)) is amended by adding at the end the following new paragraph:

"(4) Notwithstanding the provisions of section 20 or any other provision of law, this subsection shall remain in effect until expressly repealed. During any period during which this subsection is in effect (without regard to the application of the termination provision in section 20)—

"(A) all authorities under this Act may be exercised to the extent necessary to assure compliance with this subsection; and

"(B) the provisions of section 11 shall apply to violations under this subsection.".

SEC. 2. CONFORMING AMENDMENT.

Section 20 of the Export Administration Act of 1979 (50 U.S.C. App. 2419) is amended by striking "The" and inserting "Except as provided in section 7(d)(4), the".●

● Mr. HATFIELD. Mr. President, I am pleased to join Senator PATTY MURRAY in introducing legislation to extend indefinitely the current restrictions on exports of Alaskan North Slope crude oil contained in section 7(d) of the Export Administration Act. In previous years, Congress has expressed strong bipartisan support for these restrictions. I am confident that Congress will again affirm its commitment to promoting national energy security by passing this important legislation.

Since the Alaskan oil export restrictions were first exacted by Congress in 1973, they have provided enduring benefits for our Nation. We now have an efficient transportation infrastructure to move crude oil from Alaska to the lower 48 States and Hawaii. In addition, these restrictions have helped limit our reliance on OPEC and unstable Persian Gulf oil supplies. Consumers on the West Coast also have benefitted, as they have been able to save billions of dollars at the pump. Furthermore, we have been able to enhance a domestic merchant marine that continues to help supply the essential oil requirements of our domestic economy and our military.

Despite the lessons of two major oil crises and the Persian Gulf War, we foolishly continue to rely on foreign oil as a major energy source. Government and private estimates predict that by the mid 1990's imports will be more than 50 percent of our daily oil requirement. Permitting the export of any Alaskan North Slope crude would only make this problem worse. By allowing the export of Alaskan oil to Japan and other Pacific Rim countries, we would further increase our dependency on Middle Eastern oil, increase consumer petroleum costs on the West Coast, threaten the vitality of our domestic tanker fleet, and cause net Federal revenues losses. Moreover, Alaskan oil exports would cause job losses in the maritime and related ship-supply industries on the West Coast. Mr. President, these are costs which this Nation simply cannot afford.

Our ability to withstand future energy crises will certainly be tested if we fail to take the appropriate steps now to protect our own energy resources. By extending indefinitely the current export restrictions on Alaskan crude oil in section 7(d) of the Act, we will reaffirm the policy of keeping this country on the right path toward energy security.

I commend Senator MURRAY for her leadership on this issue and look forward to working with her as the Senate considers this legislation.●

By Mr. MACK (for himself, Mr. BUMPERS, Mr. GRAHAM, Mr. COCHRAN, Mr. PRYOR, and Mr. SASSER):

S. 1266. A bill to amend title XIX of the Social Security Act to improve the Federal medical assistance percentage used under the Medicaid Program, and for other purposes; to the Committee on Finance.

FAIRNESS IN MEDICAID FUNDING ACT

● Mr. MACK. Mr. President, as is too frequently the case in Washington, the Federal Government does not adequately target its resources to the citizens most in need of services. This is true, in particular, when it comes to how the Federal Government calculates the Medicaid matching funds formula. The existing Federal formula creates an unfair distribution of Medicaid dollars to the States.

To correct this inequity, I rise today to reintroduce the Fairness in Medicaid Funding Act.

The bill would change the Federal Medicaid matching funds formula and result in a more accurate and fair disbursement of these funds to the States. Over the last several years, the General Accounting Office [GAO] has evaluated the existing Medicaid formula and has concluded that it does not meet the objectives originally set up by Congress. GAO looked at these original objectives and developed an alternative formula. In its judgment, this new formula would do a much better job at allocating Medicaid dollars than the present formula. My bill would use the GAO formula not to change policy but only the process by which Medicaid dollars are allocated.

The essence of the existing Medicaid formula has been unchanged since 1965. The formula had two major purposes. First, Congress wanted to make certain the Federal matching funds reflected a State's ability to pay benefits to those in need.

And, second, Congress wanted to determine how many residents of each State needed Medicaid benefits. At the time—more than 25 years ago—policymaking believed that an estimate of a State's per capita income would adequately respond to both objectives.

Two and a half decades ago, a per capita income formula may well have done an acceptable job in meeting congressional intentions.

But during the past 25 years, the Federal Government has collected more and better economic data.

Today, there are much better measurements available, and we ought to use them.

A significant weakness of the current formula is that it does not adequately reflect a State's ability to pay benefits. In essence, the money a State can pay in Medicaid benefits depends upon how much income its residents and businesses produce.

A measurement of per capita income, however, reflects only part of the total income produced by a State's residents and businesses.

Per capita income, for example, does not include corporate retained earnings, which is a significant share of a State's business income. This means that two States with the same per capita income may actually have significantly different abilities to pay Medicaid benefits.

The result is that States with relatively little corporate income may receive significantly less in Federal reimbursement than Congress intended.

In addition, the per capita income formula does not adequately measure the number of people in need of Medicaid benefits. That need is essentially determined by the number of residents with incomes low enough to qualify for Medicaid. Two states with roughly equal per capita incomes can have dramatically different percentages of residents qualifying for Medicaid. Yet, both States would receive the same matching rate from the Federal Government. This just doesn't make sense.

My proposal, built on the GAO's recommendations, would base the Federal share for Medicaid on:

First, per capita income plus corporate income produced within a State. This is a much more accurate measure of a state's ability to finance Medicaid benefits.

Second, the state's poverty ratio, which generally indicates the number of persons in each state who are in need of Medicaid benefits.

All of these statistics are already compiled for other purposes by the Federal Government.

According to GAO, approximately 25 States would receive the same or a higher Medicaid reimbursement rate under this legislation.

Mr. President, since becoming a U.S. Senator, one of my goals has been to make sure the Federal pie is fairly divided so that each State receives its fair share. In fact, Mr. President, the first bill I introduced in the U.S. Senate in 1989 would require Federal agencies to use updated U.S. Census statistics when calculating population-based grants.

The goal of the Fairness in Medicaid Funding Act of 1993 is the same. Its passage will ensure that States receive what they deserve and need from Washington, based upon an objective, fair and contemporary evaluation of each State's human needs of its citizens.●

● Mr. BUMPERS. Mr. President, the current Medicaid formula, which was adopted in 1965, had two major objectives: First, to reduce differences among States in medical care coverage for the poor, and second, distribute fairly the burden of financing program benefits among the States.

Studies by the General Accounting Office [GAO] have shown that these objectives are not being met by the current formula. The current formula allows States with relatively large tax

bases and low numbers of people in poverty to reap windfalls from the Federal treasury. In contrast, poorer States with low tax bases and high percentages of its residents living in poverty are being deprived of needed Federal assistance to improve the health of those most in need.

Our bill, the "Fairness in Medicaid Funding Act" will correct this inequity. Our proposal, built on GAO recommendations, would base the Medicaid Federal share for each State on a State's taxable resources and the percentage of its residents living in poverty.

Passage of the "Fairness in Medicaid Funding Act of 1993" will ensure that each State receives what it deserves and needs, based on an objective and fair evaluation of its economic and demographic environment.•

By Mr. HATFIELD:

S. 1267. A bill to amend the Dwight D. Eisenhower Mathematics and Sciences Education Act, and for other purposes; to the Committee on Labor and Human Resources.

MATH AND SCIENCE EDUCATION LEGISLATION

• Mr. HATFIELD. Mr. President, I suspect that each of us here has more than one recollection of a teacher whose influence brought about a turning point in our lives. There are celebrated cases, that of Jaime Escalante comes to mind—of teachers who performed the seemingly impossible—who found and fanned a flame in students who didn't even know the flame was there.

Today, I'm introducing legislation to enhance and extend what has been one of the real success stories in Federal support to education—the Dwight D. Eisenhower Mathematics and Science Education Act. In reauthorizing the Eisenhower program, Congress will affirm the educational validity of a national investment in teachers. Not in buildings or books, chemicals or computers, but in the minds that awaken life for individuals all over the world.

There are several reasons that this makes good sense. First, is the irreplacibility of the human touch. As marvelous and as promising as school technology has become, I don't believe it ever will or ever should replace the kind word, the sparkle, the personal insight, and the humanity of a teacher. Second, teachers return an investment over a longer period of time than does an investment in anything but buildings. Paper is consumed, books wear out, and computers are quickly outdated. But a dollar invested in a young teacher, gives a return every year for decades, and the return grows as the teacher continues to grow.

The success of the Eisenhower program is that grants flow through very few hands before being put to work in professional development opportunities for mathematics and science teachers. It is the sole program in the Department of Education that specifically addresses National Education Goal No. 4: By the year 2000, U.S. students will be first in the world in science and mathematics achievement.

Mr. President, 10 years ago, the "Nation At Risk" report set in motion a deep assessment of education in America. At the forefront of this movement has been the major restructuring plans of the mathematics and science teaching communities. More than just plans, pilot projects throughout the Nation are indicating the vitality of these approaches that encourage children to engage their hands and minds in the scientific process.

North Carolina recently took the ambitious step of committing their schools to teach algebra to every student as a requirement for graduation. This challenging goal would be no more than ink on a page were it not for the support given by Eisenhower to local school districts for professional development for teachers.

After using local State funds to write a whole new framework for math and science education, the State of Texas used Eisenhower funds to provide the necessary training for teachers to actually carry it out in the classroom.

The Woodrow Wilson Foundation has supplemented funds from the private sector with Eisenhower grants to form teams of master teachers who give workshops to their colleagues across the Nation. The program's theme is "Teachers Teaching Teachers."

Iowa Higher Education joined parents and teachers in a workshop for underserved and underrepresented students. The teachers developed and demonstrated effective teaching methods with the students, and simultaneously assisted the parents in learning how they could enhance their children's science experiences in the home. Thus was a formed a potent educational team of school and community.

In my own State of Oregon the Ashland School District has brought together math teachers representing the district's schools to formulate policy. With Eisenhower money they have organized regular inservices that have invigorated the math teachers to new enthusiasm for their subject. The teachers report that they willingly spend more time because of the heightened rewards.

In each case the Eisenhower program has brought funds and empowerment to teachers who have taken the opportunity and made the most of it.

I have long advocated the necessity of challenging, effective math and science education. Without an increased emphasis on these subjects, this Nation, whose strength for a century has been built on its technological supremacy, will begin to fade.

The legislation I am introducing today provides for the continuation of the Eisenhower program and suggests several improvements to the authorizing legislation. I am anxious to work with my colleagues on the Senate Labor and Human Resources Committee as they prepare the reauthorization of the Elementary and Secondary Education Act, to ensure that the Eisenhower program continues and is strengthened to more fully reflect the current state of mathematics and science education in the country.

In 1990, President Bush signed into law the Excellence in Mathematics, Science and Engineering Education Act, Public Law 101-589. This legislation, which I sponsored with Senator KENNEDY, contained two new programs—a national network of 10 regional consortia around the country to provide technical assistance to local educators undergoing reform of their math and science programs, and the National Clearinghouse for Science, Mathematics and Technology Education Materials—a central repository of all math and science teaching and curricular materials to be disseminated through the consortia to schools. The legislation I am introducing today contains reauthorization for these programs, which are currently operating around the country, and adjustments to their missions.

In addition, my legislation renews an idea contained in the original Kennedy-Hatfield bill which provided for a demonstration project in early childhood education. I envisioned this program as providing for early childhood science materials and teacher training in Head Start classrooms—an idea I term "Science Start." I am hopeful that we will be able to replicate, on a national level, a program in place at Marylhurst College in my own State of Oregon. Marylhurst, under the direction of President Nancy Wilgenbusch, hosts a Head Start Summer Science Institute each year which is designed to nurture Head Start educators in the teaching of science education. Teachers leave the 4-week summer institute fully trained to teach a curriculum designed for young children using science kits and lesson plans provided to them by Marylhurst. The program generates a partnership between Head Start, local colleges and community resources to address the issues of: First, nurturing the children's natural interest in science; and second, helping the teachers develop the skills and confidence to teach science to their students.

I have also included in my legislation, S. 232, a bill I introduced earlier in this Congress entitled the "Elementary Mathematics and Science Equipment Act of 1993"—this legislation provides small grants to schools in order to purchase hands-on elementary education equipment. Not directed at computer software or graphics, this legislation authorizes matching grants for the basics—thermometers, ph paper and the like—all necessary to engage

the young child in the intriguing world of science. I an convinced this legislation, which was included in last year's version of a bill to reauthorize the Office of Education Research and Improvement, belongs in the Eisenhower program, as a key element in the partnership between the States and the Federal Government in mathematics and science education reform.

Finally, my legislation includes several refinements to the Eisenhower program itself. I have canvassed Eisenhower-supported educators throughout the country and compiled adjustments to the legislation which I believe will enhance its usefulness in the field. My bill places a priority on elementary programs and opens competition for funds to consortia and public-private partnerships. In addition, the bill's language strengthens minority teacher recruiting and retraining by including the underserved and underrepresented as well as minorities.

Mr. President, we have a clear need for revitalization of math and science education, and we have structures being tested that will support this revolution. Now we must move to broad implementation, and on this point is universal agreement: the mechanism that will carry reform beyond the pilot stage is professional development for teachers. No reform can occur without it. The good news is that the mechanism is in place, and despite its small size it has already played a large part in driving math and science reform to its current leadership position. It is the Dwight D. Eisenhower Mathematics and Science Education Act and it needs our continued support.

I ask unanimous consent that the text of this legislation be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1267

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

SECTION 1. AMENDMENT OF THE DWIGHT D. EISENHOWER MATHEMATICS AND SCIENCE EDUCATION ACT.

Except as otherwise expressly provided, whenever in this Act 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 Dwight D. Eisenhower Mathematics and Science Education Act.

SEC. 2. IN-STATE APPORTIONMENT.

Paragraph (1) of section 2005(c) (20 U.S.C. 2985(c)(1)) is amended—

(1) by striking "or institution" and inserting ", institution"; and

(2) by inserting ", nonprofit organization, museum, or public or private partnership" after "higher education".

SEC. 3. ELEMENTARY AND SECONDARY EDUCATION PROGRAMS.

Section 2006 (20 U.S.C. 2986) is amended—

(1) in paragraph (1) of subsection (b)—

(A) in subparagraph (B), by inserting ", or teachers who are members of populations that are underserved by and underrepresented in mathematics and science education," after "minority teachers"; and

(B) in subparagraph (C)—

(i) by inserting "calculators," after "use of"; and

(ii) by striking all beginning with "(which" through "met)";

(2) in subsection (d)—

(A) by amending paragraph (1) to read as follows:

"(1) GENERAL RULE.—Except as provided in paragraph (2), at least 60 percent of the amount available to a local educational agency under this section in each fiscal year shall be used to provide training for mathematics teachers and science teachers in elementary or middle schools.";

(B) in paragraph (2)—

(i) by striking "elementary and middle" and inserting "elementary or middle"; and

(ii) by inserting ", as the Secretary determines appropriate," after "such local educational agency"; and

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

"(3) SPECIAL RULE.—Each local educational agency receiving assistance under this section shall make every effort to give priority to coordinating teacher training in the use of hands-on manipulatives received under this section with the materials received under subpart 3, and to include in such training the recipients of such materials.".

SEC. 4. HIGHER EDUCATION PROGRAMS.

Section 2007 (20 U.S.C. 2987) is amended—

(1) in subsection (b)—

(A) by amending subparagraph (B) of paragraph (1) to read as follows:

"(B)(i) The State agency for higher education, from not less than 80 percent of the amount available for this section, shall award grants on a competitive basis to institutions of higher education, nonprofit organizations, museums, and public or private partnerships in the State which apply for payments under this section and which demonstrate involvement of local educational agencies.

"(ii) The State agency for higher education, from not more than 20 percent of the amount available under this subsection, may award grants, on a noncompetitive basis, for purposes of addressing the needs of populations that are underserved by and underrepresented in mathematics and science education, to institutions of higher education, nonprofit organizations, museums, and public or private partnerships in the State which apply for payments under this section and which demonstrate involvement of local educational agencies.

"(iii) In awarding grants under this section the State agency for higher education shall make every effort to ensure equitable participation of private and public institutions of higher education."; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking "who will specialize in teaching mathematics and science at the secondary school level" and inserting "of mathematics and science at the elementary and secondary school levels";

(ii) in subparagraph (B)—

(I) by inserting ", and for training of elementary school teachers to increase such teachers' content knowledge of mathematics and science," before "including"; and

(II) by striking "and" after the semicolon; and

(iii) in subparagraph (C)—

(I) by striking "teaching skills" and inserting "content knowledge, teaching skills, and instructional practices based on current research";

(II) by striking the period at the end and inserting "; and"; and

(III) by adding at the end the following new subparagraph:

"(D) recruiting and training minority students to become mathematics and science teachers.";

(2) by amending subsection (d) to read as follows:

"(d) TECHNICAL ASSISTANCE AND EVALUATION.—Not more than 5 percent of the amount available under this section, or $30,000, whichever is greater, may be used by the State agency for higher education for—

"(1) providing technical assistance to local educational agencies, institutions of higher education, and nonprofit organizations, including museums and libraries, to enable such entities to conduct programs in accordance with this section;

"(2) the costs incurred by the State agency for higher education for evaluating programs assisted under this subpart; and

"(3) developing plans for reform of teacher preparation in mathematics and science at the State level."; and

(3) by adding at the end the following new subsection:

"(e) ADMINISTRATIVE COSTS.—Not more than 5 percent of the amount available under this section, or $20,000, whichever is greater, may be used by the State agency for higher education for the costs of the administration and assessment of programs assisted under this subpart.".

SEC. 5. STATE APPLICATION.

Subsection (d) of section 2008 (20 U.S.C. 2988(d)) is amended by adding at the end the following new paragraph:

"(5) How the programs planned under this subpart reflect consideration of the emerging standards in mathematics and science.".

SEC. 6. LOCAL APPLICATION.

Section 2009 (20 U.S.C. 2989) is amended—

(1) in subsection (b)—

(A) in paragraph (2), by inserting "and how the activities and services for which assistance is sought reflect consideration of the emerging standards in mathematics and science" before the semicolon; and

(B) in paragraph (3)—

(i) by striking "Foundation, or" and inserting "Foundation or"; and

(ii) by striking "both" and inserting "with respect to any other Federal program that supports a clearly articulated State or local education reform plan;"; and

(2) by adding at the end the following new subsection:

"(d) APPLICABILITY OF REGULATIONS UNDER OTHER MATHEMATICS OR SCIENCE EDUCATION PROGRAMS.—Notwithstanding the provisions of subsection (b)(3), in carrying out the provisions of this subpart a State educational agency, local educational agency or institution of higher education shall not be required to comply with regulations promulgated pursuant to any Federal mathematics or science education program other than regulations promulgated pursuant to this subpart.".

SEC. 7. NATIONAL PROGRAMS.

Section 2012 (20 U.S.C. 2992) is amended—

(1) in subsection (d)—

(A) in the heading for such subsection, by inserting "EISENHOWER" before "NATIONAL CLEARINGHOUSE";

(B) in paragraph (1), by striking "a National" and inserting "an Eisenhower National"; and

(C) in paragraph (4)—

(i) in subparagraph (C), by striking "and" after the semicolon;

(ii) in subparagraph (D), by striking "and non-Federal data bases." and inserting ", non-Federal and, where feasible, international data bases;"; and

(iii) by adding at the end the following new subparagraphs:

"(E) participate in collaborative meetings of representatives of the Clearinghouse and the regional consortiums under subpart 2 of this part to discuss issues of common interest and concern, to foster effective collaboration and cooperation in acquiring and distributing curriculum materials and programs, and to coordinate computer network access to the Clearinghouse and the resources of the regional consortiums, except that not more than 3 percent of the funds awarded under this section shall be used to carry out this subparagraph; and

"(F) gather qualitative and evaluative data on submissions to the Clearinghouse."; and

(2) by adding at the end the following new subsection:

"(f) MODEL SCIENCE START PROGRAMS FOR THE INTRODUCTION OF SCIENCE IN EARLY CHILDHOOD EDUCATION.—

"(1) GRANTS AUTHORIZED.—(A) The Secretary may award grants to organizations to enable such organizations to support model programs that provide instruction to Head Start personnel regarding the introduction of science activities to children enrolled in Head Start programs.

"(B) Grants awarded under this subsection shall be known as Science Start Grants.

"(2) PRIORITY.—In awarding grants under this subsection, the Secretary shall give priority to applicants that demonstrate the ability to—

"(A) provide teacher training programs that involve participants in hands-on activities similar to activities that are intended for students;

"(B) attract broad teacher participation;

"(C) use classroom teachers as instructors;

"(D) provide those materials required by the activities described in subparagraph (A), but not commonly found in Head Start classrooms, except that not more than 25 percent of the funds awarded to any organization for a model program shall be used to carry out this subparagraph; and

"(E) provide for periodic followup activities conducted, at minimum, during a 6-month period.

"(3) DISSEMINATION.—Each recipient of a grant under this subsection shall report the results of the model program to the Eisenhower National Clearinghouse for Mathematics and Science Education in an appropriate format for dissemination.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $1,000,000 for fiscal year 1994 and such sums as may be necessary for each succeeding fiscal year to carry out this subsection.".

SEC. 8. EISENHOWER REGIONAL MATHEMATICS AND SCIENCE EDUCATION CONSORTIUMS.

(a) AMENDMENT TO HEADING.—The heading for subpart 2 (20 U.S.C. 2994 et seq.) is amended by inserting "**Eisenhower**" before "**Regional**".

(b) AMENDMENT TO TEXT.—Subsection (a) of section 2016 (20 U.S.C. 2994(a)) is amended by adding at the end the following new paragraph:

"(4) DESIGNATION.—Each regional consortium assisted under this section shall be known as an 'Eisenhower regional consortium'.".

SEC. 9. USE OF FUNDS.

Section 2017 (20 U.S.C. 2994a) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) work cooperatively with the other regional consortiums and the National Clearinghouse for Science and Mathematics Education established under section 2012(d) to more effectively accomplish the activities described in this section;";

(2) by amending paragraph (8) to read as follows:

"(8) assist State and local educational agencies in identifying science equipment needs and help such agencies or consortia thereof assess the need for and desirability of regional mathematics and science academies;".

(3) by amending paragraph (14) to read as follows:

"(14) identify exemplary teaching practices and materials from within the region and communicate such practices and materials to the Eisenhower National Clearinghouse for Mathematics and Science Education;";

(4) in paragraph (15), by striking "and" after the semicolon;

(5) in paragraph (16), by striking the period; and

(6) by adding at the end the following new paragraphs:

"(17) communicate, on a regular basis, with entities within the region who are delivering services to students and teachers of mathematics and science, including, at a minimum, State supervisors of mathematics and science, State coordinators of programs assisted under this part, the Director of the regional education laboratory, personnel of the National Diffusion Network, the regional laboratories supported by the Department of Energy, a principal investigator or program director of the National Science Foundation State Systemic Initiative within the region served by the regional consortium, and the Directors of the Eisenhower National State Curriculum framework grant programs within the region served by the Eisenhower regional consortium;

"(18) participate in collaborative meetings of representatives of the Eisenhower National Clearinghouse for Science and Mathematics Education and the regional consortiums to discuss issues of common interest and concern, to foster effective collaboration and cooperation in acquiring and distributing curriculum materials and programs, and to coordinate computer network access to the Clearinghouse and resources of the regional consortiums, except that not more than 5 percent of the funds awarded to a regional consortium under this section shall be used to carry out this paragraph;

"(19) provide technical assistance to State educational agencies and local educational agencies for evaluation of mathematics and science programs;

"(20) assist in the development of State and regional plans and activities that hold promise of bringing about systemic reform in student performance in mathematics and science; and

"(21) assist in the coordinated implementation of the kindergarten through twelfth grade programs of the Federal Coordinating Council for Science, Engineering and Technology in the regions.".

SEC. 10. REGIONAL BOARDS.

Subsection (b) of section 2019 (20 U.S.C. 2994c(b)) is amended by inserting ", except that at the discretion of a regional board, Federal funds may be used to provide assistance such as travel and accommodations for board members who could not otherwise afford to participate as members of the board" before the period.

SEC. 11. FEDERAL SHARE.

Section 2020 (20 U.S.C. 2994e) is amended—

(1) by amending subsection (b) to read as follows:

"(b) FEDERAL SHARE.—For the purpose of subsection (a), the Federal share shall be 80 percent."; and

(2) in subsection (c), by adding at the end the following new sentence: "At least 25 percent of such non-Federal share shall be from sources other than the Federal Government or State or local government.".

SEC. 12. AUTHORIZATION OF APPROPRIATIONS.

Section 2023 (20 U.S.C. 2994g) is amended by striking "$17,000,000 for the fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 and 1993" and inserting "$23,000,000 for the fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995, 1996, 1997, and 1998".

SEC. 13. DEFINITIONS.

Section 2031 (20 U.S.C. 2996) is amended by adding at the end the following new paragraph:

"(3) The terms 'mathematics' and 'science' include the technology education associated with such mathematics and science, respectively.".

SEC. 14. ELEMENTARY SCIENCE AND MATHEMATICS EQUIPMENT.

Part A (20 U.S.C. 2981 et seq.) is amended by inserting after section 2023 the following new subpart:

"Subpart 3—Elementary Mathematics and Science Equipment

"SEC. 3031. SHORT TITLE.

"This subpart may be cited as the 'Elementary Mathematics and Science Equipment Act'.

"SEC. 3032. STATEMENT OF PURPOSE.

"It is the purpose of this subpart to raise the quality of instruction in mathematics and science in the Nation's elementary schools by providing equipment and materials necessary for hands-on instruction through assistance to State and local educational agencies and schools.

"SEC. 3033. PROGRAM AUTHORIZED.

"(a) GRANTS.—The Secretary is authorized to make allotments to State educational agencies under section 3034 to enable such agencies to award grants to local educational agencies for the purpose of providing equipment and materials to elementary schools to improve mathematics and science education in such schools.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $30,000,000 for fiscal year 1994, and such sums as necessary for each of the fiscal years 1995, 1996, 1997, and 1998, to carry out this subpart.

"SEC. 3034. ALLOTMENTS OF FUNDS.

"(a) IN GENERAL.—From the amount appropriated under section 3033(b) for any fiscal year, the Secretary shall reserve—

"(1) not more than one-half of 1 percent for allotment among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau according to their respective needs for assistance under this subpart; and

"(2) one-half of 1 percent for programs for Indian students served by schools funded by the Secretary of the Interior which are consistent with the purposes of this subpart.

"(b) ALLOTMENT.—

"(1) IN GENERAL.—Except as provided in paragraph (2) and from the amount not reserved pursuant to subsection (a), the Secretary shall make allotments among State educational agencies in the States as follows:

"(A) One-half of such remainder shall be distributed among such State educational agencies by allotting to each State educational agency an amount which bears the same ratio to such one-half of such remainder as the number of children aged 5 to 11, inclusive, in the State bears to the number of such children in all States.

"(B) One-half of such remainder shall be distributed among such State educational agencies according to each State's share of allocations under chapter 1 of title I of this Act.

"(2) MINIMUM.—No State shall receive in any fiscal year an allotment under paragraph (1) which is less than—

"(A) one-half of 1 percent of the amount available under this subsection in such fiscal year; or

"(B) the amount allotted to such State for fiscal year 1988 under title II of the Education for Economic Security Act.

"(c) REALLOTMENT OF UNUSED FUNDS.—The amount of any State's allotment under subsection (b) for any fiscal year to carry out this subpart which the Secretary determines will not be required for that fiscal year to carry out this subpart shall be available for reallotment from time to time, on such dates during that year as the Secretary may determine, to other States in proportion to the original allotments to those States under subsection (b) for that year but with such proportionate amount for any of those other States being reduced to the extent it exceeds the sum the Secretary estimates that the State needs and will be able to use for that year, and the total of those reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amounts reallotted to a State under this subsection during a year shall be deemed a part of its allotment under subsection (b) for that year.

"(d) DEFINITIONS.—For the purposes of this subpart—

"(1) the term 'Secretary', unless otherwise specified, means the Secretary of Education; and

"(2) the term 'State' means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(e) DATA.—The number of children aged 5 to 11, inclusive, in a State and in all States shall be determined by the Secretary on the basis of the most recent satisfactory data available to the Secretary.

"SEC. 3035. STATE APPLICATION.

"(a) APPLICATION.—Each State educational agency desiring to receive an allotment under this subpart shall file an application with the Secretary which covers a period of 5 fiscal years. Such application shall be filed at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(b) CONTENTS OF APPLICATION.—Each application described in subsection (a) shall—

"(1) provide assurances that—

"(A) the State educational agency shall use the allotment provided under this subpart to award grants to local educational agencies within the State to enable such local educational agencies to carry out the purpose of this subpart;

"(B) the State educational agency will provide such fiscal control and funds accounting as the Secretary may require;

"(C) every public elementary school in the State is eligible to receive a grant under this subpart once over the 5-year duration of the program assisted under this subpart;

"(D) funds provided under this subpart will supplement, not supplant, State and local funds made available for activities authorized under this subpart;

"(E) during the 5-year period described in the application, the State educational agency will evaluate its standards and programs for teacher preparation and inservice professional development for elementary mathematics and science;

"(F) the State educational agency will take into account the needs for greater access to and participation in mathematics and science by students and teachers from historically underrepresented groups, including females, minorities, individuals with limited-English proficiency, the economically disadvantaged, and individuals with disabilities; and

"(G) the needs of teachers and students in areas with high concentrations of low-income students and sparsely populated areas will be considered in awarding grants under this subpart;

"(2) provide a description of how funds made available under this subpart will be coordinated with State and local funds and other Federal resources, particularly with respect to programs for the professional development and inservice training of elementary school teachers in science and mathematics; and

"(3) describe procedures—

"(A) for submitting applications for assistance in accordance with sections 3036 and 3037;

"(B) for the distribution of grant payments under this subpart within the State; and

"(C) for approval of applications by the State educational agency, including appropriate procedures to assure that such agency will not disapprove an application without notice and opportunity for a hearing.

"(c) STATE ADMINISTRATION.—Not more than 5 percent of the funds allotted to each State educational agency under this part shall be used for the administrative costs of such agency associated with carrying out the program assisted under this subpart.

"SEC. 3036. LOCAL APPLICATION.

"(a) APPLICATION.—A local educational agency that desires to receive a grant under this subpart shall submit an application to the State educational agency. Each such application shall contain assurances that each school served by the local educational agency shall be eligible for only one grant under this subpart.

"(b) CONTENTS OF APPLICATION.—Each application described in subsection (a) shall—

"(1) provide assurances that the local educational agency shall use the grant such agency receives under this subpart to award grants to schools served by such agency to enable such schools to carry out the purpose of this subpart;

"(2) describe how the local educational agency plans to set priorities on the use and distribution among schools of grant funds received under this subpart to meet the purpose of this subpart;

"(3) include assurances that the local educational agency has made every effort to match on a dollar-for-dollar basis from private or public sources the grant funds received under this subpart, except that no such application shall be penalized or denied assistance under this subpart based on failure to provide such matching funds;

"(4) describe how funds under this subpart will be coordinated with State, local, and other Federal resources, especially with respect to programs for the professional development and inservice training of elementary school teachers in science and mathematics; and

"(5) describe the process which will be used to determine different levels of grant amounts to be awarded to schools with different needs.

"(c) PRIORITY.—In awarding grants under this subpart, the State educational agency shall give priority to local applications that—

"(1) assign highest priority to providing assistance to schools which are most seriously under-equipped;

"(2) are attentive to the needs of underrepresented groups in science and mathematics;

"(3) demonstrate how science and mathematics equipment will be part of a comprehensive plan of curriculum planning or implementation and teacher training supporting hands-on laboratory activities;

"(4) give priority to providing equipment and materials for students in grades 1 through 6; and

"(5) provide assurances that equipment and materials provided under this subpart shall be equitably available to all children in the classroom.

"SEC. 3037. PARTICIPATION OF PRIVATE NONPROFIT ELEMENTARY SCHOOLS.

"(a) PARTICIPATION OF PRIVATE SCHOOLS.—To the extent consistent with the number of children in the State or in the school district of each local educational agency who are enrolled in private nonprofit elementary schools, such State educational agency shall, after consultation with appropriate private school representatives, make provision to include services and arrangements for the benefit of such children as will assure the equitable participation of such children in the purpose and benefits of this subpart.

"(b) WAIVER.—If by reason of any provision of State law a local educational agency is prohibited from providing for the participation of children or teachers from private nonprofit elementary schools as required by subsection (a), or if the Secretary determines that a State or local educational agency has substantially failed or is unwilling to provide for such participation on an equitable basis, the Secretary shall waive such requirements and shall arrange for the provision of services to such children or teachers subject to the requirement of this subpart. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements described in section 1017.

"SEC. 3038. PROGRAM REQUIREMENTS.

"(a) COORDINATION.—Each State educational agency receiving a grant under this subpart shall—

"(1) disseminate information to school districts and schools, including private nonprofit elementary schools, regarding the grant program assisted under this subpart;

"(2) evaluate applications of local educational agencies;

"(3) award grants to local educational agencies based on the priorities described in section 3036(c); and

"(4) evaluate local educational agencies' end-of-the-year summaries.

"(b) LIMITATIONS ON USE OF FUNDS.—

"(1) IN GENERAL.—Grant funds and matching funds under this subpart only shall be used to purchase science equipment, science materials, or mathematical manipulative materials and shall not be used for computers, computer peripherals, software, textbooks, or staff development costs.

"(2) CAPITAL IMPROVEMENTS.—Grant funds under this subpart may not be used for capital improvements. Not more than 50 percent of matching funds provided by the local educational agency may be used for capital improvements of classroom science facilities to

support the hands-on instruction that this subpart is intended to support, such as the installation of electrical outlets, plumbing, lab tables or counters, or ventilation mechanisms.

"SEC. 3039. FEDERAL ADMINISTRATION.

"(a) TECHNICAL ASSISTANCE AND EVALUATION PROCEDURES.—The Secretary shall provide technical assistance and, in consultation with State and local representatives of the program assisted under this subpart, shall develop procedures for State and local evaluations of the programs assisted under this subpart.

"(b) REPORT.—Beginning 1 year after the date of enactment of this subpart and each year thereafter, the Secretary shall report to the Congress on the program assisted under this subpart.".

SEC. 15. TECHNICAL AMENDMENT.

The heading for part C of title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2996) (as added by Public Law 101-589) is amended by striking "**PART C—GENERAL PROVISIONS**" and inserting "**Subpart 4—General Provisions**".•

By Mr. WOFFORD:

S. 1268. A bill to amend the Employee Retirement Income Security Act of 1974 with respect to rules governing litigation contesting termination or reduction of retiree health benefits; to the Committee on Labor and Human Resources.

RETIREE HEALTH BENEFIT PROTECTION ACT

Mr. WOFFORD. Mr. President, in 1991, the people of Pennsylvania sent a wake-up call to Washington that our Nation's health care system is in crisis. Cost are skyrocketing out of control. Two million Americans lose their insurance coverage each month, and 100,000 of them never get it back. And millions more—almost of all us—live in fear that the health benefits we do have won't be there when we need them most.

This country still has the best quality health care in the world. But everything that's wrong with our health care system is threatening everything that's right about our health care system. There's no better example of the insecurity now facing most Americans—especially the middle class—than the growing number of companies that are cutting back or cutting off retiree health benefits. The United States is just about the only industrialized nation where we leave health care to the luck of the draw. More and more Americans are losing the gamble.

Health insurance isn't a game that any of us can afford to lose. Because the result, for an expectant mother, an unemployed worker or older citizen in need of care is to reach the door of the doctor's office or hospital, unable to answer the threshold question: How are you planning to pay?

We're all feeling insecure, because we're all at risk. If we lose a job, change a job, have a serious illness. My wife was afraid that if I lost my election her preexisting condition would soon lock us out of insurance and we'd never be able to afford to pay the medical bills for her care. But now, you don't even have to lose a job to lose your coverage. All you have to do is retire from one. The fact is that across this country workers who've dedicated 20, 30 years or more of their lives to their companies are being left out in the cold by cutbacks in retiree health benefits—benefits they fought for, worked for, and were promised by their employers.

These are people who showed up to work every day, paid their taxes, paid their dues, and often took lower wages in order to receive retiree health benefits. And now, when the rug is pulled out from under them, they have no place to turn. The kind of price tags that insurance companies put on plans when you're old and sick are right through the roof. Because they'd rather insure those who are young and healthy.

In Philadelphia this past April, I joined a rally with hundreds of retired Unisys workers who are losing their health benefits. Like many other groups of retirees around the country, they've filed a lawsuit to compel their former employer to make good on its promises. In the last few months, more and more companies have either reduced retiree health benefits or dropped coverage altogether—because costs are out of control. One recent study found that two-thirds of companies plan to recede retiree health benefits. Others are cutting off those benefits entirely.

That doesn't just hurt the retirees involved. It affects all of us. When companies cut off retiree benefits, what they're really doing is shifting those health care costs right onto the taxpayers. Because many of those other citizens will have to turn to Medicare and Medicaid. It's just one more reason we need action on comprehensive health care reform that guarantees all Americans health coverage regardless of where they live or work; regardless of whether they're sick or retired. That's the next main order of business after we pass a 5 year deficit reduction plan that puts our economy back on the right track.

There's a tough, hard battle ahead to create a system that provides real health security. There are special interests who will fight health care reform every step of the way. And our retired workers can't wait. And we can't let companies write them off.

I propose to do more. Today I'm introducing the Retiree Health Benefits Protection Act. It will help retired workers maintain their promised health benefits in court and give companies second thoughts before trying to back out of their legal obligations.

The legislation will put the burden on employers to prove that their contracts clearly permit cutbacks in retiree health benefits. And unlike the situation today in which retirees get left high and dry while the lawyers argue, it would require those employers to continue paying benefits while the case is in court.

This is a matter of simple justice and basic fairness. It doesn't impose any new burdens on employers. It says: live up to your promises and fulfill the contracts you agree to. Nothing more. Nothing less.

We'll work with corporate America to control health costs. We know it's a problem that's eating into profits and productivity. But in the meantime, we challenge them to show responsibility by keeping their promises to retirees. In fact, this is a moment when I urge every player in our health care system to respond to the facts of a system that's out of control. Don't wait. Go forward now. Let your actions, as much as your words, be part of the health care reform debate.

Show, as Merck and Miles pharmaceuticals have, that price increase can be retained. Insurance companies don't increase premiums. Hospitals and doctors don't increase your rates. Business executives, don't cut retiree benefits. Make sure that promises made to workers and their families are promises kept.

Because nothing will ensure greater support for the Retiree Health Benefits Protection Act than companies that fail to take responsibility and keep their promises to workers and families.

To our older citizens who worked hard so they could enjoy some peace and security during their retirement, this legislation says: "You have a right to what you earned."

Until we've enacted a plan that turns the right to affordable health care into a reality and controls skyrocketing costs, we won't let you and your promised benefits fall through the cracks. Because your health security can't wait. This bill helps ensure that for retirees, health security won't wait. It begins today.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1268

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 "Retiree Health Benefits Protection Act".

SEC. 2. RULES GOVERNING LITIGATION INVOLVING THE TERMINATION OR REDUCTION OF RETIREE HEALTH BENEFITS.

(a) IN GENERAL.—Part 5 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1131 et seq.) is amended by adding at the end the following new section:

"SEC. 516. RULES GOVERNING LITIGATION INVOLVING RETIREE HEALTH BENEFITS.

"(a) MAINTENANCE OF BENEFITS.—If—

"(1) retiree health benefits are to be terminated or reduced under an employee welfare benefit plan, and

"(2) an action is brought to enjoin or otherwise modify such termination or reduction,

the court shall order the plan to maintain the retiree health benefits at the level in effect immediately before the termination or reduction while the action is pending. The preceding sentence shall not apply to any action which the court determines is clearly without merit.

"(b) BURDEN OF PROOF.—If, in any action described in subsection (a)(2), the terms of the employee welfare benefit plan (as in effect at the time of an employee's retirement or disability) are ambiguous or silent as to whether retiree health benefits may be terminated or reduced under the plan, the benefits shall not be terminated or reduced unless the plan (or the employer or employers maintaining it) establishes by a preponderance of the evidence that the plan (as so in effect) allows such termination or reduction.

"(c) REPRESENTATION.—Notwithstanding any other provision of law, an employee representative of any retired employee or the employee's spouse or dependents may—

"(1) bring an action described in subsection (a)(2) on behalf of such employee, spouse, or dependents, or

"(2) appear in such an action on behalf of such employee, spouse, or dependents.

"(d) RETIREE HEALTH BENEFITS.—For purposes of this section, the term 'retiree health benefits' means health benefits (including coverage) which are provided to—

"(1) retired or disabled employees who, immediately before the termination or reduction, are entitled to receive such benefits upon retirement or becoming disabled, and

"(2) their spouses and dependents."

(b) CONFORMING AMENDMENT.—The table of contents in section 1 of such Act is amended by inserting after the item relating to section 515 the following new item:

"Sec. 516. Rules governing litigation involving retiree health benefits."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to actions relating to terminations or reductions of retiree health benefits which are pending, or brought, on or after July 20, 1993.

By Mr. LEAHY (for himself and Mr. HARKIN):

S. 1269. A bill to amend the National School Lunch Act to protect school districts and the Department of Agriculture from anticompetitive activities of suppliers that sell commodities to schools that participate the School Lunch Program, the School Breakfast Program, the Special Milk Program, and the Summer Food Service Program for children, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

SCHOOL LUNCH PROTECTION ACT OF 1993

Mr. LEAHY. Mr. President, last session we exposed drug manufacturers defrauding the WIC Program. Today we find the School Lunch Program similarly under assault by those who price gouge and cheat schoolchildren. I am outraged that I must come to the Senate floor a second time to defend child nutrition programs from price-fixing.

Corporate sharks are taking lunch money right out of the hands of our children, and I want this stopped before school starts this fall.

The issue here is simple: corporate profits being placed ahead of needy children. I will not stand for that. If I have to choose between a hungry child and a corporation, I will pick the child every time.

Taxpayers spend $7.3 billion annually on food for Child Nutrition Programs. Because the School Lunch Program serves 24 million meals a day, the potential for fraud is enormous. For milk alone, schools spend approximately $794 million annually nationwide.

The cost of bid-rigging schemes to taxpayers amounts to hundreds of millions of dollars. And the real losers in these schemes, those who pay the highest price, are children.

The Antitrust Division of the Department of Justice filed 96 criminal cases against 52 corporations and 64 individuals in the food industry who supply milk for schools and the military. The Justice Department has done a great job in investigating and prosecuting these cases. I appreciate their continuing efforts.

These violations include not just bid-rigging and price-fixing conspiracies but also mail fraud, perjury, lying to a Federal grand jury, and obstruction of justice.

More than 30 grand jury investigations in 22 States continue to investigate the food and dairy industries responsible for providing food and milk to America's schools.

Some of our Nation's largest food service and dairy companies have been convicted by the Department of Justice. These companies include Borden, Pet Milk, Syco, Flav-O-Rich, Southland, Dean Foods, Meadow Gold Dairy, Holland Dairies, Dairy Fresh, and more.

Although I am a strong supporter of the dairy industry, especially dairy farmers, I cannot tolerate cheating America's schoolchildren.

The message of the bill is loud and clear—price-fixing that puts profits ahead of schoolchildren will not be tolerated. Companies or individuals convicted of cheating Child Nutrition Programs will be barred from participating in these programs.

The penalties in this bill will make corporations think twice about bid-rigging.

Under current law, companies can rig school lunch bids, fix prices, get caught and convicted, and then continue to sell foods at a profit to schools. This bill prohibits rewarding those who steal from taxpayers and schoolchildren.

This legislation sets up an investigative unit to detect and deter bid-rigging schemes. Passage of this bill sends a strong signal that we will not tolerate stealing from our children. And for those who continue to try—they will be caught and this bill requires that those companies guilty of fraud be mandatorily barred from continuing to supply food to schools.

I invite my colleagues to join with me today in sponsoring the Child Nutrition Protection Act of 1993. Every Member, whether Republican or Democrat, should support this legislation.

The bill:

Requires USDA to bar companies from participating in school-based Child Nutrition Programs for a minimum of one year if they are convicted of price-fixing or bid-rigging;

Requires barring a company from the programs for at least 3 years, upon a repeat conviction;

Requires that the Secretary assist States, law enforcement officials, and schools regarding ways to prevent and identify bid-rigging;

Requires the Secretary of Agriculture to fully cooperate with the Department of Justice in these matters; and

Authorizes the appropriation of $4 million per year to provide financial assistance and other support to State attorney generals and school food service authorities to assist in the prevention or prosecution of anti-competitive activities.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1269

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 "School Lunch Protection Act of 1993".

SEC. 2. FINDINGS.

Congress finds that—

(1) in recent years, there has been an alarming number of instances of price-fixing and bid-rigging regarding foods purchased for—

(A) the school lunch program established under the National School Lunch Act (42 U.S.C. 1751 et seq.); and

(B) the school breakfast program established under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.);

(2) during the past several years, the Antitrust Division of the Department of Justice has filed over 95 criminal cases against persons accused of bid-rigging conspiracies, false statements, mail fraud, price-fixing, and similar activities involving dairy products sold to schools or the Department of Defense;

(3) over 30 grand juries in States are investigating similar activities, especially in connection with activities involving the dairy industry;

(4) 45 corporations and 48 individuals have been convicted by Federal courts of similar activities, and total fines and civil damages of approximately $100,000,000 have been assessed in Federal and State actions for similar activities;

(5) a report of the Comptroller General of the United States noted that, as of March 1992, the Secretary of Agriculture had neither suspended nor debarred any of the 13 dairy companies or 28 individuals convicted, as of March 1992, of milk contract bid-rigging from participating in the school lunch and breakfast programs;

(6) effective educational and monitoring programs can greatly reduce the incidence of price-fixing and bid-rigging by companies that sell products to schools;

(7) reducing the incidence of price-fixing and bid-rigging in connection with the school lunch and breakfast programs could save school districts, parents, and taxpayers millions of dollars per year;

(8) the Comptroller General of the United States has noted that bid-rigging awareness training is an effective means of deterring improper collusion and bid-rigging; and

(9) the Comptroller General of the United States in a General Accounting Office report addressed many of the concerns described in this section with respect to bid rigging in the school lunch program.

SEC. 3. DUTIES OF THE SECRETARY RELATING TO ANTICOMPETITIVE ACTIVITIES.

The National School Lunch Act (42 U.S.C. 1751 et seq.) is amended by adding at the end the following new section:

"SEC. 25. DUTIES OF THE SECRETARY RELATING TO ANTICOMPETITIVE ACTIVITIES.

"(a) IN GENERAL.—The Secretary shall—

"(1) provide advice, training, technical assistance, and guidance to representatives of States, contracting entities, and school food service authorities regarding means of identifying and preventing anticompetitive activities relating to the acquisition of commodities for—

"(A) the school lunch program established under this Act;

"(B) the school breakfast program established under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.);

"(C) the special milk program established under section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772); and

"(D) the summer food service program for children established under section 13 of this Act;

"(2) provide information to, and fully cooperate with, the Attorney General and State attorneys general regarding investigations of anticompetitive activities relating to the acquisition of commodities for the programs referred to in paragraph (1);

"(3) provide awareness training, training films, technical advice, troubleshooting advice, and other guidance related to avoiding or detecting bid-rigging, price-fixing, or other anticompetitive activities concerning the acquisition of commodities for the programs; and

"(4) debar or suspend a person under section 12A, applicable regulations issued by the Secretary (such as part 3017 of chapter XXX of subtitle B of title 7, Code of Federal Regulations), and other applicable Federal laws (including regulations).

"(b) FOOD SERVICE MANAGEMENT INSTITUTE.—The Secretary may request assistance from the food service management institute authorized under section 21 in carrying out this section. The Secretary may contract with the institute to carry out all or part of the duties described in paragraphs (1) and (3) of subsection (a).

"(c) FUNDING.—The Secretary shall make available to carry out this section not less than ½ of 1 percent of the funds made available for the salaries and expenses of the Food and Nutrition Service for each fiscal year.

"(d) TERMINATION.—The authority provided by this section shall terminate on September 30, 1999.".

SEC. 4. NONPROCUREMENT DEBARMENT.

(a) IN GENERAL.—The National School Lunch Act is amended by inserting after section 12 (42 U.S.C. 1760) the following new section:

"SEC. 12A. NONPROCUREMENT DEBARMENT.

"(a) IN GENERAL.—Except as provided in subsections (b) and (c), the Secretary shall debar a person, and each principal and affiliate of the person, for at least 1 year from supplying, providing, or selling a product or commodity to a school, school district, school food service authority, or school district consortium participating in the school lunch program established under this Act, the school breakfast program established under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), the special milk program established under section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772), or the summer food service program for children established under section 13 of this Act if the person, or a principal or affiliate of the person, is convicted, in connection with supplying, providing, or selling a product or commodity to any school, school district, school food service authority, or school district consortium participating in any of the programs, or to any Federal agency, of—

"(1) an anticompetitive activity, including bid-rigging, price-fixing, the allocation of customers between competitors, or other violation of Federal or State law related to protecting competition;

"(2) mail fraud, bribery, theft, or embezzlement;

"(3) making a false statement or claim;

"(4) making a false declaration before a grand jury; or

"(5) other obstruction of justice.

"(b) SUBSEQUENT CONVICTIONS.—Except as provided in subsection (c), if a person, or a principal or affiliate of the person, is convicted of an activity described in subsection (a) after having been previously debarred under this section, the person, and each principal and affiliate of the person, shall be debarred for at least 3 years from supplying, providing, or selling a product or commodity to any school, school district, school food service authority, or school district consortium participating in a program described in subsection (a) or to any Federal agency.

"(c) WAIVERS.—The Secretary may waive a debarment imposed under subsection (a) or (b) if the Secretary determines that debarment would—

"(1) likely have a significant adverse effect on competition or prices in the relevant market or nationally;

"(2) seriously interfere with the ability of a school, school district, school food service authority, or school district consortium to procure a needed product or commodity for a program described in subsection (a);

"(3) be unfair to a person, subsidiary corporation, affiliate, parent company, or local division of a corporation that is not involved in the improper activity that would otherwise result in the debarment; or

"(4) not be in the public interest.

"(d) RELATIONSHIP TO OTHER AUTHORITY.—A debarment imposed under this section shall not reduce or diminish the authority of a Federal, State, or local government agency or court to—

"(1) penalize, fine, suspend, debar, or otherwise punish, in a civil or criminal action, a person or a principal or affiliate of the person; or

"(2) imprison, debar, suspend, fine, or otherwise punish a person or a principal or affiliate of the person.

"(e) REGULATIONS.—The Secretary shall issue such regulations as are necessary to carry out this section.".

(b) IMPLEMENTATION.—

(1) APPLICATION.—The amendment made by subsection (a) shall not apply to a conviction that is based on an activity that took place prior to the date of enactment of this Act.

(2) REGULATIONS.—Not later than July 1, 1994, the Secretary of Agriculture shall amend the nonprocurement regulations established under part 3017 of chapter XXX of subtitle B of title 7, Code of Federal Regulations, to conform with section 12A of the National School Lunch Act (as added by subsection (a)).

(3) CONSISTENT DEBARMENT POLICY.—Not later than 90 days after the date of enactment of this Act, the Secretary of Agriculture, in consultation with the Director of the Office of Management and Budget, the Secretary of Defense, and such other officials as the Secretary of Agriculture determines are appropriate, shall advise the appropriate committees of Congress and the Comptroller General of the United States as to the appropriateness and usefulness of a consistent debarment policy under—

(A) the Federal acquisition regulations issued under title 48, Code of Federal Regulations; and

(B) Federal nonprocurement regulations.

(4) NO REDUCTION IN AUTHORITY.—

(A) IN GENERAL.—The authority of the Secretary of Agriculture that exists on the date of enactment of this Act to debar or suspend a person, or a principal or affiliate of the person, from Federal financial and nonfinancial assistance and benefits under Federal programs and activities, on a government-wide basis, shall not be diminished or reduced by this section or the amendment made by this section.

(B) DEBARMENT OR SUSPENSION.—The Secretary may continue, after the date of enactment of this Act, to debar or suspend a person (or a principal or affiliate of the person), on a government-wide basis, from Federal financial and nonfinancial assistance and benefits for any cause for debarment or suspension that is specified in part 3017 of chapter XXX of subtitle B of title 7, Code of Federal Regulations, or as otherwise permitted by law (including regulations).

SEC. 5. PREVENTION AND CONTROL OF ANTICOMPETITIVE ACTIVITIES.

The National School Lunch Act (as amended by section 3) is further amended by adding at the end the following new section:

"SEC. 26. PREVENTION AND CONTROL OF ANTICOMPETITIVE ACTIVITIES.

"(a) ASSISTANCE.—The Secretary shall provide financial assistance and other support to States, State attorneys general, law enforcement organizations, school food contracting agents, and school food service authorities to assist in the prevention and control of anticompetitive activities relating to—

"(1) the school lunch program established under this Act;

"(2) the school breakfast program established under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.);

"(3) the special milk program established under section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772); and

"(4) the summer food service program for children established under section 13 of this Act.

"(b) INFORMATION.—On request, the Secretary shall present to the appropriate committees of Congress information regarding the administration of sections 12A and 25 and this section, any waiver granted under section 12A(c), and efforts to reduce the incidence of anticompetitive activity (such as price-fixing and bid-rigging), in connection with the programs referred to in subsection (a).

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out subsection (a) $4,000,000 for each fiscal year.".

ADDITIONAL COSPONSORS

S. 39

At the request of Mr. ROTH, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 39, a bill to amend the National Wildlife Refuge Administration Act.

S. 78

At the request of Mr. THURMOND, the names of the Senator from Arizona [Mr. MCCAIN], the Senator from Idaho [Mr. KEMPTHORNE], the Senator from Idaho [Mr. CRAIG], the Senator from Utah [Mr. HATCH], the Senator from Wyoming [Mr. WALLOP], the Senator from North Carolina [Mr. HELMS], the Senator from North Carolina [Mr. FAIRCLOTH], the Senator from New Hampshire [Mr. SMITH], the Senator from New Hampshire [Mr. GREGG], the Senator from Georgia [Mr. COVERDELL], the Senator from Mississippi [Mr. LOTT], the Senator from Texas [Mr. GRAMM], and the Senator from Florida [Mr. MACK] were added as cosponsors of S. 78, a bill to amend title 28 of the United States Code to clarify the remedial jurisdiction of inferior Federal courts.

S. 102

At the request of Mr. COVERDELL, his name was withdrawn as a cosponsor of S. 102, a bill to provide for a line item veto; capital gains tax reduction; enterprise zones; raising the Social Security earnings limit; and workfare.

S. 103

At the request of Mr. COVERDELL, his name was added as a cosponsor of S. 103, a bill to fully apply the rights and protections of Federal civil rights and labor laws to employment by Congress.

S. 181

At the request of Mr. MCCONNELL, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 181, a bill to prohibit the export of American black bear viscera, and for other purposes.

S. 212

At the request of Mr. DORGAN, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 212, a bill to modernize the Federal Reserve System and to provide for prompt disclosure of certain decisions of the Federal Open Market Committee.

S. 265

At the request of Mr. SHELBY, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 265, a bill to increase the amount of credit available to fuel local, regional, and national economic growth by reducing the regulatory burden imposed upon financial institutions, and for other purposes.

S. 340

At the request of Mr. HEFLIN, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of S. 340, a bill to amend the Federal Food, Drug, and Cosmetic Act to clarify the application of the act with respect to alternate uses of new animal drugs and new drugs intended for human use, and for other purposes.

S. 359

At the request of Mr. DECONCINI, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 359, a bill to require the Secretary of Treasury to mint coins in commemoration of the National Law Enforcement Officers Memorial, and for other purposes.

S. 463

At the request of Mr. BUMPERS, the name of the Senator from Tennessee [Mr. MATHEWS] was added as a cosponsor of S. 463, a bill to prohibit the expenditure of appropriated funds on the Superconducting Super Collider Program.

S. 469

At the request of Mr. WARNER, the names of the Senator from New Mexico [Mr. BINGAMAN], the Senator from Arkansas [Mr. BUMPERS], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from California [Mrs. FEINSTEIN], and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of S. 469, a bill to require the Secretary of the Treasury to mint coins in commemoration of the Vietnam Women's Memorial.

S. 483

At the request of Mr. SHELBY, the name of the Senator from West Virginia [Mr. BYRD] was added as a cosponsor of S. 483, a bill to provide for the minting of coins in commemoration of Americans who have been prisoners of war, and for other purposes.

S. 486

At the request of Mr. HEFLIN, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 486, a bill to establish a specialized corps of judges necessary for certain Federal proceedings required to be conducted, and for other purposes.

S. 520

At the request of Mr. BUMPERS, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 520, a bill to prohibit the expenditure of appropriated funds on the Advanced Solid Rocket Motor Program.

S. 545

At the request of Mr. BOREN, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 545, a bill to amend the Internal Revenue Code of 1986 to allow farmers' cooperatives to elect to include gains or losses from certain dispositions in the determination of net earnings, and for other purposes.

S. 573

At the request of Mr. BREAUX, the names of the Senator from Missouri [Mr. BOND], and the Senator from Idaho [Mr. CRAIG] were added as cosponsors of S. 573, a bill to amend the Internal Revenue Code of 1986 to provide for a credit for the portion of employer Social Security taxes paid with respect to employee cash tips.

S. 600

At the request of Mr. BOREN, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 600, a bill to amend the Internal Revenue Code of 1986 to extend and modify the targeted jobs credit.

S. 784

At the request of Mr. HATCH, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 784, a bill to amend the Federal Food, Drug, and Cosmetic Act to establish standards with respect to dietary supplements, and for other purposes.

S. 881

At the request of Mr. DODD, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 881, a bill to amend the Elementary and Secondary Education Act of 1965 to reauthorize and make certain technical corrections in the Civic Education Program, and for other purposes.

S. 921

At the request of Mr. BAUCUS, the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of S. 921, a bill to reauthorize and amend the Endangered Species Act for the conservation of threatened and endangered species, and for other purposes.

S. 994

At the request of Mr. PRYOR, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 994, a bill to authorize the establishment of a fresh cut flowers and fresh cut greens promotion and consumer information program for the benefit of the floricultural industry and other persons, and for other purposes.

S. 1002

At the request of Mr. HATCH, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 1002, a bill to require each recipient of a grant or contract under section 1001 of the Public Health Service Act to provide information concerning breast and cervical cancer.

S. 1004

At the request of Mr. MACK, his name was added as a cosponsor of S. 1004, a bill to limit amounts expended by certain government entities for overhead expenses.

S. 1037

At the request of Mrs. MURRAY, the name of the Senator from Rhode Island

[Mr. PELL] was added as a cosponsor of S. 1037, a bill to amend the Civil Rights Act of 1991 with respect to the application of such act.

S. 1041

At the request of Mr. GREGG, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1041, a bill to amend the Public Health Service Act to promote the immunization of children, and for other purposes.

S. 1043

At the request of Mr. GLENN, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 1043, a bill to extend until January 1, 1998, the existing suspension of duty on certain bicycle parts, and for other purposes.

S. 1083

At the request of Mr. ROCKEFELLER, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 1083, a bill to amend the Internal Revenue Code of 1986 to provide that veterans' allowances and benefits administered by the Secretary of Veterans Affairs are not included in gross income.

S. 1098

At the request of Mr. DURENBERGER, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1098, a bill to amend title XIX of the Social Security Act to provide for optional coverage under State medicaid plans of case-management services for individuals who sustain traumatic brain injuries, and for other purposes.

At the request of Mr. ROCKEFELLER, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 1098, supra.

S. 1125

At the request of Mr. DODD, the name of the Senator from Pennsylvania [Mr. WOFFORD] was added as a cosponsor of S. 1125, a bill to help local school systems achieve Goal Six of the National Education Goals, which provides that by the year 2000, every school in America will be free of drugs and violence and will offer a disciplined environment conducive to learning, by ensuring that all schools are safe and free of violence.

S. 1142

At the request of Mr. HARKIN, the names of the Senator from Maryland [Mr. SARBANES], the Senator from Washington [Mrs. MURRAY], the Senator from Hawaii [Mr. INOUYE], the Senator from Arizona [Mr. DECONCINI], and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of S. 1142, a bill to improve counseling services for elementary school children.

S. 1172

At the request of Mr. MCCAIN, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of S. 1172, a bill to amend the National Defense Authorization Act for Fiscal Year 1993, to impose sanctions on certain transfers of equipment and technology used in the manufacture or delivery of weapons of mass destruction and to impose additional sanctions for violations of that act.

S. 1184

At the request of Mr. MACK, his name was added as a cosponsor of S. 1184, a bill to limit the amount of indirect costs that may be incurred in conducting federally sponsored university research and development to 50 percent of the modified total direct costs related to such research and development.

S. 1206

At the request of Mr. KERRY, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of S. 1206, a bill to redesignate the Federal building located at 380 Trapelo Road in Waltham, Massachusetts, as the "Frederick C. Murphy Federal Center."

S. 1209

At the request of Mr. KEMPTHORNE, the names of the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 1209, a bill to provide for a delay in the applicability of certain regulations to certain municipal solid waste landfills under the Solid Waste Disposal Act, and for other purposes.

S. 1228

At the request of Mr. BROWN, the names of the Senator from Utah [Mr. HATCH], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of S. 1228, a bill to repeal the Davis-Bacon Act of 1931 to provide new job opportunities, effect significant cost savings on Federal construction contracts, promote small business participation in Federal contracting, reduce unnecessary paperwork and reporting requirements, and for other purposes.

S. 1229

At the request of Mr. BROWN, the names of the Senator from Utah [Mr. HATCH], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of S. 1229, a bill to repeal the provisions of the Service Contract Act of 1965.

S. 1231

At the request of Mr. MOYNIHAN, the names of the Senator from Louisiana [Mr. BREAUX], and the Senator from Washington [Mrs. MURRAY] were added as cosponsors of S. 1231, a bill to provide for simplified collection of employment taxes on domestic services, and for other purposes.

S. 1256

At the request of Mr. DOLE, the names of the Senator from Alaska [Mr. STEVENS] and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of S. 1256, a bill to amend the Foreign Assistance Act of 1961 to examine the status of the human rights of people with disabilities worldwide.

SENATE JOINT RESOLUTION 9

At the request of Mr. THURMOND, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of Senate Joint Resolution 9, a joint resolution proposing an amendment to the Constitution of the United States relating to voluntary school prayer.

SENATE JOINT RESOLUTION 35

At the request of Mr. PRESSLER, the name of the Senator from New Hampshire [Mr. GREGG] was added as a cosponsor of Senate Joint Resolution 35, a joint resolution to designate the month of November 1993, and the month of November 1994, each as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 89

At the request of Mr. SIMON, the names of the Senator from Colorado [Mr. BROWN], the Senator from Rhode Island [Mr. PELL], the Senator from Hawaii [Mr. INOUYE], the Senator from Kansas [Mr. DOLE], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Vermont [Mr. JEFFORDS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. MOYNIHAN], the Senator from Alabama [Mr. HEFLIN], and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of Senate Joint Resolution 89, a bill to designate October 1993 as "Polish-American Heritage Month."

SENATE JOINT RESOLUTION 91

At the request of Mr. SPECTER, the names of the Senator from New Mexico [Mr. BINGAMAN], the Senator from Illinois [Ms. MOSELEY-BRAUN], and the Senator from Virginia [Mr. ROBB] were added as cosponsors of Senate Joint Resolution 91, a joint resolution designating October 1993 and October 1994 as "National Domestic Violence Awareness Month."

SENATE JOINT RESOLUTION 99

At the request of Mr. DECONCINI, the names of the Senator from Connecticut [Mr. LIEBERMAN], the Senator from South Dakota [Mr. DASCHLE], the Senator from Arkansas [Mr. BUMPERS], the Senator from West Virginia [Mr. BYRD], the Senator from Florida [Mr. MACK], and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of Senate Joint Resolution 99, a joint resolution designating September 9, 1993, and April 21, 1994, each as "National D.A.R.E. Day."

SENATE JOINT RESOLUTION 111

At the request of Mr. DECONCINI, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of Senate Joint Resolution 111, a joint resolution to designate August 1, 1993, as "Helsinki Human Rights Day."

SENATE JOINT RESOLUTION 113

At the request of Mr. DECONCINI, the names of the Senator from Pennsylvania [Mr. WOFFORD], and the Senator from Michigan [Mr. LEVIN] were added

as cosponsors of Senate Joint Resolution 113, a joint resolution designating October 1993 as "Italian-American Heritage and Culture Month."

SENATE CONCURRENT RESOLUTION 26

At the request of Mr. SIMON, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of Senate Concurrent Resolution 26, a concurrent resolution urging the President to redirect United States foreign assistance policies and spending priorities toward promoting sustainable development, which reduces global hunger and poverty, protects the environment, and promotes democracy.

SENATE CONCURRENT RESOLUTION 27

At the request of Mr. LEAHY, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from Illinois [Mr. SIMON], and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of Senate Concurrent Resolution 27, a bill to express the sense of Congress that funding should be provided to begin a phase-in toward full funding of the special supplemental food program for women, infants, and children [WIC] and of Head Start programs and to expand the Job Corps program, and for other purposes.

SENATE CONCURRENT RESOLUTION 30

At the request of Mr. MOYNIHAN, the name of the Senator from Wisconsin [Mr. FEINGOLD] was added as a cosponsor of Senate Concurrent Resolution 30, a concurrent resolution congratulating the Anti-Defamation League on the celebration of its 80th anniversary.

SENATE RESOLUTION 124

At the request of Mr. BRADLEY, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of Senate Resolution 124, a resolution expressing the sense of the Senate that the Olympic Summer Games in the year 2000 should not be held in Beijing or elsewhere in the People's Republic of China.

SENATE RESOLUTION 128

At the request of Mr. LAUTENBERG, the name of the Senator from Utah [Mr. BENNETT] was added as a cosponsor of Senate Resolution 128, a resolution expressing the sense of the Senate regarding the protection to be accorded United States copyright-based industries under agreements entered into pursuant to the Uruguay Round of trade negotiations.

AMENDMENT NO. 597

At the request of Mr. DOMENICI the names of the Senator from Colorado [Mr. BROWN], and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of Amendment No. 597 proposed to S. 185, a bill to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

AMENDMENTS SUBMITTED

ROTH-DOMENICI AMENDMENT NO. 600

Mr. ROTH (for himself and Mr. DOMENICI) proposed an amendment to the bill (S. 185) to amend title 5, United States Code, to restore Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes; as follows:

On page 17, insert between lines 15 and 16 the following new paragraph:

"(3) No employee of the Office of Examination (including revenue agents, tax auditors, and tax examiners) of the Internal Revenue Service may take an active part in political management or political campaigns.

On page 17, line 16, strike out "(3)" and insert in lieu thereof "(4)".

KASSEBAUM AMENDMENT NO. 601

Mrs. KASSEBAUM (for herself and Mr. GRASSLEY) proposed an amendment to the bill (S. 185), supra, as follows:

On page 15, line 22, beginning with the comma strike all through line 19 on page 16 and insert a semicolon.

ROTH (AND OTHERS) AMENDMENT NO. 602

(Ordered to lie on the table.)

Mr. ROTH (for himself and Mr. DOMENICI, Mr. DURENBERGER, and Mr. GRASSLEY) proposed an amendment to the bill (S. 185), supra, as follows:

On page 17, insert between lines 15 and 16 the following new paragraph:

"(3) No employee of the Criminal Division of the Department of Justice (except one appointed by the President, by and with the advice and consent of the Senate), may take an active part in political management or political campaigns.

On page 17, line 16, strike out "(3)" and insert in lieu thereof "(4)".

NOTICES OF HEARINGS

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. LEVIN. Mr. President, I would like to announce that the Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, will hold a hearing on Tuesday, July 27, 1993, on Oversight of Federal Property Management. The hearing will take place at 9:30 a.m. in room 342 of the Dirksen Senate Office Building.

[Notice of Cancellation of Hearing]

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for my colleagues and the public that the hearing scheduled before the Committee on Energy and Natural Resources on S. 318, the Outer Continental Shelf Deep Water Royalty Relief Act, and S. 727, the California Ocean Protection Act of 1993, has been canceled.

The hearing was to take place on Tuesday, August 3, at 9:30 a.m.

For further information, please contact Lisa Vehmas of the Committee staff at 202–224–7555.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Tuesday, July 20, 1993, at 11 a.m., in open session, to receive testimony on the Department of Defense policy on the service of gay men and lesbians in the Armed Forces.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet at 10 a.m. on July 20, 1993, on the nomination of David Hinson to be the Administrator of the Federal Aviation Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., July 20, 1993, to receive testimony from Robert Nordhaus, nominee to be general counsel at the Department of Energy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations, be authorized to meet during the session of the Senate on Tuesday, July 20, 1993, at 10 a.m. to hold nomination hearings on the following nominees:

Tom Dodd, to be Ambassador to Uruguay;

James Blanchard, to be Ambassador to Canada; and

Jeffrey Davidow, to be Ambassador to Venezuela.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, July 20, 1993, at 10 a.m. to hold a hearing on the nomination of Ruth Bader Ginsburg to be Associate Justice of the Supreme Court of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON SMALL BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Small

Business Committee be authorized to meet during the session of the Senate on Tuesday, July 20, 1993, at 3 p.m. The committee will hold a full committee hearing on the Small Business Administration's fiscal year 1994 budget proposal.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON COALITION DEFENSE AND REINFORCING FORCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Coalition Defense and Reinforcing Forces of the Committee on Armed Services be authorized to meet on Tuesday, July 20, 1993, at 8:30 a.m., in executive session, to mark up the Coalition Defense and Reinforcing Forces Programs for fiscal year 1994.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FORCE REQUIREMENTS AND PERSONNEL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Force Requirements and Personnel of the Committee on Armed Services be authorized to meet on Tuesday, July 20, 1993, at 10 a.m., in executive session, to mark up the Force Requirements and Personnel Programs for fiscal year 1994.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MILITARY READINESS AND DEFENSE INFRASTRUCTURE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Military Readiness and Defense Infrastructure of the Committee on Armed Services be authorized to meet in executive session on Tuesday, July 20, 1993, at 4:30 p.m., to mark up the Military Readiness and Defense Infrastructure Programs of Defense Authorization Act for fiscal year 1994.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NUCLEAR DETERRENCE, ARMS CONTROL, AND DEFENSE INTELLIGENCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Nuclear Deterrence, Arms Control, and Defense Intelligence of the Committee on Armed Services be authorized to meet in executive session on Tuesday, July 20, 1993, at 2:30 p.m., to mark up the Nuclear Deterrence, Arms Control, and Defense Intelligence Programs of a Department of Defense Authorization Act for fiscal year 1994.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

NUCLEAR TESTING

• Mr. SIMON. Mr. President, recently the President announced a new policy on nuclear weapons testing, the no-first-test, policy. The President made the right decision to suspend nuclear testing, and I urge that we in this body support him as the administration moves beyond this to negotiating a Comprehensive Test Ban Treaty.

I am concerned that, no first test, pegs our nuclear weapons program to the actions of other nations, and I hope that this will not be implemented in a rigid, inflexible way. We ought to make a decision on nuclear warhead testing based on our own national security needs, not those of any other nation. The simple fact is that our weapons are safe and reliable. And it makes no sense whatsoever to continue testing since we have no new nuclear weapons programs in development.

If China tests in a few weeks or months, for example, do we really need to resume testing? Our nuclear weapons systems are so far superior to theirs, using any measurement, that resumption of testing under these or similar circumstances would make a mockery of our new approach, which I applaud.

Mr. President, we have struggled with this issue for many years. I commend President Clinton for taking a wise step forward to strengthen our security and stop the spread of nuclear weapons.•

HAROLD VAN GILDER, "CITIZEN OF THE YEAR"

• Mr. MCCAIN. Mr. President, I was extremely delighted to hear that Harold VanGilder was chosen by the Sierra Vista Chamber of Commerce as their 1992 Citizen of the Year. I would like to congratulate Mr. VanGilder on this outstanding achievement and his public service.

As a resident of Arizona, Mr. VanGilder has set a fine example in Arizona for his dedication and commitment to community service. Mr. President, I would like the Senate to take note of Mr. VanGilder's active role in local civic affairs for over a decade.

Mr. VanGilder was elected to the Sierra Vista City Council in February of 1993; he is a past president of the Sierra Vista Economic Industrial Development Authority and was the founding president of the Sierra Vista Economic Development Foundation, the University Foundation of Sierra Vista, and Fort Huachuca 50. Additionally, he is a member of the Arizona Academy, the Cochise College Information Management Advisory Committee, and the University of Arizona Economic Development Committee and is on the board of directors of the Baptist Foundation of Arizona.

Mr. President, I would like Mr. VanGilder to know how much I appreciate his commitment to Arizona and the community of Sierra Vista. I am pleased to have brought Mr. VanGilder to the attention of the Senate, and I wish him every success in the future.•

GANGS IN GRADE SCHOOL

• Mr. SIMON. Mr. President, as many of my colleagues know, the Chicago Tribune has been running two series called "Killing Our Children." These articles track every child under the age of 14 killed in the Chicago area. In conjunction with this series, the paper has also been exploring related topics: child abuse, drug abuse, and gangs.

Recently the Tribune ran an article entitled, "Gangs Getting Younger, But No Less Deadly," which tells a story about a 12-year-old alleged gang member who is being charged with the first degree murder of a 2-year-old. This incident, which occurred in Chicago, provides us with alarming evidence that gang violence is reaching even the youngest of children, transforming life and death into a sort of game.

The rise of gangs has coincided with the decline of jobs in that area. Now, many of the younger gang members are the children of gang members. Even babies are dressed up in gang gear, and children as young as 4 years old are seen fighting over the rival gang insignias that they turn in for art assignments.

Prof. Darnell Hawkins of the University of Illinois at Chicago points out that not all gang-related activities are dangerous. "All kids socialize in groups. * * * Many gangs are benign initially. They're preadolescent play groups, social groups. Some go through a transition into more serious crime, and many do not." Hawkins went on to say that the chances of the "play group" moving into antisocial behavior increase if the children are in a deprived neighborhood.

I urge my colleagues to read this article and ask that it be printed in the RECORD.

The article follows:

[From the Chicago Tribune, May 27, 1993]

GANGS GETTING YOUNGER, BUT NO LESS DEADLY

(By Louise Kiernan)

Most people thought the boys who called themselves the Titanic Stones were nothing more than a neighborhood nuisance.

They hung out on the corners near their South Chicago grammar school, bumming cigarettes, bugging women and picking fights.

But last week they allegedly set fire to the home of a boy they believed belonged to a rival gang. That fire killed Denzel Castle, a chubby and cheerful toddler who lived next door. Denzel was the 21st child age 14 or under to be slain in the Chicago area this year.

Suddenly a 12-year-old boy was charged with first-degree murder. And what had seemed an aggravating game of children playing at grown-up gangs had become something much more.

"They're babies, 10, 11, 12 years old, just babies," said Deborah Castle, Denzel's aunt. "It's just sad. But that's how it is. Something little always ends up something big."

In South Chicago, as in many of the city's poorer neighborhoods, it seems that something little—children—are getting caught up

in gangs at a younger and younger age. Second-graders turn in drawings of gang insignia as art assignments. A 10-year-old who squabbles with a classmate finds himself facing down half a dozen members of that boy's "posse" on the playground.

One morning this week, John West, principal of Thorp School, 8914 S. Buffalo Ave., led a discussion with a 4th-grade science class. He asked the class to name some different types of machines.

The first response? "Machine gun."

He wasn't surprised. In January, he decided to join a 1st-grade class to view President Clinton's inauguration on television. When he went in, some of the children told him they were watching what must be the funeral procession of a very high-ranking gang member.

"They see things through their own lives," he said. "That's all they know."

In South Chicago, the rise of gangs has coincided with the long decline and final demise of what one alderman called its "heart and soul." The South Works of U.S. Steel.

At its peak during the 1940s, the steel mill employed more than 20,000 people; by the time it closed last year, fewer than 700 people worked there. What was a prosperous company town tucked around the plant on Chicago's Southeast Side has become a rim of shuttered businesses, abandoned buildings and hopelessness.

It's not that gangs are new. They were here during the Depression, and even earlier, when South Chicago was an Eastern European enclave. As Mexicans and African Americans moved in, many brought in as strikebreakers, more gangs sprang up.

But only as jobs withered away did gangs take root as something more established and more deadly than the fistfights and rivalries that were cast aside when you went to work at the mill.

"Now we're dealing with teenagers who are the kids of gangbangers proud of still being gangbangers," said Neil Bosanko, a fourth-generation South Chicagoan, foster parent and community activist. "They even dress their babies up in gang gear."

It doesn't take long for the children to catch on. Bosanko recently saw two preschoolers get into a fight after one discovered the other drawing the symbol of a gang that is a rival to the one he had painted.

At the neighborhood's schools, officials say some children have grouped themselves into so-called gangs by the time they're in 3rd or 4th grade.

"It can start off at a talent show or with an intramural basketball team," said West. "Before you know it, they're calling themselves a gang."

Last year, police officers, with the South Chicago District's tactical unit, which investigates gang activity, kept running into a group of 8- and 9-year-olds who called themselves the Donuts.

"Just little guys, said Sgt. Rich Pina. "But they would try to do the same things the big guys did. Harass people. Get in fights."

At William K. Sullivan School, 8255 S. Houston Ave., principal Robert Esenberg has seen one group that started out three years ago as four or five 4th graders and now has about a dozen members.

"They hung out together after school and tried to intimidate other kids on the way home. I'm not sure what they're doing now," Esenberg said. "You never know when it's serious or not."

To many children, of course, it's not intended to be a serious effort to start their own version of an adult gang. It's just a game, not much different from a group of boys who play basketball giving their teams fanciful names, except the names they know are the Gangster Disciples or the Vice Lords.

"All kids socialize in groups, whether they're 'good' kids or 'bad' kids," said Darnell Hawkins, a criminologist and professor at the University of Illinois at Chicago. "Many gangs are benign initially. They're pre-adolescent play groups, social groups. Some go through a transition into more serious crime, and many do not."

The chances of the "play group" moving into antisocial behavior increase, though, if the children live in a deprived neighborhood, Hawkins said.

As Donald Butler, assistant principal of Sullivan puts it, "The organizing skills are the same as for a baseball team, but if there aren't any baseball games, what is there to do? 'Well, we can run through the neighborhood and kick over some garbage cans.' The little stuff just starts adding up."

The Titanic Stones, about a dozen boys between the ages of 11 and 15, seemed to be taking their first steps into trouble.

Before the fire they weren't even known to tactical police, Pina said. "We're trying to figure out now who they are," he said. "We think they're a relatively new group of younger kids."

Neighbors, however, did know them.

"You go to the store, they ask you for cigarettes," said one teenager, who gave his name as Michael. "They said stuff to the women, and if [the women] wouldn't answer, they would call them 'B's' [bitches]," he said.

Once, Gregory Castle, who lived in the same building as his nephew Denzel, saw them beat up one of their own in the alley behind his apartment. The boy was suspected of being a turncoat.

"They got up and hugged him, and he limped away," said Castle, 29, shaking his head, "Man, I just don't understand it."

The young gang was more irritating and incomprehensible than threatening. Denzel's mother, Mary Ann Robinson, kept the burglar bars on her door locked, but mostly to stop the toddler from wandering downstairs to visit his cousins.

Three different sets of the Castle family—14 of them in all—lived in the wood-frame building at 8510 S. Buffalo Ave., and they were good friends with the three families next door at 8506 S. Buffalo Ave. They used to sit out on their front porches, chatting and watching the children play.

So, when a few days before the fire, Denzel's father, Darrell Castle, 36, learned that a neighborhood boy told some Titanic Stones that a 14-year-old in 8506 belonged to the Gangster Disciples, a rival gang, he decided to intervene.

"I went to this little guy and said, 'You've got to think about what you're saying,'" Castle said. "'It's dangerous to do that.'"

The 14-year-old had apparently threatened to beat up the other boy, making him want revenge. It remains unclear whether the 14-year-old is a gang member. At a Juvenile Court hearing last week, a Chicago police detective testified that the 14-year-old boy admitted he was a Disciple, but friends of the family insist he is not a gang member.

In any event, it was a schoolyard squabble. But one that would turn deadly because the children were playing at gangs, like playing with fire.

On May 19, the Stones attacked the 14-year-old outside his building, but Gregory Castle broke up the fight. They vowed to return, and the fire broke out hours later.

In court testimony, police said the boys gathered at nearby Russell Square Park to plan a second attack, and decided upon arson.

A 12-year-old is accused of first-degree murder for using a blue Bic lighter to torch a couch wedged beneath the porch at 8506. The blaze spread next door, killing Denzel in his bed and leaving more than two dozen people in both buildings homeless.

At Denzel's funeral Wednesday, a Barney the Dinosaur balloon fluttered over his blue casket. It wasn't there because Denzel loved the television character, but because he was so chubby that his fat-dimpled legs inspired the nickname "Baby Dinosaur."

His mother wept and his grandmother, Lubirdin Castle, who delivered the eulogy, urged the audience to remember that Denzel "doesn't have to worry anymore about the bad guy trying to bring him into his corner."

She was talking about Satan. But Denzel's uncle, Gregory Castle, seemed to have different bad guys in mind when he was talking about Denzel's death as he stood outside his burned-out husk of a home last week.

"I have three sons," he said. "Someday, the gangs are going to come around, trying to get them to join. I dread that day."•

STATEMENT ON THE CONFIRMATION OF VICTOR P. RAYMOND

• Mr. ROCKEFELLER. Mr. President, as chairman of the Committee on Veterans' Affairs, I am delighted that the Senate last Friday confirmed the nomination of Dr. Victor P. Raymond to be Assistant Secretary of Veterans Affairs for Policy and Planning.

Dr. Raymond is a first-rate individual with a long history of public service, dating back to service in the Air Force during the Vietnam war, and I am confident that he will play a key role, along with Secretary of Veterans Affairs, Jesse Brown, and Deputy Secretary, Hershel Gober, in providing leadership to the Department of Veterans Affairs so that it can better serve the needs of the veterans of West Virginia and the entire Nation.

The committee held a hearing on Dr. Raymond's nomination on July 1, 1993, at which he responded openly and forthrightly—and with great skill and insight, I might add—to questions from committee members. He also responded to pre- and post-hearing questions and completed the committee's questionnaire. After reviewing all these materials as well as the FBI reports on Dr. Raymond, I am satisfied that he is well suited for the position of Assistant Secretary for Policy and Planning. On Thursday, July 15, our committee met to consider various matters, including this nomination, and voted unanimously to recommend his confirmation to the full Senate. On Friday, July 16, the Senate confirmed Dr. Raymond.

Mr. President, I think the job Dr. Raymond will now assume, which he filled on an acting basis for number of months—the Assistant Secretary for Policy and Planning—is terribly important in so many different ways. I have a very strong interest in the role that

that office will play in health care reform. I am also very interested in the many other exciting areas that the office works on, including matters relating to adjudication reform and the development and maintenance of comprehensive data bases on veterans and veterans programs.

In reviewing Dr. Raymond's background, I was struck by how his various experiences have prepared him so well for this key position.

His work here in the Congress—which I note was quite unusual in that it was both bipartisan and bicameral, working as he did for AL SIMPSON when he was chairman of the Senate Committee and then for my good friends and counterparts in the House, Chairman SONNY MONTGOMERY, gives him a fine grounding in understanding the art of give and take that is so important to getting things done here in Washington.

His stint with the VA Commission on the Future Structure of Veterans Health Care, where we was the Deputy Director of the Commission, was obviously a key opportunity to further his work on VA and general health matters.

And certainly his graduate training at Johns Hopkins University in operations research, which relies so heavily on the importance of quantitative information, will be invaluable in his new role.

Mr. President, in closing, I again note my satisfaction that Dr. Raymond is so well suited to the position for which he has been confirmed, and I look forward to working with him in his new capacity.●

BUDGET SCOREKEEPING REPORT

● Mr. SASSER. Mr. President, I hereby submit to the Senate the budget scorekeeping report prepared by the Congressional Budget Office under section 308(b) and in aid of section 311 of the Congressional Budget Act of 1974, as amended. This report meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32, the first concurrent resolution on the budget for 1986.

This report shows the effects of congressional action on the budget through July 16, 1993. The estimates of budget authority, outlays, and revenues, which are consistent with the technical and economic assumptions of the concurrent resolution on the budget (H. Con. Res. 287), show that current level spending is below the budget resolution by $1.6 billion in budget authority and above by $0.7 billion in outlays. Current level is $0.5 billion above the revenue floor in 1993 and above by $1.4 billion over the 5 years, 1993–97. The current estimate of the deficit for purposes of calculating the maximum deficit amount is $392.4 billion, $28.4 billion below the maximum deficit amount for 1993 of $420.8 billion.

Since the last report, dated July 14, 1993, there has been no action that affects the current level of budget authority and outlays.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 20, 1993.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1993 and is current through July 16, 1993. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the Concurrent Resolution on the Budget (H. Con. Res. 287). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my last report, dated July 13, 1993, there has been no action that affects the current level of budget authority, outlays, or revenues.

Sincerely,

ROBERT D. REISCHAUER,
Director.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, 103D CONG., 1ST SESS., AS OF CLOSE OF BUSINESS JULY 16, 1993

[In billions of dollars]

	Budget resolution (H. Con. Res. 287)	Current level [1]	Current level over/ under resolution
On-budget:			
Budget authority	1,250.0	1,248.4	−1.6
Outlays	1,242.3	1,243.0	.7
Revenues:			
1993	848.9	849.4	.5
1993–97	4,818.6	4,820.0	1.4
Maximum deficit amount	420.8	392.4	−28.4
Debt subject to limit	4,461.2	4,240.5	−220.7
Off-budget:			
Social Security outlays:			
1993	260.0	260.0	
1993–97	1,415.0	1,415.0	
Social Security revenues:			
1993	328.1	328.1	(2)
1993–97	1,865.0	1,865.0	(2)

[1] Current level represents the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] Less than $50,000,000.

Note.—Detail may not add due to rounding.

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 103D CONG., 1ST SESS., SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1993 AS OF CLOSE OF BUSINESS JULY 16, 1993

[In millions of dollars]

	Budget authority	Outlays	Revenues
ENACTED IN PREVIOUS SESSIONS			
Revenues	0	0	849,425
Permanents and other spending legislation	764,283	737,413	0
Appropriation legislation	732,061	743,943	0
Offsetting receipts	(240,524)	(240,524)	0
Total previously enacted	1,255,820	1,240,833	849,425
ENACTED THIS SESSION			
CIA Voluntary Separation Incentive Act (Public Law 103–36)	1	1	0
Unclaimed Deposits Amendments Act (Public Law 103–440	0	1	0
1993 spring supplemental (Public Law 103–50)	1,003	1,199	0
Total enacted this session	1,004	1,201	0
ENTITLEMENTS AND MANDATORIES			
Budget resolution baseline estimates of appropriated entitlements and other mandatory programs not yet enacted	(8,443)	922	0
Total current level [1]	1,248,381	1,242,955	849,425
Total budget resolution [2]	1,249,990	1,242,290	848,890
Amount remaining:			
Under budget resolution	1,609	0	0
Over budget resolution	0	665	535

[1] In accordance with the Budget Enforcement Act, budget authority and outlay totals do not include the following in emergency funding.

[2] Includes a revision under sec. 9 of the concurrent resolution on the budget.

Note.—Amounts in parentheses are negative. Detail may not add due to rounding.

[In millions of dollars]

	Budget authority	Outlays
Public Law:		
102–229	0	712
102–266	0	33
102–302	0	380
102–368	960	5,873
102–381	218	13
103–6	3,322	3,322
103–24	4,000	4,000
Offsetting receipts	(4,000)	(4,000)
103–50	0	(30)
Total 1993 emergency funding	4,500	10,303

Note.—Amounts in parentheses are negative. Detail may not add due to rounding.●

ORDERS FOR WEDNESDAY, JULY 21, 1993

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 a.m. Wednesday, July 21; that following the prayer, the Journal of proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; that there then be a period for morning business, not to extend beyond 12:45 p.m., with Senators permitted to speak therein for up to 5 minutes each, with the first 30 minutes of morning business under the control of Senator PRYOR or his designee; that Senator BYRD be recognized for 1 hour immediately following the conclusion of the time reserved for Senator PRYOR, with Senator DORGAN recognized for up to 10 minutes, and Senators ROCKEFELLER and WELLSTONE for up to 15 minutes each, with this time to follow the time reserved for Senator BYRD; that there then be up to 1 hour under the control of Senator WALLOP or his designee; that Senator HOLLINGS then be recognized for up to 20 minutes; and that at 12:45 p.m., the Senate then resume consideration of S. 919.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MITCHELL. Mr. President, there has been a very good discussion today on the pending bill. It is an important measure dealing with national service. I am advised that there may be a substantial number of amendments to the bill; that the staffs, minority and majority, will be meeting tomorrow to review the list; and that at least one amendment will be offered when the Senate returns to consideration of the bill. I hope that is the case and that we can begin debate on and disposition of amendments to the bill tomorrow.

It appears that there are going to be a substantial number of amendments, in which case Senators should be prepared for votes during the day and well into the evening on tomorrow and Thursday so that we can make some substantial progress, and if possible complete action on this bill. So Senators should now be aware that votes may occur throughout the day and well into the evening tomorrow.

As I previously notified Senators in writing, we are not able anymore to attempt to limit votes to prior to 7 p.m. because of the difficulty of getting votes during that period of time and making progress on this legislation. So there is no longer any 7 o'clock limitation. I hope Senators will keep that in mind as they plan their schedules for the remainder of this week.

Furthermore, as we all know, it is now approximately the time when the Senate must begin consideration of appropriations bills. These are not only important, they are essential matters required by law. The House has acted on most of the appropriations bills. The Senate Appropriations Committee was to meet today to report out three bills, and I am advised they did so, and will meet further in the week to report out additional appropriations bills. So that for the remaining weeks of this legislative period, and that is 2 weeks following this week, we will be dealing with a number of appropriations bills and Senators should be prepared for votes on Mondays, and throughout the day and evening on each day of the week as we attempt to make good progress on dealing with these appropriations bills during this legislative period.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9 A.M. TOMORROW

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate now stand in recess as under the previous order.

There being no objection, the Senate, at 8:22 p.m., recessed until tomorrow, Wednesday, July 21, 1993, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate July 20, 1993:

DEPARTMENT OF JUSTICE

LOUIS J. FREEH, OF NEW YORK, TO BE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION FOR THE TERM OF 10 YEARS, VICE WILLIAM S. SESSIONS.

GAYNELLE GRIFFIN JONES, OF TEXAS, TO BE U.S. ATTORNEY FOR THE SOUTHERN DISTRICT OF TEXAS FOR THE TERM OF 4 YEARS VICE RONALD G. WOODS.

KAREN ELIZABETH SCHREIER, OF SOUTH DAKOTA, TO BE U.S. ATTORNEY FOR THE DISTRICT OF SOUTH DAKOTA FOR THE TERM OF 4 YEARS, VICE PHILIP N. HOGEN.

JUDITH ANN STEWART, OF INDIANA, TO BE U.S. ATTORNEY FOR THE SOUTHERN DISTRICT OF INDIANA FOR THE TERM OF 4 YEARS VICE DEBORAH J. DANIELS.

WALTER MICHAEL TROOP, OF KENTUCKY, TO BE U.S. ATTORNEY FOR THE WESTERN DISTRICT OF KENTUCKY FOR THE TERM OF 4 YEARS VICE JOSEPH M. WHITTLE.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE U.S. AIR FORCE TO THE POSITION AND GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 8037:

To be major general

To be judge advocate general of the U.S. Air Force

BRIG. GEN. NOLAN SKLUTE xxx-xx-x... U.S. AIR FORCE.

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTIONS 624 AND 628, TITLE 10, UNITED STATES CODE. THE OFFICER IDENTIFIED WITH A SINGLE ASTERISK IS ALSO RECOMMENDED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10 UNITED STATES CODE.

MEDICAL CORPS

To be colonel

*ROBERT M. WILSON xx...

IN THE ARMY

To be lieutenant colonel

RONALD E. MCCONNELL xx...
EMANUEL M. TORNQUIST xx...

MEDICAL CORPS

To be major

FREDRIC R. PLOTKIN xx...

THE FOLLOWING NAMED OFFICER, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTION 1552, TITLE 10 UNITED STATES CODE.

MEDICAL SERVICE CORPS

To be major

RICHARD N. JOHNSON xx...