THE NATIONAL AND COMMUNITY SERVICE ACT OF 1990

[As amended through December 17, 1999, P.L. 106-170]

NATIONAL AND COMMUNITY SERVICE ACT OF 1990
(as amended through P.L. 106-170, approved 12-17-99)

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UNITED STATES CODE ANNOTATED
TITLE 42. THE PUBLIC HEALTH AND WELFARE
CHAPTER 129--NATIONAL AND COMMUNITY SERVICE

Current through P.L. 106-170, approved 12-17-99

SEC. 2. [42 U.S.C. 12501] 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) Purpose

It is the purpose of this chapter 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 age, income, or disability, to engage in full-time or part-time national service;

(5) reinvent government to eliminate duplication, support locally established initiatives, require measurable goals for performance, and offer flexibility in meeting those goals;

(6) expand and strengthen existing service programs with demonstrated experience in providing structured service opportunities with visible benefits to the participants and community;

(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; and

(8) provide tangible benefits to the communities in which national service is performed.

TITLE I--NATIONAL AND COMMUNITY SERVICE STATE GRANT PROGRAM

SUBTITLE A--GENERAL PROVISIONS

SEC. 101. [42 U.S.C. 12511] Definitions

For purposes of this subchapter:

(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 nonprofit organization, 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 12603 of this title 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 12572 of this title, means the planning, establishment, operation, expansion, or replication of the program.

(4) Chief Executive Officer

The term "Chief Executive Officer", except when used to refer to the chief executive officer of a State, means the Chief Executive Officer of the Corporation appointed under section 12651c of this title.

(5) Community-based agency

The term "community-based agency" means a private nonprofit organization (including a church or other religious entity) that--

(A) is representative of a community or a significant segment of a community; and

(B) 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 12651 of this title.

(7) Economically disadvantaged

The term "economically disadvantaged" means, with respect to an individual, an individual who is determined by the Chief Executive Officer 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 8801 of Title 20.

(9) Indian

The term "Indian" means a person who is a member of an Indian tribe, or is a "Native", as defined in section 1602(b) of Title 43.

(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--

(A) an Indian tribe, band, nation, or other organized group or community, including--

(i) any Native village, as defined in section 1602(c) of Title 43, whether organized traditionally or pursuant to the Act of June 18, 1934 (commonly known as the "Indian Reorganization Act"; 48 Stat. 984, chapter 576; 25 U.S.C. 461 et seq.); and

(ii) any Regional Corporation or Village Corporation, as defined in subsection (g) or (j), respectively, of section 1602 of Title 43, 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; and

(B) any tribal organization controlled, sanctioned, or chartered by an entity described in subparagraph (A).

(12) Individual with a disability

Except as provided in section 12635(a) of this title, the term "individual with a disability" has the meaning given the term in section 705(20)(B) of Title 29.

(13) Institution of higher education

The term "institution of higher education" has the same meaning given such term in section 1001 of Title 20.

(14) Local educational agency

The term "local educational agency" has the same meaning given such term in section 8801 of Title 20.

(15) National service laws

The term "national service laws" means this chapter 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 division C, an individual in an approved national service position; and

(ii) for purposes of any other provision of this chapter, an individual enrolled in a program that receives assistance under this subchapter.

(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 nonprofit organization, an institution of higher education, or a business assists a local educational agency.

(19) Program

The term "program", unless the context otherwise requires, and except when used as part of the term "academic program", means a program described in section 12521(a) of this title (other than a program referred to in paragraph (3)(B) of such section), 12542(a), 12561(b)(1), or 12572(a) of this title, or in paragraph (1) or (2) of section 12612(b) of this title, or an activity that could be funded under section 12653, 12653c, or 12653d of this title.

(20) Project

The term "project" means an activity, carried out through a program that receives assistance under this subchapter, 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.

(21) 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 (20 U.S.C. 1401(a)(1)), who receive services under part B of such Act [20 U.S.C.A. § 1411 et seq.].

(22) Secondary school

The term "secondary school" has the same meaning given such term in section 8801 of Title 20.

(23) 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.

(24) Service-learning coordinator

The term "service-learning coordinator" means an individual who provides services as described in subsection (a)(3) or (b) of section 12521 of this title.

(25) Service sponsor

The term "service sponsor" means an organization, or other entity, that has been selected to provide a placement for a participant.

(26) State

The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States 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.

(27) State Commission

The term "State Commission" means a State Commission on National and Community Service maintained by a State pursuant to section 12638 of this title. Except when used in section 12638 of this title, 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.

(28) State educational agency

The term "State educational agency" has the same meaning given such term in section 8801 of Title 20.

(29) 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.

SUBTITLE B--SCHOOL-BASED AND COMMUNITY-BASED SERVICE-LEARNING PROGRAMS
PART I--SERVE-AMERICA PROGRAMS

SUBPART A--SCHOOL-BASED PROGRAMS FOR STUDENTS

SEC. 111. [42 U.S.C. 12521] 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 12524(b)(1) of this title, and allotments under subsections (a) and (b)(2) of section 12524 of this title, 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 12526(d)(2) of this title;

(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 nonprofit organization that--

(I) has a demonstrated expertise in the provision of services to meet unmet human, educational, environmental, or public safety needs;

(II) was in existence at least 1 year before the date on which the organization submitted an application under section 12526 of this title; 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 of this subchapter or receive a national service educational award under subtitle D of this subchapter, 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 nonprofit 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) of this section shall provide services to a local educational agency by--

(1) providing technical assistance and information to, and facilitating the training of, teachers who want to use service-learning in their classrooms;

(2) assisting local partnerships described in subsection (a) of this section in the planning, development, and execution of service-learning projects; and

(3) carrying out such other duties as the local educational agency may determine to be appropriate.

(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) of this section, use such assistance to pay for the Federal share of reasonable costs related to the supervision of participants, program administration, transportation, insurance, and evaluations, and for other reasonable expenses related to the activities.

SEC. 111A. [42 U.S.C. 12522] Authority to assist local applicants in nonparticipating States

In any fiscal year in which a State does not submit an application under section 12525 of this title, for an allotment under subsection (a) or (b)(2) of section 12524 of this title, that meets the requirements of section 12525 of this title and such other requirements as the Chief Executive Officer 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 12521(a) of this title, 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. [42 U.S.C. 12523] Authority to assist public or private nonprofit organizations

(a) In general

The Corporation may make grants under section 12524(b)(1) of this title to public or private nonprofit organizations that--

(1) have experience with service-learning;

(2) were in existence at least 1 year before the date on which the organization submitted an application under section 12526(a) of this title; and

(3) meet such other criteria as the Chief Executive Officer may establish.

(b) Use of funds

Such organizations may use grants made under subsection (a) of this section to make grants to partnerships described in paragraph (2) or (4) of section 12521(a) of this title 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. [42 U.S.C. 12524] 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 3 percent for payments to Indian tribes, the United States 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 remainder, the Corporation may make grants, on a competitive basis, to--

(A) States and Indian tribes; or

(B) as described in section 12523 of this title, to grantmaking entities.

(2) Allotments

(A) School-age youth

Except as provided in paragraph (3), from 37.5 percent of such remainder, the Corporation shall allot to each State an amount that bears the same ratio to 37.5 percent of such remainder 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 remainder, the Corporation shall allot to each State an amount that bears the same ratio to 37.5 percent of such remainder as the allocation to the State for the previous fiscal year under title I of the Elementary and Secondary Education Act of 1965 [20 U.S.C.A. § 6301 et seq.] or its successor authority 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 12522(b) of this title, as in effect on the day before September 21, 1993. 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) "State" defined

Notwithstanding section 12511(26) of this title, for purposes of this subsection, the term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

(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 12525 of this title that meets the requirements of such section and such other requirements as the Chief Executive Officer may determine to be appropriate, the Corporation shall, after making any grants under section 12522 of this title 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 12525 of this title, as the Corporation may determine to be appropriate.

(d) Exception

Notwithstanding subsections (a) and (b) of this section, 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 12521 of this title.

SEC. 113. [42 U.S.C. 12525] State or tribal applications

(a) Submission

To be eligible to receive a grant under section 12524(b)(1) of this title, an allotment under subsection (a) or (b)(2) of section 12524 of this title, a reallotment under section 12524(c) of this title, or a grant under section 12524(d) of this title, 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 Chief Executive Officer may reasonably require.

(b) Contents

An application that is submitted under subsection (a) of this section with respect to service-learning programs described in section 12521 of this title 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 Chief Executive Officer may reasonably require, including information demonstrating that the programs will be carried out in a manner consistent with the approved strategic plan;

(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 12637 of this title and the grievance procedure requirements of section 12636(f) of this title; and

(3) such additional information as the Chief Executive Officer may reasonably require.

SEC. 114. [42 U.S.C. 12526] 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 12523(a) of this title to make grants relating to school-based service-learning programs described in section 12521(a) of this title, 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 Chief Executive Officer may reasonably require. Such application shall include a proposal to assist such programs in more than 1 State.

(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 12522 of this title to carry out an activity as 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 Chief Executive Officer 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 12521(a)(1) of this title;

(B) partnership described in section 12521(a)(2) of this title that desires to receive such assistance from a State, Indian tribe, or grantmaking entity for an activity described in section 12521(a)(2) of this title;

(C) agency described in section 12521(a)(3) of this title 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 12521(a)(4) of this title 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 12521 of this title, 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) Regulations

The Corporation shall by regulation establish standards for the information and assurances required to be contained in an application submitted under subsection (a) or (b) of this section with respect to a service-learning program described in section 12521 of this title, including, at a minimum, assurances that--

(1) prior to the placement of a participant, the entity carrying out the program will consult with the appropriate local labor organization, if any, 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;

(2) 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

(3) the entity carrying out the program will comply with the nonduplication and nondisplacement requirements of section 12637 of this title and the grievance procedure requirements of section 12636(f) of this title.

(e) Limitation on same project in multiple applications

No applicant shall submit an application under section 12525 of this title or this section, and the Corporation shall reject an application that is submitted under section 12525 of this title 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. [42 U.S.C. 12527] Consideration of applications

(a) Criteria for applications

In approving applications for financial assistance under subsection (a), (b), (c), or (d) of section 12524 of this title, the Corporation shall consider such criteria with respect to sustainability, replicability, innovation, and quality of programs under this subpart as the Chief Executive Officer 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

In providing assistance under this subpart, a State educational agency or Indian tribe, or the Corporation if section 12522 or 12523 of this title applies, shall give priority to entities that submit applications under section 12526 of this title with respect to service-learning programs described in section 12521 of this title that--

(1) involve participants in the design and operation of the program;

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

(3) involve--

(A) students from public elementary or secondary schools, and students from private elementary or secondary schools, serving together; or

(B) students of different ages, races, sexes, ethnic groups, disabilities, or economic backgrounds, serving together; or

(4) 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 12525 of this title for an allotment under section 12524(b)(2) of this title, 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. [42 U.S.C. 12528] 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 nonprofit 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 nonprofit schools as required by subsection (a) of this section, 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 Chief Executive Officer 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 2727(b) of Title 20, as in effect on the day preceding October 20, 1994.

SEC. 116. [42 U.S.C. 12529] 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 Chief Executive Officer may waive the requirements of subsection (a) of this section 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. [42 U.S.C. 12530] 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 12524 of this title 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 Chief Executive Officer 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 12524 of this title for a fiscal year may be used to build capacity through training, technical assistance, curriculum development, and coordination activities, described in section 12521(a)(1) of this title.

(2) Waiver

The Chief Executive Officer 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 20 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 Chief Executive Officer at such time, in such manner, and containing such information as the Chief Executive Officer 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. [42 U.S.C. 12531] Definitions

As used in this subpart:

(1) Grantmaking entity

The term "grantmaking entity" means an organization described in section 12523(a) of this title.

(2) School-based

The term "school-based" means based in an elementary school or a secondary school.

(3) Student

Notwithstanding section 12511(29) of this title, 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. [42 U.S.C. 12541] Definitions

As used in this subpart:

(1) Community-based service program

The term "community-based service program" means a program described in section 12542(b)(1)(A) of this title.

(2) Grantmaking entity

The term "grantmaking entity" means a qualified organization that--

(A) submits an application under section 12544(a) of this title to make grants to qualified organizations;

(B) was in existence at least 1 year before the date on which the organization submitted the application; and

(C) meets such other criteria as the Chief Executive Officer shall establish.

(3) Qualified organization

The term "qualified organization" means a public or private nonprofit organization with experience working with school-age youth that meets such criteria as the Chief Executive Officer may establish.

SEC. 117A. [42 U.S.C. 12542] 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) of this section--

(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) of this section to implement, operate, expand, or replicate a program described in paragraph (1)(A).

SEC. 117B. [42 U.S.C. 12543] State applications

(a) In general

To be eligible to receive a grant under section 12542(a) of this title, 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 Chief Executive Officer may reasonably require.

(c) Contents

Such an application shall include, at a minimum, a State plan that contains the information and assurances described in section 12544(d) of this title 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. [42 U.S.C. 12544] 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 12542(a) of this title to make grants under section 12542(b)(1) of this title, 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 Chief Executive Officer 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 12542(a) of this title 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 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 Chief Executive Officer 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 12542(b)(1) of this title, 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) Regulations

The Corporation shall by regulation establish standards for the information and assurances required to be contained in an application submitted under subsection (a) or (b) of this section with respect to a community-based service program, including, at a minimum--

(1) an assurance that the entity carrying out the program proposed by the applicant will comply with the nonduplication and nondisplacement provisions of section 12637 of this title and the grievance procedure requirements of section 12636(f) of this title;

(2) an assurance that the entity carrying out the program will, prior to placing a participant in the program, consult with the appropriate local labor organization, if any, 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

(3) 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 12542(b)(1) of this title 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 12543 of this title or this section, and the Corporation shall reject an application that is submitted under section 12543 of this title 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. [41 U.S.C. 12545] Consideration of applications

(a) Application of criteria

The Corporation shall apply the criteria described in subsection (b) of this section in determining whether to approve an application submitted under section 12543 of this title or under subsection (a) or (b) of section 12544 of this title and to provide assistance under section 12542 of this title 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 12585(c) of this title.

(c) Application to subgrants

A State Commission or grantmaking entity shall apply the criteria described in subsection (b) of this section in determining whether to approve an application under section 12544(c) of this title and to make a grant under section 12542(b)(1) of this title to the applicant on the basis of the application.

SEC. 117E. [42 U.S.C. 12546] 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 12529(a)(1) of this title, as appropriate.

(2) Calculation

Each recipient of assistance under this subpart shall comply with section 12529(a)(2) of this title.

(b) Waiver

The Chief Executive Officer may waive the requirements of subsection (a) of this section, in whole or in part, as provided in section 12529(b) of this title.

SEC. 117F. [42 U.S.C. 12547] 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 12542(a) of this title 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 Chief Executive Officer 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. [42 U.S.C. 12551] Service-learning clearinghouse

(a) In general

The Corporation shall provide financial assistance, from funds appropriated to carry out subtitle H of this subchapter, to organizations described in subsection (b) of this section to establish a clearinghouse, which shall carry out activities, either directly or by arrangement with another such organization, with respect to information about service-learning.

(b) Public or private nonprofit organizations

Public or private nonprofit organizations 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) of this section.

(c) Function of clearinghouse

An organization that receives assistance under subsection (a) of this section 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 subchapter;

(6) provide information regarding methods to make service-learning programs accessible to individuals with disabilities;

(7)(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;

(8) make recommendations to State and local entities on quality controls to improve the quality of service-learning programs;

(9) assist organizations in recruiting, screening, and placing service- learning coordinators; and

(10) carry out such other activities as the Chief Executive Officer determines to be appropriate.

PART II--HIGHER EDUCATION INNOVATIVE PROGRAMS FOR COMMUNITY SERVICE

SEC. 119. [42 U.S.C. 12561] 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 or private nonprofit 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 postsecondary 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 12529(a)(2) of this title.

(2) Waiver

The Chief Executive Officer may waive the requirements of paragraph (1), in whole or in part, as provided in section 12529(b) of this title.

(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) of this section shall prepare, submit to the Corporation, and obtain approval of, an application at such time, in such manner, and containing such information and assurances as the Corporation may reasonably require. In requesting applications for assistance under this part, the Corporation shall specify such required information and assurances.

(2) Contents

An application submitted under paragraph (1) shall contain, at a minimum--

(A) assurances that--

(i) prior to the placement of a participant, the applicant will consult with the appropriate local labor organization, if any, 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 12637 of this title and grievance procedure requirements of section 12636(f) of this title; and

(B) such other assurances as the Chief Executive Officer may reasonably require.

(e) Priority

(1) In general

In making grants and entering into contracts under subsection (b) of this section, 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 nonprofit 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 of this subchapter, if the participant served in an approved national service position.

(g) "Student" defined

Notwithstanding section 12511(29) of this title, 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.

SUBTITLE C--NATIONAL SERVICE TRUST PROGRAM

PART I--INVESTMENT IN NATIONAL SERVICE

SEC. 121. [42 U.S.C. 12571] Authority to provide assistance and approved national service positions

(a) Provision of assistance

Subject to the availability of appropriations for this purpose, the Corporation for National and Community Service may make grants to States, subdivisions of States, Indian tribes, public or private nonprofit organizations, and institutions of higher education for the purpose of assisting the recipients of the grants--

(1) to carry out full- or part-time national service programs, including summer programs, described in section 12572(a) of this title; and

(2) to make grants in support of other national service programs described in section 12572(a) of this title that are carried out by other entities.

(b) Agreements with Federal agencies

(1) Agreements authorized

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) Matching funds requirements

A Federal agency receiving assistance under this subsection shall not be required to satisfy the matching funds requirements specified in subsection (e) of this section. However, the

supplementation requirements specified in section 12633 of this title shall apply with respect to the Federal national service programs supported with such assistance.

(3) Consultation with State Commissions

A Federal agency receiving assistance under this subsection shall consult with the State Commissions for those States in which projects will be conducted using such assistance in order to ensure that the projects do not duplicate projects conducted by State or local national service programs.

(4) Support for other national service programs

A Federal agency that enters into a contract or cooperative agreement under paragraph (1) shall, in an appropriate case, enter into a contract or cooperative agreement with an entity that is carrying out a national service program in a State that is in existence in the State as of the date of the contract or cooperative agreement and is of high quality, in order to support the national service program.

(c) Provision of approved national service positions

As part of the provision of assistance under subsections (a) and (b) of this section, 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 12601(a) of this title an amount equal to the product of--

(A) the value of a national service educational award under section 12603 of this title; 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) of this section for a fiscal year may be used to pay for administrative 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) of this section 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 section 12594 of this title, the Federal share of the cost of carrying out a national service program that receives the assistance under subsection (a) of this section, 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) Cost of health care

In providing a payment in cash under paragraph (2)(A) as part of providing for the remaining share of the cost of carrying out a national service program, the program may count not more than 85 percent of the cost of providing a health care policy described in section 12594(d)(2) of this title toward such share.

(4) 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. [42 U.S.C. 12572] Types of national service programs eligible for program assistance

(a) Eligible national service programs

The recipient of a grant under section 12571(a) of this title and each Federal agency receiving assistance under section 12571(b) of this title 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) of this section, 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, physical and developmental capabilities, ages, ethnic backgrounds, or genders.

(2) A full-time, year-round youth corps program or full-time summer youth corps program, such as a conservation corps or youth service corps (including youth corps programs under subtitle I of this subchapter, the Public Lands Corps established under the Public Lands Corps Act of 1993 [16 U.S.C.A. § 1721 et seq.], the Urban Youth Corps established under section 12656 of this title, and other conservation corps or youth service corps that performs service on Federal or other public lands or on Indian lands or Hawaiian home lands), that--

(A) undertakes meaningful service projects with visible public benefits, including natural resource, urban renovation, 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 and other disadvantaged youths (such as youths with limited basic skills, youths in foster care who are becoming too old for foster care, youths of limited-English proficiency, homeless youths, and youths who are 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 of subtitle B of this subchapter.

(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) if consistent with the purposes of the program, 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, engineers, 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 12594 of this title, as provided in subsection (c) of such section; and

(C) that are sponsored by public or private nonprofit employers who agree to pay 100 percent of the salaries and benefits (other than any national service educational award under subtitle D of this subchapter) 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 them 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 for other national service programs described in this subsection.

(12) A program that is administered by a combination of nonprofit organizations located in a low-income area, provides a broad range of services to residents of such area, is governed by a board composed in significant part of low-income individuals, and is intended to provide opportunities for individuals or teams of individuals to engage in community projects in such area that meet unaddressed community and individual needs, including projects that would--

(A) meet the needs of low-income children and youth aged 18 and younger, such as providing after-school "safe-places", including schools, with opportunities for learning and recreation; or

(B) be directed to other important unaddressed needs in such area.

(13) A community service program designed to meet the needs of rural communities, using teams or individual placements to address the development needs of rural communities and to combat rural poverty, including health care, education, and job training.

(14) A program that seeks to eliminate hunger in communities and rural areas through service in projects--

(A) involving food banks, food pantries, and nonprofit organizations that provide food during emergencies;

(B) involving the gleaning of prepared and unprepared food that would otherwise be discarded as unusable so that the usable portion of such food may be donated to food banks, food pantries, and other nonprofit organizations;

(C) seeking to address the long-term causes of hunger through education and the delivery of appropriate services; or

(D) providing training in basic health, nutrition, and life skills necessary to alleviate hunger in communities and rural areas.

(15) 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 with extensive experience in developing and administering effective national service programs or regarding the delivery of human, educational, environmental, or public safety services to communities or persons.

(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 12571(a) of this title 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, educational, environmental, or public safety needs.

(c) National service priorities

(1) Establishment

(A) 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 chapter, the Corporation shall establish, and after reviewing the strategic plan approved under section 12651b(g)(1) of this title, periodically alter priorities as appropriate regarding the types of national service programs to be assisted under subsection (b) or (d) of section 12581 of this title and the purposes for which such assistance may be used.

(B) By States

Consistent with paragraph (4), States shall establish, and through the national service plan process described in section 12638(e)(1) of this title, periodically alter priorities as appropriate regarding the national service programs to be assisted under section 12581(a)(1) of this title. The State priorities shall be subject to Corporation review as part of the application process under section 12582 of this title.

(2) Notice to applicants

The Corporation shall provide advance notice to potential applicants of any national service priorities to be in effect under this subsection for a fiscal year. The notice shall specifically include--

(A) a description of any alteration made in the priorities since the previous notice; and

(B) a description of the national service programs that are designated by the Corporation under section 12585(d)(2) of this title as eligible for priority consideration in the next competitive distribution of assistance under section 12571(a) of this title.

(3) Regulations

The Corporation shall by regulation establish procedures to ensure the equitable treatment of national service programs that--

(A) receive funding under this subtitle for multiple years; and

(B) would be adversely affected by annual revisions in such national service priorities.

(4) Application to subgrants

Any national service priorities established by the Corporation under this subsection shall also be used by each recipient of funds under section 12571(a) of this title that uses any portion of the assistance to conduct a grant program to support other national service programs.

SEC. 123. [42 U.S.C. 12573] 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 of this subchapter 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 12572(a) of this title that receives assistance under subsection (a) or (b) of section 12571 of this title.

(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 nonprofit organization, an institution of higher education, or a Federal agency; and

(B) would be eligible to receive assistance under section 12571(a) of this title, 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 12572(a)(3) of this title that is eligible for assistance under part I of subtitle B of this subchapter.

(5) A position for a participant in the Civilian Community Corps under subtitle E of this subchapter.

(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. [42 U.S.C. 12574] Types of program assistance

(a) Planning assistance

The Corporation may provide assistance under section 12571 of this title to a qualified applicant that submits an application under section 12582 of this title 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 12571 of this title to a qualified applicant that submits an application under section 12582 of this title 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 12582 of this title.

(c) Replication assistance

The Corporation may provide assistance under section 12571 of this title to a qualified applicant that submits an application under section 12582 of this title 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 12582 of this title.

(d) Application to subgrants

The requirements of this section shall apply to any State or other applicant receiving assistance under section 12571 of this title that proposes to conduct a grant program using the assistance to support other national service programs.

SEC. 125. [42 U.S.C. 12575] 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 12571 of this title 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;

(5) provide for or improve the training provided to the participants in such programs; and

(6) encourage national service programs to adhere to risk management procedures, including the training of participants in appropriate risk management practices.

(b) Technical assistance

To the extent appropriate and necessary, the Corporation shall make 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 12571 of this title 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. [45 U.S.C. 12576] Other special assistance

(a) Support for State Commissions

(1) Grants authorized

From amounts appropriated for a fiscal year pursuant to the authorization of appropriation in section 12681(a)(4) of this title, the Corporation may make a grant in an amount between $125,000 and $750,000 to a State to assist the State to establish or operate the State Commission on National and Community Service required to be established by the State under section 12638 of this title.

(2) Limitation on amount of grants

Notwithstanding the amounts specified in paragraph (1), the amount of a grant 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 (42 U.S.C. 4951 et seq.), to involve in disaster relief efforts youth corps programs described in section 12572(a)(2) of this title and other programs that receive assistance under the national service laws.

(c) Challenge grants for national service programs

(1) Assistance authorized

The Corporation may make challenge grants under this subsection to national service programs that receive assistance under section 12571 of this title.

(2) Selection criteria

The Corporation shall develop criteria for the selection of recipients of challenge grants under this subsection, so as to make the grants widely available to a variety of programs that--

(A) are high-quality national service programs; and

(B) are carried out by entities with demonstrated experience in establishing and implementing projects that provide benefits to participants and communities.

(3) 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 12571(e) of this title. 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. [42 U.S.C. 12581] 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) 33 1/3 percent allotment of assistance to certain States

Of the funds allocated by the Corporation for provision of assistance under subsections (a) and (b) of section 12571 of this title for a fiscal year, the Corporation shall make a grant under section 12571(a) of this title (and a corresponding allotment of approved national service positions) to each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico that has an application approved by the Corporation under section 12585 of this title. 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 33 1/3 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 for certain territories and possessions

Of the funds allocated by the Corporation for provision of assistance under subsections (a) and (b) of section 12571 of this title for a fiscal year, the Corporation shall reserve 1 percent of the allocated funds for grants under section 12571(a) of this title to the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands upon approval of an application by the Corporation under section 12585 of this title. Palau shall also be eligible for a grant under this paragraph from the allotment until such time as the Compact of Free Association with Palau is ratified. The amount allotted as a grant to each such territory or possession under this paragraph for a fiscal year shall be equal to the amount that bears the same ratio to 1 percent of the allocated funds for that fiscal year as the population of the territory or possession bears to the total population of such territories and possessions.

(3) One percent allotment for Indian tribes

Of the funds allocated by the Corporation for provision of assistance under subsections (a) and (b) of section 12571 of this title for a fiscal year, the Corporation shall reserve 1 percent of the allocated funds for grants under section 12571(a) of this title to Indian tribes, to be allotted by the Corporation on a competitive basis in accordance with their respective needs.

(4) 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 12571 of this title that propose to carry out national service programs in the State or on behalf of the Indian tribe; and

(B) after making grants under subparagraph (A), to make a reallotment to other States and Indian tribes with approved applications under section 12582 of this title.

(b) Reservation of approved positions

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 of this subchapter shall receive the national service educational award described in subtitle D of this subchapter 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) of this section for that fiscal year.

(c) Reservation for special assistance

From amounts appropriated for a fiscal year pursuant to the authorization of appropriation in section 12681(a)(2) of this title, and subject to the limitation in such section, the Corporation may reserve such amount as the Corporation considers to be appropriate for the purpose of making assistance available under sections 12575 and 12576 of this title. The Corporation may not reserve more than $10,000,000 for a fiscal year for disaster service under subsection (b) of section 12576 of this title or challenge grants under subsection (c) of such section.

(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 12571 of this title for a fiscal year, the Corporation shall use not less than 33 1/3 percent of the allocated funds to make grants to States on a competitive basis under section 12571(a) of this title.

(2) Federal agencies and other applicants

The Corporation shall distribute on a competitive basis to subdivisions of States, Indian tribes, public or private nonprofit organizations (including labor organizations), institutions of higher education, and Federal agencies the remainder of the funds allocated by the Corporation for provision of assistance under section 12571 of this title for a fiscal year, after operation of paragraph (1) and subsections (a) and (c) of this section.

(3) Limitation on distribution to Federal agencies

The Corporation may not provide more than 1/3 of the funds available for competitive distribution under paragraph (2) for a fiscal year to Federal agencies under section 12571(b) of this title.

(4) Priority limitations

The Corporation may limit the categories of eligible applicants for assistance under paragraph (2) consistent with the priorities established by the Corporation under section 12585(d)(2) of this title.

(5) Reservation of funds for supplemental and outreach grants

(A) Reservation

From amounts appropriated for a fiscal year pursuant to the authorization of appropriation in section 12681(a)(2) of this title, and subject to the limitation in such section, the Chief Executive Officer shall reserve an amount that is not less than 1 percent of such amounts (except that the amount reserved may not exceed $5,000,000), in order to make supplemental grants as provided in subparagraph (B) and outreach grants as provided in subparagraph (C). The amount reserved pursuant to this paragraph shall be available until expended.

(B) Grants to assist entities in placing applicants who are individuals with a disability

(i) In general

The Chief Executive Officer shall make grants from a portion of the funds reserved under subparagraph (A) to entities that--

(I) receive a grant to carry out a national service program under paragraph (1) or (2);

(II) demonstrate that the entity has received a substantial number of applications for placement in the national service program of persons who are individuals with a disability and who require a reasonable accommodation (as defined in section 12111(9) of this title), or auxiliary aids and services (as defined in section 12102(1) of this title), in order to perform national service; and

(III) demonstrate that additional funding would assist the national service program in placing a substantial number of such individuals with a disability as participants in projects carried out through the program.

(ii) Requirements

Funds made available through such a supplemental grant under clause (i) shall be made available for the same purposes, and subject to the same requirements, as funds made available through a grant made under paragraph (1) or (2).

(C) Grants for outreach to individuals with a disability

(i) In general

From the portion of the funds reserved under subparagraph (A) that is not used to make grants under subparagraph (B), the Chief Executive Officer shall make grants to public or private nonprofit organizations to pay for the Federal share described in section 12571(e) of this title of--

(I) providing information about the programs specified in section 12651d(b)(10) of this title to such individuals with a disability who desire to perform national service; and

(II) enabling the individuals to participate in activities carried out through such programs, which may include assisting the placement of the individuals in approved national service positions.

(ii) Application

To be eligible to receive a grant under this subparagraph, an organization described in clause (i) shall submit an application to the Chief Executive Officer at such time, in such manner, and containing such information as the Chief Executive Officer may require.

(e) Application required

The allotment of assistance and approved national service positions to a State or Indian tribe under subsection (a) of this section, and the competitive distribution of assistance under subsection (d) of this section, shall be made by the Corporation only pursuant to an application submitted by a State or other applicant under section 12582 of this title and approved by the Corporation under section 12585 of this title.

(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, taking into consideration funding needs for national service educational awards under subtitle D of this subchapter based on completed service. If appropriations are insufficient to provide the maximum allowable national service educational awards under subtitle D for this subchapter for all eligible participants, the Corporation is authorized to make necessary and reasonable adjustments to program rules.

(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 12601 of this title until such time as the funds are needed.

SEC. 130. [42 U.S.C. 12582] Application for assistance and approved national service positions

(a) Time, manner, and content of application

To be eligible to receive assistance under section 12571 of this title or 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 nonprofit organization, 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 permissible application information

In order to have adequate information upon which to consider an application under section 12585 of this title, the Corporation may require the following information to be provided in an application submitted under subsection (a) of this section:

(1) A description of the national service programs proposed to be carried out directly by the applicant using assistance provided under section 12571 of this title.

(2) A description of the national service programs that are selected by the applicant to receive a grant using assistance requested under section 12571 of this title 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 youth who are individuals with disabilities and economically disadvantaged young men and women, 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 12572(c) of this title.

(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 service 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 of this subchapter 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 each appropriate labor organization (if any) who was consulted and the nature of the consultation.

(13) Such other information as the Corporation may reasonably require.

(c) Required application information

An application submitted under subsection (a) of this section shall contain the following information:

(1) A description of the jobs or positions into which participants will be placed using the assistance provided under section 12571 of this title, including descriptions of specific tasks to be performed by such participants.

(2) A description of the minimum qualifications that individuals shall meet to become participants in such programs.

(d) 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 12571 of this title, but requests national service educational awards for individuals serving in service positions described in section 12573 of this title; or

(B) the applicant requests national service educational awards for service positions described in section 12573 of this title, but the positions are not positions in a national service program described in section 12572(a) of this title for which assistance may be provided under subsection (a) or (b) of section 12571 of this title.

(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.

(e) 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 12571(a) of this title 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 12571(a) of this title to the State will be used to support national service programs that were selected by the State on a competitive basis. In making such competitive selections, the State shall seek to ensure the equitable allocation within the State of assistance and approved national service positions provided under this subtitle to the State taking into consideration such factors as the location of the programs applying to the State, population density, and economic distress.

(3) Assistance to non-state 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.

(f) Special rule for certain applicants

(1) Written concurrence

In the case of a program applicant that proposes to also serve as the service sponsor, the application shall include the written concurrence of any local labor organization representing employees of the service sponsor who are engaged in the same or substantially similar work as that proposed to be carried out.

(2) "Program applicant" defined

For purposes of this subsection, the term "program applicant" means--

(A) a State, subdivision of a State, Indian tribe, public or private nonprofit organization, institution of higher education, or Federal agency submitting an application under this section; or

(B) an entity applying for assistance or approved national service positions through a grant program conducted using assistance provided to a State, subdivision of a State, Indian tribe, public or private nonprofit organization, institution of higher education, or Federal agency under section 12571 of this title.

(g) Limitation on same project in multiple applications

The Corporation shall reject an application submitted under this section if a project proposed to be conducted using assistance requested by the applicant is already described in another application pending before the Corporation.

SEC. 131. [42 U.S.C. 12583] National service program assistance requirements

(a) Impact on communities

An application submitted under section 12582 of this title shall include an assurance by the applicant that any national service program carried out by the applicant using assistance provided under section 12571 of this title 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 12637 of this title and the grievance procedure requirements of section 12636(f) of this title.

(b) Impact on participants

An application submitted under section 12582 of this title shall also include an assurance by the applicant that any national service program carried out by the applicant using assistance provided under section 12571 of this title 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, if appropriate, structured opportunities for participants to reflect on their service experiences.

(c) Consultation

An application submitted under section 12582 of this title shall also include an assurance by the applicant that any national service program carried out by the applicant using assistance provided under section 12571 of this title 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--

(A) the community served and potential participants in the program; and

(B) community-based agencies with a demonstrated record of experience in providing services and local labor organizations representing employees of service sponsors, if these entities exist in the area to be served by the program;

(2) prior to the placement of participants, consult with the appropriate local labor organization, if any, 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 12637 of this title; 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 12582 of this title shall also include an assurance by the applicant that the applicant will--

(A) arrange for an independent evaluation of any national service program carried out using assistance provided to the applicant under section 12571 of this title or, with the approval of the Corporation, conduct an internal evaluation of the program;

(B) apply 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) Evaluation

Subject to paragraph (3), the Corporation shall develop evaluation criteria and performance goals applicable to all national service programs carried out with assistance provided under section 12571 of this title.

(3) Alternative evaluation requirements

The Corporation may establish alternative evaluation requirements for national service programs based upon the amount of assistance received under section 12571 of this title 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 12594(c) of this title, an application submitted under section 12582 of this title shall also include an assurance by the applicant that the applicant will--

(1) ensure the provision of a living allowance and other benefits specified in section 12594 of this title to participants in any national service program carried out by the applicant using assistance provided under section 12571 of this title; 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 12594 of this title 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 12571 of this title 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 12592(d) of this title. The Corporation may specify a minimum percentage of participants to be selected from the national leadership pool established under section 12592(e) of this title and may vary the percentage for different types of national service programs.

SEC. 132. [42 U.S.C. 12584] Ineligible service categories

(a) In general

Except as provided in subsection (b) of this section, an application submitted to the Corporation under section 12582 of this title shall include an assurance by the applicant that any national service program carried out using assistance provided under section 12571 of this title 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;

(4) organization engaged in religious activities, unless such service does not involve the use of assistance provided under section 12571 of this title or participants--

(A) to give religious instruction;

(B) to conduct worship services;

(C) to provide instruction as part of a program that includes mandatory religious education or worship;

(D) to construct or operate facilities devoted to religious instruction or worship or to maintain facilities primarily or inherently devoted to religious instruction or worship; or

(E) to engage in any form of proselytization; or

(5) nonprofit organization that fails to comply with the restrictions contained in section 501(c) of Title 26, except that nothing in this section shall be construed to prevent participants from engaging in advocacy activities undertaken at their own initiative.

(b) Regional Corporation

The requirement of subsection (a) of this section relating to an assurance regarding direct benefits to businesses organized for profit shall not apply with respect to a Regional Corporation, as defined in section 3(g) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(g)), that is established in accordance with such Act [43 U.S.C.A. § 1601 et seq.] as a for-profit corporation but that is engaging in nonprofit activities.

SEC. 133. [42 U.S.C. 12585] Consideration of applications

(a) Corporation consideration of certain criteria

The Corporation shall apply the criteria described in subsections (c) and (d) of this section in determining whether--

(1) to approve an application submitted under section 12582 of this title and provide assistance under section 12571 of this title 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 of this subchapter 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 12571(a) of this title 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) of this section 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 12582 of this title shall contain--

(A) a certification that the State or other entity used 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 12582 of this title 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 the following areas where they are needed most:

(A) Communities designated as empowerment zones or redevelopment areas, targeted for special economic incentives, or otherwise identifiable as having high concentrations of low-income people.

(B) Areas that are environmentally distressed.

(C) Areas adversely affected by Federal actions related to the management of Federal lands that result in significant regional job losses and economic dislocation.

(D) Areas adversely affected by reductions in defense spending or the closure or realignment of military installations.

(E) Areas that have an unemployment rate greater than the national average unemployment for the most recent 12 months for which satisfactory data are available.

(7) In the case of applicants other than States, the extent to which the application is consistent with the application under section 12582 of this title 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 12571 of this title 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

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 12572(a) of this title for priority consideration in the competitive distribution of funds under section 12581(d)(2) of this title. In designating national service programs to receive priority, the Corporation may include--

(A) national service programs carried out by another Federal agency;

(B) national service programs that conform to the national service priorities in effect under section 12572(c) of this title;

(C) innovative national service programs;

(D) 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 12571 of this title;

(E) grant programs in support of other national service programs if the grant programs are to be conducted by nonprofit organizations with a demonstrated and extensive expertise in the provision of services to meet human, educational, environmental, or public safety needs;

(F) professional corps programs described in section 12572(a)(8) of this title; and

(G) programs that--

(i) received funding under part D of this subchapter, as in effect on the day before September 21, 1993;

(ii) the Corporation determines to meet the requirements of sections 12572 (other than subsection (g)), 12573, and 12578 through 12580 of this title, as in effect on such day, in addition to the requirements of this subtitle; and

(iii) include an evaluation component.

(3) Additional priority

In making a competitive distribution of funds under section 12581(d)(2) of this title, the Corporation may give priority consideration to a national service program that is--

(A) proposed in an application submitted by a State Commission; and

(B) not one of the types of programs described in paragraph (2),

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.

(4) Review panel

The Corporation shall--

(A) establish panels of experts for the purpose of securing recommendations on applications submitted under section 12582 of this title for more than $250,000 in assistance, or for national service positions that would require more than $250,000 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 12571 of this title and in providing approved national service positions under section 12573 of this title, 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 12581 of this title for a fiscal year is provided to carry out or support national service programs and projects that--

(1) are conducted in any of the areas described subsection (c)(6) of this section 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 any of such areas 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 12582 of this title for funds described in section 12581(a)(1) of this title, 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 12581(a) of this title 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. [42 U.S.C. 12591] 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 12571 of this title 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 12593 of this title 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) has received a high school diploma or its equivalent, agrees to obtain a high school diploma or its equivalent (unless this requirement is waived based on an individual education assessment conducted by the program) and the individual did not drop out of an elementary or secondary school to enroll in the program, or is enrolled in an institution of higher education on an ability to benefit basis and is considered eligible for funds under section 1091 of Title 20; and

(6) is a citizen or national of the United States or lawful permanent resident alien of the United States.

(b) Special rules for certain youth programs

An individual shall be considered to be a participant in a youth corps program described in section 12572(a)(2) of this title or a program described in section 12572(a)(9) of this title that is carried out with assistance provided under section 12571(a) of this title if the individual--

(1) satisfies the requirements specified in subsection (a) of this section, 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) of this section of this section 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. [42 U.S.C. 12592] Selection of national service participants

(a) Selection process

Subject to subsections (b) and (c) of this section and section 12583(f) of this title, the actual recruitment and selection of an individual to serve in a national service program receiving assistance under section 12571 of this title or to fill an approved national service position shall be conducted by the State, subdivision of a State, Indian tribe, public or private nonprofit 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 12571 of this title or to fill approved national service positions shall be consistent with the requirements of section 12635 of this title.

(c) Second term

Acceptance into a national service program to serve a second term of service under section 12593 of this title 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, which may include positions available under Titles I and II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.) [42 U.S.C.A. §§ 4951 et seq. and 5000 et seq.]. 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 (29 U.S.C. 701 et seq.) and other State agencies that primarily serve individuals with disabilities, and other appropriate entities, particularly those organizations that provide outreach to disadvantaged youths and youths who are individuals with disabilities.

(e) National leadership pool

(1) Selection and training

From among individuals recruited under subsection (d) of this section, 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 12571 of this title;

(D) as participants in programs receiving assistance under part D of this subchapter, as in effect on the day before September 21, 1993; or

(E) as members of the Armed Forces of the United States and who were honorably discharged from such service.

(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.

(f) Evaluation of service

The Corporation shall issue regulations regarding the manner and criteria by which the service of a participant shall be evaluated to determine whether the service is satisfactory and successful for purposes of eligibility for a second term of service or a national service educational award.

SEC. 139. [42 U.S.C. 12593] Terms of service

(a) In general

As a condition of receiving a national service education award under subtitle D of this subchapter, 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) of this section.

(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 900 hours during a period of--

(A) not more than 2 years; or

(B) not more than 3 years if the individual is enrolled in an institute of higher education while performing all or a portion of the 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 of this subchapter with regard to that service.

(c) Release from completing term of service

(1) Release authorized

A recipient of assistance under section 12571 of this title 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 for compelling circumstances

If a participant eligible for release under paragraph (1)(A) is serving in an approved national service position, the recipient of assistance under section 12571 of this title or a program sponsoring an approved national service position may elect--

(A) to grant such release and provide to the participant that portion of the national service educational award corresponding to the portion of the term of service actually completed, as provided in section 12603(c) of this title; or

(B) to permit the participant to temporarily suspend performance of the term of service for a period of up to 2 years (and such additional period as the Corporation may allow for extenuating circumstances) and, upon completion of such period, to allow return to the program with which the individual was serving in order to complete the remainder of the term of service and obtain the entire national service educational award.

(3) Effect of release for cause

A participant released for cause may not receive any portion of the national service educational award.

SEC. 140. [42 U.S.C. 12594] Living allowances for national service participants

(a) Provision of living allowance

(1) Living allowance required

Subject to paragraph (3), a national service program carried out using assistance provided under section 12571 of this title shall provide to each participant who participates on a full-time basis in the program a living allowance in an amount equal to or greater than the average annual subsistence allowance provided to VISTA volunteers under section 4955 of this title.

(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 12571 of this title and using any other Federal funds shall not exceed 85 percent of the total average annual provided to VISTA volunteers under section 4955 of this title.

(3) Maximum living allowance

Except as provided in subsection (c) of this section, 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 4955 of this title.

(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 12593(b)(3) of this title.

(5) Waiver or reduction of living allowance

The Corporation may waive or reduce the requirement of paragraph (1) with respect to such national service program if such program demonstrates that--

(A) such requirement is inconsistent with the objectives of the program; and

(B) the amount of the living allowance that will be provided to each full- time participant is sufficient to meet the necessary costs of living (including food, housing, and transportation) in the area in which the program is located.

(6) Exemption

The requirement of paragraph (1) shall not apply to any program that was in existence on September 21, 1993.

(b) Coverage of certain employment-related taxes

To the extent a national service program that receives assistance under section 12571 of this title is subject, with respect to the participants in the program, to the taxes imposed on an employer under sections 3111 and 3301 of Title 26 and taxes imposed on an employer under a workmen's compensation act, the assistance provided to the program under section 12571 of this title 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 4955 of this title; 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 12572(a)(8) of this title that desires to provide a living allowance in excess of the maximum allowance authorized in subsection (a)(3) of this section may still apply for such assistance, except that--

(1) any assistance provided to the applicant under section 12571 of this title 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 12571 of this title 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 12571 of this title. The Corporation shall establish minimum standards that all plans must 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 12571 of this title may elect to provide from its own funds 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 12571 of this title shall--

(A) make child care available for children of each full-time participant who needs child care in order to participate in a national service program carried out or supported by the recipient using the assistance; 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) Individualized support services

A State or other recipient of assistance under section 12571 of this title shall provide reasonable accommodation, including auxiliary aids and services (as defined in section 12102(1) of this title), based on the individualized need of a participant who is a qualified individual with a disability (as defined in section 12111(8) of this title).

(g) 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.

(h) Limitation on number of terms of service for federally subsidized living allowance

No national service program may use assistance provided under section 12571 of this title, or any other Federal funds, to provide a living allowance under subsection (a) of this section, a health care policy under subsection (d) of this section, or child care or a child care allowance under subsection (e) of this section, to an individual for a third, or subsequent, term of service described in section 12593(b) of this title by the individual in a national service program carried out under this subtitle.

SEC. 141. [42 U.S.C. 12595] National service educational awards

(a) Eligibility generally

A participant in a national service program carried out using assistance provided to an applicant under section 12571 of this title shall be eligible for the national service educational award described in subtitle D of this subchapter if the participant--

(1) serves in an approved national service position; and

(2) satisfies the eligibility requirements specified in section 12602 of this title 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 4955(a)(1) of this title.

SUBTITLE D--NATIONAL SERVICE TRUST AND PROVISION OF NATIONAL SERVICE EDUCATIONAL AWARDS

SEC. 145. [42 U.S.C. 12601] 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 12681(a)(2) of this title, 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 section 12604(e) of this title;

(2) any amounts received by the Corporation as gifts, bequests, devises, or otherwise pursuant to section 12651g(a)(2) of this title; 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 on original issue at the issue price or by purchase of outstanding obligations at the market price. 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, to the extent provided for in advance by appropriation, for payments of national service educational awards in accordance with section 12604 of this title.

(d) Reports to Congress on receipts and expenditures

Not later than March 1 of each year, the Corporation shall submit a report to the Congress on the financial status of the Trust during the preceding fiscal year. 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, bequests, devises, or otherwise pursuant to section 12651g(a)(2) of this title during the period covered by the report, and any amounts obtained by the Trust pursuant to subsection (a)(3) of this section;

(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 expectation to receive national service educational awards during the period covered by the report--

(A) has been reduced pursuant to section 12603(c) of this title; or

(B) has lapsed pursuant to section 12602(d) of this title; and

(4) estimate the number of additional approved national service positions that the Corporation will be able to make available under subtitle C of this subchapter 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. [42 U.S.C. 12602] Individuals eligible to receive a national service educational award from the Trust

(a) Eligible individuals

An individual shall 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) of this section 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 12572(a)(2) of this title or a program described in section 12572(a)(9) of this title;

(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) is enrolled at an institution of higher education on the basis of meeting the standard described in paragraph (1) or (2) of subsection (a) of section 1091 of Title 20 and meets the requirements of subsection (a) of such section; or

(C) has received a waiver described in section 12591(c) of this title; and

(4) is a citizen or national of the United States or lawful permanent resident alien of the United States.

(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 12593(b) of this title.

(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) of this section 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) Seven-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 7-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 7-year period; or

(B) performed another term of service in an approved national service position during that period.

(e) Suspension of eligibility for drug-related offenses

(1) In general

An individual who, after qualifying under this section as an eligible individual, has been convicted under any Federal or State law of the possession or sale of a controlled substance shall not be eligible to receive a national service educational award during the period beginning on the date of such conviction and ending after the interval specified in the following table:

If convicted of:	
The possession of a controlled substance:	Ineligibility period is:
1st conviction	1 year
2nd conviction	2 years
3rd conviction	indefinite
The sale of a controlled substance:	
1st conviction	2 years
2nd conviction	indefinite

(2) Rehabilitation

An individual whose eligibility has been suspended under paragraph (1) shall resume eligibility before the end of the period determined under such paragraph if the individual satisfactorily completes a drug rehabilitation program that complies with such criteria as the Corporation shall prescribe for purposes of this paragraph.

(3) First convictions

An individual whose eligibility has been suspended under paragraph (1) and is convicted of a first offense may resume eligibility before the end of the period determined under such paragraph if the individual demonstrates that he or she has enrolled or been accepted for enrollment in a drug rehabilitation program described in paragraph (2).

(4) "Controlled substance" defined

As used in this subsection, the term "controlled substance" has the meaning given in section 802(6) of Title 21.

(5) Effective date

This subsection shall be effective upon publication by the Corporation in the Federal Register of criteria prescribed under paragraph (2).

(f) Authority to establish demonstration programs

The Corporation may establish by regulation demonstration programs for the creation and evaluation of innovative volunteer and community service programs.

SEC. 147. [42 U.S.C. 12603] Determination of amount of national service educational award

(a) Amount for full-time national service

Except as provided in subsection (c) of this section, an individual described in section 12602(a) of this title who successfully completes a required term of full-time national service in an approved national service position shall receive a national service educational award having a value, for each of not more than 2 of such terms of service, equal to 90 percent of--

(1) one-half of an amount equal to the aggregate basic educational assistance allowance provided in section 3015(b)(1) of Title 38 (as in effect on July 28, 1993), for the period referred to in section 3013(a)(1) of Title 38 (as in effect on July 28, 1993), for a member of the Armed Forces who is entitled to such an allowance under section 3011 of Title 38 and whose initial obligated period of active duty is 2 years; less

(2) one-half of the aggregate basic contribution required to be made by the member in section 3011(b) of Title 38 (as in effect on July 28, 1993).

(b) Amount for part-time national service

Except as provided in subsection (c) of this section, an individual described in section 12602(a) of this title who successfully completes a required term of part-time national service in an approved national service position shall receive a national service educational award having a value, for each of not more than 2 of such terms of service, equal to 50 percent of value of the national service educational award determined under subsection (a) of this section.

(c) Award for partial completion of service

If an individual serving in an approved national service position is released in accordance with section 12593(c)(1)(A) of this title from completing the full-time or part-time 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. [42 U.S.C. 12604] 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) of this section;

(2) to pay all or part of the cost of attendance at an institution of higher education in accordance with subsection (c) of this section;

(3) to pay expenses incurred in participating in an approved school-to-work program in accordance with subsection (d) of this section; and

(4) to pay interest expenses in accordance with regulations prescribed pursuant to subsection (e) of this section.

(b) Use of educational award to repay outstanding student loans

(1) Application by eligible individuals

An eligible individual under section 12602 of this title 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, if the outstanding balance is greater than the amount disbursed under paragraph (2), which of the loans the individual prefers to be paid by the Corporation; 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 that the eligible individual has earned. 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 be applied according to the specified priorities of the individual.

(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) Notification of individual

The Corporation upon disbursing the national service educational award, shall notify the individual of the amount paid for each outstanding loan and the date of payment.

(6) Authority to aggregate payments

The Corporation may, by regulation, provide for the aggregation of payments to holders under this subsection.

(7) "Qualified student loans" defined

As used in this subsection, the term "qualified student loans" means--

(A) any loan made, insured, or guaranteed pursuant to title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq. [and 42 U.S.C.A. § 2751 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

(B) any loan made pursuant to title VII or VIII of the Public Health Service Act [42 U.S.C.A. § 292 et seq., § 296 et seq.].

(8) "Holder" defined

As used in this subsection, 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 12602 of this title who desires to apply the individual's national service educational award to the payment of current full-time or part-time educational expenses 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);

(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. [and 42 U.S.C.A. § 2751 et seq.]) has not been limited, suspended, or terminated; and

(iii) individuals using national service educational awards received under this subtitle to pay for educational costs do not comprise more than 15 percent of the total student population of the institution; 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 scheduled to receive. 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 1/2 of such total amount. The interval between the first and second such installment shall not be less than 1/2 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 subtitle 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 of this subchapter.

(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 shall 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)(6) of this section), if the eligible individual successfully completes the individual's required term of service (as determined under section 12602(b) of this title). Such regulations shall be prescribed after consultation with the Secretary of Education.

(f) Exception

With the approval of the Director, an approved national service program funded under section 12571 of this title, may offer participants the option of waiving their right to receive a national service educational award in order to receive an alternative post-service benefit funded by the program entirely with non- Federal funds.

(g) "Institution of higher education" defined

Notwithstanding section 12511 of this title, for purposes of this section the term "institution of higher education" has the meaning provided by section 102 of the Higher Education Act of 1965 [20 U.S.C.A. § 1002].

SUBTITLE E--CIVILIAN COMMUNITY CORPS

SEC. 151. [42 U.S.C. 12611] Purpose

It is the purpose of this subtitle to authorize the establishment of a Civilian Community Corps to provide a basis for determining--

(1) whether residential service programs administered by the Federal Government can significantly increase the support for national service and community service by the people of the United States;

(2) whether such programs can expand the opportunities for willing young men and women to perform meaningful, direct, and consequential acts of community service in a manner that will enhance their own skills while contributing to their understanding of civic responsibility in the United States;

(3) whether retired members and former members of the Armed Forces of the United States, members and former members of the Armed Forces discharged or released from active duty in connection with reduced Department of Defense spending, members and former members of the Armed Forces discharged or transferred from the Selected Reserve of the Ready Reserve in connection with reduced Department of Defense spending, and other members of the Armed Forces not on active duty and not actively participating in a reserve component of the Armed Forces can provide guidance and training under such programs that contribute meaningfully to the encouragement of national and community service; and

(4) whether domestic national service programs can serve as a substitute for the traditional option of military service in the Armed Forces of the United States which, in times of reductions in the size of the Armed Forces, is a diminishing national service opportunity for young Americans.

SEC. 152. [42 U.S.C. 12612] Establishment of Civilian Community Corps Demonstration Program

(a) In general

The Corporation may establish the Civilian Community Corps Demonstration Program to carry out the purpose of this subtitle.

(b) Program components

Under the Civilian Community Corps Demonstration Program authorized by subsection (a) of this section, the members of a Civilian Community Corps shall receive training and perform service in at least one of the following two program components:

(1) A national service program.

(2) A summer national service program.

(c) Residential programs

Both program components are residential programs. The members of the Corps in each program shall reside with other members of the Corps in Corps housing during the periods of the members' agreed service.

SEC. 153. [42 U.S.C. 12613] National service program

(a) In general

Under the national service program component of the Civilian Community Corps Demonstration Program authorized by section 12612(a) of this title, eligible young people shall work in teams on Civilian Community Corps projects.

(b) Eligible participants

A person shall be eligible for selection for the national service program if the person--

(1) is at least 16 and not more than 24 years of age; and

(2) is a high school graduate or has not received a high school diploma or its equivalent.

(c) Diverse backgrounds of participants

In selecting persons for the national service program, the Director shall endeavor to ensure that participants are from economically, geographically, and ethnically diverse backgrounds.

(d) Necessary participants

To the extent practicable, at least 50 percent of the participants in the national service program shall be economically disadvantaged youths.

(e) Period of participation

Persons desiring to participate in the national service program shall enter into an agreement with the Director to participate in the Corps for a period of not less than nine months and not more than one year, as specified by the Director, and may renew the agreement for not more than one additional such period.

SEC. 154. [42 U.S.C. 12614] Summer national service program

(a) In general

Under the summer national service program of the Civilian Community Corps Demonstration Program authorized by section 12612(a) of this title, a diverse group of youth aged 14 through 18 years who are from urban or rural areas shall work in teams on Civilian Community Corps projects.

(b) Necessary participants

To the extent practicable, at least 50 percent of the participants in the summer national service program shall be economically disadvantaged youths.

(c) Seasonal program

The training and service of Corps members under the summer national service program in each year shall be conducted after April 30 and before October 1 of that year.

SEC. 155. [42 U.S.C. 12615] Civilian Community Corps

(a) Director

Upon the establishment of the Civilian Community Corps Demonstration Program, the Civilian Community Corps shall be under the direction of the Director appointed pursuant to section 12619(c)(1) of this title.

(b) Membership in Civilian community Corps

(1) Participants to be members

Persons selected to participate in the national service program or the summer national service program components of the Program shall become members of the Civilian Community Corps.

(2) Selection of members

The Director or the Director's designee shall select individuals for membership in the Corps.

(3) Application for membership

To be selected to become a Corps member an individual shall submit an application to the Director or to any other office as the Director may designate, at such time, in such manner, and containing such information as the Director shall require. At a minimum, the application shall contain information about the work experience of the applicant and sufficient information to enable the Director, or the superintendent of the appropriate camp, to determine whether selection of the applicant for membership in the Corps is appropriate.

(c) Organization of Corps into units

(1) Units

The Corps shall be divided into permanent units. Each Corps member shall be assigned to a unit.

(2) Unit leaders

The leader of each unit shall be selected from among persons in the permanent cadre established pursuant to section 12619(c)(2) of this title. The designated leader shall accompany the unit throughout the period of agreed service of the members of the unit.

(d) Camps

(1) Units to be assigned to camps

The units of the Corps shall be grouped together as appropriate in camps for operational, support, and boarding purposes. The Corps camp for a unit shall be in a facility or central location established as the operational headquarters and boarding place for the unit. Corps members may be housed in the camps.

(2) Camp superintendent

There shall be a superintendent for each camp. The superintendent is the head of the camp.

(3) Eligible site for camp

A camp may be located in a facility referred to in section 12622(a)(3) of this title.

(e) Distribution of units and camps

The Director shall ensure that the Corps units and camps are distributed in urban areas and rural areas in various regions throughout the United States.

(f) Standards of conduct

(1) In general

The superintendent of each camp shall establish and enforce standards of conduct to promote proper moral and disciplinary conditions in the camp.

(2) Sanctions

Under procedures prescribed by the Director, the superintendent of a camp may--

(A) transfer a member of the Corps in that camp to another unit or camp if the superintendent determines that the retention of the member in the member's unit or in the superintendent's camp will jeopardize the enforcement of the standards or diminish the opportunities of other Corps members in that unit or camp, as the case may be; or

(B) dismiss a member of the Corps from the Corps if the superintendent determines that retention of the member in the Corps will jeopardize the enforcement of the standards or diminish the opportunities of other Corps members.

(3) Appeals

Under procedures prescribed by the Director, a member of the Corps may appeal to the Director a determination of a camp superintendent to transfer or dismiss the member. The Director shall provide for expeditious disposition of appeals under this paragraph.

SEC. 156. [42 U.S.C. 12616] Training

(a) Common curriculum

Each member of the Civilian Community Corps shall be provided with between three and six weeks of training that includes a comprehensive service-learning curriculum designed to promote team building, discipline, leadership, work, training, citizenship, and physical conditioning.

(b) Advanced service training

(1) National service program

Members of the Corps participating in the national service program shall receive advanced training in basic, project-specific skills that the members will use in performing their community service projects.

(2) Summer national service program

Members of the Corps participating in the summer national service program shall not receive advanced training referred to in paragraph (1) but, to the extent practicable, may receive other training.

(c) Training personnel

(1) In general

Members of the cadre appointed under section 12619(c)(2) of this title shall provide the training for the members of the Corps, including, as appropriate, advanced service training and ongoing training throughout the members' periods of agreed service.

(2) Coordination with other entities

Members of the cadre may provide the advanced service training referred to in subsection (b)(1) of this section in coordination with vocational or technical schools, other employment and training providers, existing youth service programs, or other qualified individuals.

(d) Facilities

The training may be provided at installations and other facilities of the Department of Defense, and at National Guard facilities, identified under section 12622(a)(3) of this title.

SEC. 157. [42 U.S.C. 12617] Service projects

(a) Project requirements

The service projects carried out by the Civilian Community Corps shall--

(1) meet an identifiable public need;

(2) emphasize the performance of community service activities that provide meaningful community benefits and opportunities for service learning and skills development;

(3) to the maximum extent practicable, encourage work to be accomplished in teams of diverse individuals working together; and

(4) include continued education and training in various technical fields.

(b) Project proposals

(1) Development of proposals

(A) Specific executive departments

Upon the establishment of the Program, the Secretary of Agriculture, the Secretary of the Interior, and the Secretary of Housing and Urban Development shall develop proposals for Corps projects pursuant to guidance which the Director shall prescribe.

(B) Other sources

Other public and private organizations and agencies, including representatives of local communities in the vicinity of a Corps camp, may develop proposals for projects for a Corps camp. Corps members shall also be encouraged to identify projects for the Corps.

(2) Consultation requirements

The process for developing project proposals under paragraph (1) shall include consultation with the Corporation, representatives of local communities, and persons involved in other youth service programs.

(c) Project selection, organization, and performance

(1) Selection

The superintendent of a Corps camp shall select the projects to be performed by the members of the Corps assigned to the units in that camp. The superintendent shall select projects from among the projects proposed or identified pursuant to subsection (b) of this section.

(2) Innovative local arrangements for project performance

The Director shall encourage camp superintendents to negotiate with representatives of local communities, to the extent practicable, innovative arrangements for the performance of projects. The arrangements may provide for cost-sharing and the provision by the communities of in-kind support and other support.

SEC. 158. [42 U.S.C. 12618] Authorized benefits for Corps members

(a) In general

The Director shall provide for members of the Civilian Community Corps to receive benefits authorized by this section.

(b) Living allowance

The Director shall provide a living allowance to members of the Corps for the period during which such members are engaged in training or any activity on a Corps project. The Director shall establish the amount of the allowance at any amount not in excess of the amount equal to 100 percent of the poverty line that is applicable to a family of two (as defined by the Office of Management and Budget and revised annually in accordance with section 9902(2) of this title.

(c) Other authorized benefits

While receiving training or engaging in service projects as members of the Civilian Community Corps, members may be provided the following benefits:

(1) Allowances for travel expenses, personal expenses, and other expenses.

(2) Quarters.

(3) Subsistence.

(4) Transportation.

(5) Equipment.

(6) Clothing.

(7) Recreational services and supplies.

(8) Other services determined by the Director to be consistent with the purposes of the Program.

(d) Supportive services

As the Director determines appropriate, the Director may provide each member of the Corps with health care services, child care services, counseling services, and other supportive services.

(e) Post-service benefits

Upon completion of the agreed period of service with the Corps, a member shall elect to receive the educational assistance under subsection (f) of this section or the cash benefit under subsection (g) of this section.

(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 of this subchapter if the Corps member--

(1) serves in an approved national service position; and

(2) satisfies the eligibility requirements specified in section 12602 of this title 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 of this subchapter, the Director may provide for the provision of a suitable alternative benefit for the Corps member.

SEC. 159. [42 U.S.C. 12619] Administrative provisions

(a) Supervision

The Chief Executive Officer shall monitor and supervise the administration of the Civilian Community Corps Demonstration Program authorized to be established under section 12612 of this title. In carrying out this section, the Chief Executive Officer shall--

(1) approve such guidelines, recommended by the Board, for the design, selection of members, and operation of the Civilian Community Corps as the Chief Executive Officer considers appropriate;

(2) evaluate the progress of the Corps in providing a basis for determining the matters set forth in section 12611 of this title; and

(3) carry out any other activities determined appropriate by the Board.

(b) Monitoring and coordination

The Chief Executive Officer shall--

(1) monitor the overall operation of the Civilian Community Corps;

(2) coordinate the activities of the Corps with other youth service programs administered by the Corporation; and

(3) carry out any other activities determined appropriate by the Board.

(c) Staff

(1) Director

(A) Appointment

Upon the establishment of the Program, the Chief Executive Officer shall appoint a Director. The Director may be selected from among retired commissioned officers of the Armed Forces of the United States.

(B) Duties

The Director shall--

(i) design, develop, and administer the Civilian Community Corps programs;

(ii) be responsible for managing the daily operations of the Corps; and

(iii) report to the Chief Executive Officer.

(C) Authority to employ staff

The Director may employ such staff as is necessary to carry out this subtitle. The Director shall, to the maximum extent practicable, utilize in staff positions personnel who are detailed from departments and agencies of the Federal Government and, to the extent the Director considers appropriate, shall request and accept detail of personnel from such departments and agencies in order to do so.

(2) Permanent cadre

(A) Establishment

The Director shall establish a permanent cadre of supervisors and training instructors for Civilian Community Corps programs.

(B) Appointment

The Director shall appoint the members of the permanent cadre.

(C) Employment considerations

In appointing individuals to cadre positions, the Director shall--

(i) give consideration to retired, discharged, and other inactive members and former members of the Armed Forces recommended under section 12622(a)(2) of this title;

(ii) give consideration to former VISTA, Peace Corps, and youth service program personnel;

(iii) ensure that the cadre is comprised of males and females of diverse ethnic, economic, professional, and geographic backgrounds; and

(iv) consider applicants' experience in other youth service programs.

(D) Community service credit

Service as a member of the cadre shall be considered as a community service opportunity for purposes of section 4403 of the National Defense Authorization Act for Fiscal Year 1993 and as employment with a public service or community service organization for purposes of section 4464 of that Act.

(E) Training

The Director shall provide to members of the permanent cadre appropriate training in youth development techniques and the principles of service learning. All members of the permanent cadre shall be required to participate in the training.

(3) Inapplicability of certain civil service laws

The Director, the members of the permanent cadre, and the other staff personnel shall be appointed without regard to the provisions of Title 5 governing appointments in the competitive service. The rates of pay of such persons may be established without regard to the provisions of chapter 51 and subchapter III of chapter 53 of Title 5. In the case of a member of the permanent cadre who was recommended for appointment in accordance with section 12622(a)(2)(A) of this title and is entitled to retired or retainer pay, section 5532 of Title 5 shall not apply to reduce the member's retired or retainer pay by reason of the member being paid as a member of the cadre.

(4) Voluntary services

Notwithstanding any other provision of law, the Director may accept the voluntary services of individuals. While away from their homes or regular places of business on the business of the Corps, such individuals may be allowed travel expenses, including per diem in lieu of subsistence, in the same amounts and to the same extent, as authorized under section 5703 of Title 5 for persons employed intermittently in Federal Government service.

SEC. 160. [42 U.S.C. 12620] Status of Corps members and Corps personnel under Federal law

(a) In general

Except as otherwise provided in this section, members of the Civilian Community Corps shall not, by reason of their status as such members, be considered Federal employees or be subject to the provisions of law relating to Federal employment.

(b) Work-related injuries

(1) In general

For purposes of subchapter I of chapter 81 of Title 5 relating to the compensation of Federal employees for work injuries, members of the Corps shall be considered as employees of the United States within the meaning of the term "employee", as defined in section 8101 of Title 5.

(2) Special rule

In the application of the provisions of subchapter I of chapter 81 of Title 5 to a person referred to in paragraph (1), the person shall not be considered to be in the performance of duty while absent from the person's assigned post of duty unless the absence is authorized in accordance with procedures prescribed by the Director.

(c) Tort claims procedure

A member of the Corps shall be considered an employee of the United States for purposes of chapter 171 of Title 28 relating to tort claims liability and procedure.

SEC. 161. [42 U.S.C. 12621] Contract and grant authority

(a) Programs

The Director may, by contract or grant, provide for any public or private organization to perform any program function under this subtitle.

(b) Equipment and facilities

(1) Federal and National Guard property

The Director shall enter into agreements, as necessary, with the Secretary of Defense, the Governor of a State, territory or commonwealth, or the commanding general of the District of Columbia National Guard, as the case may be, to utilize--

(A) equipment of the Department of Defense and equipment of the National Guard; and

(B) Department of Defense facilities and National Guard facilities identified pursuant to section 12622(a)(3) of this title.

(2) Other property

The Director may enter into contracts or agreements for the use of other equipment or facilities to the extent practicable to train and house members of the Civilian Community Corps and leaders of Corps units.

SEC. 162. [42 U.S.C. 12622] Responsibilities of other departments

(a) Secretary of Defense

(1) Liaison office

(A) Establishment

Upon the establishment of the Program, the Secretary of Defense shall establish an office to provide for liaison between the Secretary and the Civilian Community Corps.

(B) Duties

The office shall--

(i) in order to assist in the recruitment of personnel for appointment in the permanent cadre, make available to the Director information in the registry established by section 1143a of Title 10; and

(ii) provide other assistance in the coordination of Department of Defense activities with the Corps.

(2) Corps cadre

(A) List of recommended personnel

Upon the establishment of the Program, the Secretary of Defense, in consultation with the liaison office established under paragraph (1) shall develop a list of individuals to be recommended for appointment in the permanent cadre of Corps personnel. Such personnel shall be selected from among members and former members of the Armed Forces referred to in section 12611(3) of this title who are commissioned officers, noncommissioned officers, former commissioned officers, or former noncommissioned officers.

(B) Recommendations regarding grade and pay

The Secretary of Defense shall recommend to the Director an appropriate rate of pay for each person recommended for the cadre pursuant to this paragraph.

(C) Contribution for retired member's pay

If a listed individual receiving retired or retainer pay is appointed to a position in the cadre and the rate of pay for that individual is established at the amount equal to the difference between the active duty pay and allowances which that individual would receive if ordered to active duty and the amount of the individual's retired or retainer pay, the Secretary of Defense shall pay, by transfer to the Corporation from amounts available for pay of active duty members of the Armed Forces, the amount equal to 50 percent of that individual's rate of pay for service in the cadre.

(3) Facilities

Upon the establishment of the Program, the Secretary of Defense shall 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 Civilian Community Corps for training or housing Corps members. The Secretary of Defense shall carry out this paragraph in consultation with the liaison office established under paragraph (1).

(4) Information regarding Corps

The Secretary of Defense may permit Armed Forces recruiters to inform potential applicants for the Corps regarding service in the Corps as an alternative to service in the Armed Forces.

(b) Secretary of Labor

Upon the establishment of the Program, the Secretary of Labor shall identify and assist in establishing a system for the recruitment of persons to serve as members of the Civilian Community Corps. In carrying out this subsection, the Secretary of Labor may utilize the Employment Service Agency or the Office of Job Training.

SEC. 163. [42 U.S.C. 12623] Advisory Board

(a) Establishment and purpose

Upon the establishment of the Program, there shall also be established a Civilian Community Corps Advisory Board to advise the Director concerning the administration of this subtitle and to assist in the development and administration of the Corps.

(b) Membership

The Advisory Board shall be composed of the following members:

(1) The Secretary of Labor.

(2) The Secretary of Defense.

(3) The Secretary of the Interior.

(4) The Secretary of Agriculture.

(5) The Secretary of Education.

(6) The Secretary of Housing and Urban Development.

(7) The Chief of the National Guard Bureau.

(8) Individuals appointed by the Director from among persons who are broadly representative of educational institutions, voluntary organizations, industry, youth, and labor unions.

(9) The Chief Executive Officer.

(c) Inapplicability of termination requirement

Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Advisory Board.

SEC. 164. [42 U.S.C. 12624] Annual evaluation

Pursuant to the provisions for evaluations conducted under section 12639 of this title, and in particular subsection (g) of such section, the Corporation shall conduct an annual evaluation of the Civilian Community Corps programs authorized under this subtitle.

SEC. 165. [42 U.S.C. 12625] Funding limitation

The Corporation, in consultation with the Director, shall ensure that no amounts appropriated under section 12681 of this title are utilized to carry out this subtitle.

SEC. 166. [42 U.S.C. 12626] Definitions

In this subtitle:

(1) Board

The term "Board" means the Board of Directors of the Corporation.

(2) Corps

The terms "Civilian Community Corps" and "Corps" mean the Civilian Community Corps required under section 12615 of this title as part of the Civilian Community Corps Demonstration Program.

(3) Corps camp

The term "Corps camp" means the facility or central location established as the operational headquarters and boarding place for particular Corps units.

(4) Corps members

The term "Corps members" means persons receiving training and participating in projects under the Civilian Community Corps Demonstration Program.

(5) Director

The term "Director" means the Director of the Civilian Community Corps.

(6) Institution of higher education

The term "institution of higher education" has the meaning given that term in section 1001 of Title 20.

(7) Program

The terms "Civilian Community Corps Demonstration Program" and "Program" mean the Civilian Community Corps Demonstration Program established pursuant to section 12612 of this title.

(8) Service learning

The term "service learning", with respect to Corps members, means a method--

(A) under which Corps members learn and develop through active participation in thoughtfully organized service experiences that meet actual community needs;

(B) that provides structured time for a Corps member to think, talk, or write about what the Corps member did and saw during an actual service activity;

(C) that provides Corps members with opportunities to use newly acquired skills and knowledge in real life situations in their own communities; and

(D) that helps to foster the development of a sense of caring for others, good citizenship, and civic responsibility.

(9) Superintendent

The term "superintendent", with respect to a Corps camp, means the head of the camp under section 12615(d) of this title.

(10) Unit

The term "unit" means a unit of the Corps referred to in section 12615(c) of this title.

SUBTITLE F--ADMINISTRATIVE PROVISIONS

SEC. 171. [42 U.S.C. 12631] 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.A. § 2611 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 [29 U.S.C.A. § 2611(2)(A)(ii)] with respect to a project; and

(2) the service sponsor of the project is an employer described in section 101(4) of such Act [29 U.S.C.A. § 2611(4)] (other than an employing agency within the meaning of subchapter V of chapter 63 of Title 5),

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, 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.

(c) Treatment of absence

The period of any absence of a participant from a service position pursuant to title I of the Family and Medical Leave Act of 1993 [29 U.S.C.A. § 2611 et seq.] or subchapter V of chapter 63 of Title 5 shall not be counted toward the completion of the term of service of the participant under section 12593 of this title.

SEC. 172. [42 U.S.C. 12632] Reports

(a) State reports

(1) In general

Each State receiving assistance under this subchapter shall prepare and submit, to the Corporation, an annual report concerning the use of assistance provided under this subchapter and the status of the national and community service programs that receive assistance under such subchapter in such State.

(2) Local grantees

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

(3) Report demonstrating compliance

(A) In general

Each State receiving assistance under this subchapter shall include information in the report required under paragraph (1) that demonstrates the compliance of the State with the provisions of this chapter, including section 12637 of this title.

(B) Local grantees

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

(4) Availability of report

Reports submitted under paragraph (1) shall be made available to the public on request.

(b) Report to Congress by Corporation

(1) In general

Not later than 120 days after the end of each fiscal year, the Corporation shall prepare and submit, to the appropriate authorizing and appropriation Committees of Congress, a report concerning the programs that receive assistance under the national service laws.

(2) Content

Reports submitted under paragraph (1) shall contain a summary of the information contained in the State reports submitted under subsection (a) of this section, and shall reflect the findings and actions taken as a result of any evaluation conducted by the Corporation.

(c) Report to Congress by Secretary of Defense

(1) Study

The Secretary of Defense shall annually conduct a study of the effect of the programs carried out under this subchapter on recruitment for the Armed Forces.

(2) Report

The Secretary of Defense shall annually submit a report to the appropriate committees of Congress containing the findings of the study described in paragraph (1) and such recommendations for legislative and administrative reform as the Secretary may determine to be appropriate.

SEC. 173. [42 U.S.C. 12633] Supplementation

(a) In general

Assistance provided under this subchapter shall be used to supplement the level of State and local public funds expended for services of the type assisted under this subchapter in the previous fiscal year.

(b) Aggregate expenditure

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

SEC. 174. [42 U.S.C. 12634] Prohibition on use of funds

(a) Prohibited uses

No assistance made available under a grant under this subchapter shall be used to provide religious instruction, conduct worship services, or engage in any form of proselytization.

(b) Political activity

Assistance provided under this subchapter shall not be used by program participants and program staff to--

(1) assist, promote, or deter union organizing; or

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

(c) Contracts or collective bargaining agreements

A program that receives assistance under this subchapter shall not impair existing contracts for services or collective bargaining agreements.

SEC. 175. [42 U.S.C. 12635] Nondiscrimination

(a) In general

(1) Basis

An individual with responsibility for the operation of a project that receives assistance under this subchapter 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) "Qualified individual with a disability" defined

As used in paragraph (1), the term "qualified individual with a disability" has the meaning given the term in section 12111(8) of this title.

(b) Federal financial assistance

Any assistance provided under this subchapter 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 subchapter 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 subchapter.

(2) Exception

Paragraph (1) shall not apply to the employment, with assistance provided under this subchapter, of any member of the staff, of a project that receives assistance under this subchapter, who was employed with the organization operating the project on the date the grant under this subchapter was awarded.

(d) Rules and regulations

The Chief Executive Officer 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. 176. [42 U.S.C. 12636] Notice, hearing, and grievance procedures

(a) In general

(1) Suspension of payments

The Corporation may in accordance with the provisions of this subchapter, suspend or terminate payments under a contract or grant providing assistance under this subchapter, or revoke the designation of positions, related to the grant or contract, as approved national service positions, whenever the Corporation determines there is a material failure to comply with this subchapter or the applicable terms and conditions of any such grant or contract issued pursuant to this subchapter.

(2) Procedures to ensure assistance

The Corporation shall prescribe procedures to ensure that--

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

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

(b) Hearings

Hearings or other meetings that may be necessary to fulfill the requirements of this section shall be held at locations convenient to the recipient of assistance under this subchapter.

(c) Transcript or recording

A transcript or recording shall be made of a hearing conducted under this section and shall be available for inspection by any individual.

(d) State legislation

Nothing in this subchapter shall be construed to preclude the enactment of State legislation providing for the implementation, consistent with this subchapter, of the programs administered under this subchapter.

(e) Construction

Nothing in this subchapter shall be construed to link performance of service with receipt of Federal student financial assistance, other than assistance provided pursuant to this chapter.

(f) Grievance procedure

(1) In general

A State or local applicant that receives assistance under this subchapter 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 subchapter, 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 Chief Executive Officer 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 Chief Executive Officer 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 or local applicant described in paragraph (1) 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 subchapter, 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 subchapter;

(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 12637 of this title and the employer of the displaced employee is the recipient of assistance under this subchapter--

(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 12637 of this title 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. 177. [42 U.S.C. 12637] Nonduplication and nondisplacement

(a) Nonduplication

(1) In general

Assistance provided under this subchapter shall be used only for a program that does not duplicate, and is in addition to, an activity otherwise available in the locality of such program.

(2) Private nonprofit entity

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

(b) Nondisplacement

(1) In general

An employer shall not displace an employee or position, including partial displacement such as reduction in hours, wages, or employment benefits, as a result of the use by such employer of a participant in a program receiving assistance under this subchapter.

(2) Service opportunities

A service opportunity shall not be created under this subchapter that will infringe in any manner on the promotional opportunity of an employed individual.

(3) Limitation on services

(A) Duplication of services

A participant in a program receiving assistance under this subchapter shall not perform any services or duties or engage in activities that would otherwise be performed by an employee as part of the assigned duties of such employee.

(B) Supplantation of hiring

A participant in any program receiving assistance under this subchapter 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.

(C) Duties formerly performed by another employee

A participant in any program receiving assistance under this subchapter shall not perform services or duties that have been performed by or were assigned to any--

(i) presently employed worker;

(ii) employee who recently resigned or was discharged;

(iii) employee who--

(I) is subject to a reduction in force; or

(II) has recall rights pursuant to a collective bargaining agreement or applicable personnel procedures;

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

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

(c) Labor market information

The Secretary of Labor shall make available to the Corporation and to any program agency under this subchapter such labor market information as is appropriate for use in carrying out the purposes of this subchapter.

(d) Treatment of benefits

Allowances, earnings, and payments to individuals participating in programs that receive assistance under this subchapter [42 U.S.C.A. § 12511 et seq.] shall not be considered to be income for the purposes of determining eligibility for and the amount of income transfer and in-kind aid furnished under any Federal or federally assisted program based on need, other than as provided under the Social Security Act (42 U.S.C. 301 et seq.).

(e) Standards of conduct

Programs that receive assistance under this subchapter shall establish and stringently enforce standards of conduct at the program site to promote proper moral and disciplinary conditions.

SEC. 178. [42 U.S.C. 12638] 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 of this subchapter or to receive a distribution of approved national service positions under subtitle C of this subchapter, 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 chapter. The chief executive officer shall ensure that any alternative administrative entity used in lieu of a State Commission provides for the individuals described in paragraph (1), and some of the individuals described in paragraph (2), of subsection (c) of this section 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 12543 and 12582 of this title.

(b) Appointment and size

Except as provided in subsection (c)(3) of this section, 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 fewer than 15, and not more than 25, voting members, and any ex officio nonvoting members, as described in paragraph (3) or (4) of subsection (c) of this section.

(c) Composition and membership

(1) Required members

The State Commission for a State shall include as voting members at least one of each of the following individuals:

(A) An individual with expertise in the educational, training, and development needs of youth, particularly disadvantaged youth.

(B) An individual with experience in promoting the involvement of older adults in service and voluntarism.

(C) A representative of community-based agencies or community-based organizations within the State.

(D) The head of the State educational agency.

(E) A representative of local governments in the State.

(F) A representative of local labor organizations in the State.

(G) A representative of business.

(H) An individual between the ages of 16 and 25 who is a participant or supervisor in a program.

(I) A representative of a national service program described in section 12572(a) of this title, such as a youth corps program described in section 12572(a)(2) of this title.

(2) Sources of other members

The State Commission for a State may include as voting members the following individuals:

(A) Members selected from among local educators.

(B) Members selected from among experts in the delivery of human, educational, environmental, or public safety services to communities and persons.

(C) Representatives of Indian tribes.

(D) Members selected from among out-of-school youth or other at-risk youth.

(E) Representatives of entities that receive assistance under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.).

(3) Corporation representative

The representative of the Corporation designated under section 12651f(c) of this title for a State shall be an ex officio nonvoting member of the State Commission or alternative administrative entity for that State, unless the State permits the representative to serve as a voting member of the State Commission or alternative administrative entity.

(4) Ex officio State representatives

The chief executive officer of a State 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

If a vacancy occurs on a State Commission, a new member shall be appointed by the chief executive officer 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.

(6) Limitation on member participation

(A) General limitation

Except as provided in subparagraph (B), a voting member of the State Commission (or of an alternative administrative entity) shall not participate in the administration of the grant program (including any discussion or decision regarding the provision of assistance or approved national service positions, or the continuation, suspension, or termination of such assistance or such positions, to any program or entity) described in subsection (e)(9) of this section if--

(i) a grant application relating to such program is pending before the Commission (or such entity); and

(ii) the application was submitted by a program or entity of which such member is, or in the 1-year period before the submission of such application was, an officer, director, trustee, full-time volunteer, or employee.

(B) Exception

If, as a result of the operation of subparagraph (A), the number of voting members of the Commission (or of such entity) is insufficient to establish a quorum for the purpose of administering such program, then voting members excluded from participation by subparagraph (A) may participate in the administration of such program, notwithstanding the limitation in subparagraph (A), to the extent permitted by regulations issued under section 12651d(b)(11) of this title by the Corporation.

(C) Rule of construction

Subparagraph (A) shall not be construed to limit the authority of any voting member of the Commission (or of such entity) to participate in--

(i) discussion of, and hearing and forums on--

(I) the general duties, policies, and operations of the Commission (or of such entity); or

(II) the general administration of such program; or

(ii) similar general matters relating to the Commission (or such entity).

(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) is developed through an open and public process (such as through regional forums, hearings, and other means) that provides for maximum participation and input from national service programs within the State and other interested members of the public;

(B) covers a 3-year period;

(C) is updated annually;

(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; and

(E) contains such information as the State Commission considers to be appropriate or as the Corporation may require.

(2) Preparation of the applications of the State under sections 12543 and 12582 of this title for financial assistance.

(3) Assistance in the preparation of the application of the State educational agency for assistance under section 12525 of this title.

(4) Preparation of the application of the State under section 12582 of this title for the approval of service positions that include the national service educational award described in subtitle D of this subchapter.

(5) Make recommendations to the Corporation with respect to priorities for programs receiving assistance under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.).

(6) Make technical assistance available to enable applicants for assistance under section 12571 of this title--

(A) to plan and implement service programs; and

(B) to apply for assistance under the national service laws using, if appropriate, information and materials available through a clearinghouse established under section 12653a of this title.

(7) Assistance in the provision of health care and child care benefits under section 12594 of this title to participants in national service programs that receive assistance under section 12571 of this title.

(8) Development of a State system for the recruitment and placement of participants in programs that receive assistance under the national service laws and dissemination of information concerning national service programs that receive such assistance or approved national service positions.

(9) 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 12571 of this title, including selection, oversight, and evaluation of grant recipients.

(10) 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 12571 of this title, 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 12571 of this title.

(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 nonprofit 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, which shall not be unreasonably withheld. The Corporation shall approve an alternative administrative entity if such entity provides for individuals described in paragraph (1), and some of the individuals described in paragraph (2), of subsection (c) of this section to play a significant policymaking role in carrying out the duties otherwise entrusted to a State Commission, including the duties described in paragraphs (1) through (4) of subsection (e) of this section.

(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 may reject a request to use an alternative administrative entity in lieu of a State Commission if the Corporation determines that the entity does not provide for the individuals described in paragraph (1), and some of the individuals described in paragraph (2), of subsection (c) of this section to play a significant policymaking role as described in paragraph (2). 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.

(6) Rights

An alternative administrative entity approved by the Corporation under this subsection shall have the same rights as a State Commission.

(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 chapter 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 subtitle 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 subtitle, 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 sign responsibility for such a function to the subtitle.

(C) Information

The State Commission or alternative entity for a State, and the head of any such subtitle, shall exchange information about--

(i) the programs carried out in the State by the Commission, entity, or subtitle, 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.

SEC. 179. [42 U.S.C. 12639] Evaluation

(a) In general

The Corporation shall provide, through grants or contracts, for the continuing evaluation of programs that receive assistance under the national service laws, including evaluations that measure the impact of such programs, to determine--

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

(2) with respect to the programs authorized under subtitle C of this subchapter, the impact of such programs, in each State in which a program is conducted, on the ability of--

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

(B) each regular component of the Armed Forces (as defined in section 101(a)(4) of Title 10);

(C) each of the reserve components of the Armed Forces (as described in section 10101 of Title 10); and

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

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

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

(b) Comparisons

The Corporation shall provide for inclusion in the evaluations required under subsection (a) of this section, where appropriate, comparisons of participants in such programs with individuals who have not participated in such programs.

(c) Conducting evaluations

Evaluations of programs under subsection (a) of this section shall be conducted by individuals who are not directly involved in the administration of such program.

(d) Standards

The Corporation shall develop and publish general standards for the evaluation of program effectiveness in achieving the objectives of the national service laws.

(e) Community participation

In evaluating a program receiving assistance under the national service laws, the Corporation shall consider the opinions of participants and members of the communities where services are delivered concerning the strengths and weaknesses of such program.

(f) Comparison of program models

The Corporation shall evaluate and compare the effectiveness of different program models in meeting the program objectives described in subsection (g) of this section including full- and part-time programs, programs involving different types of national service, programs using different recruitment methods, programs offering alternative voucher or post-service benefit options, and programs utilizing individual placements and teams.

(g) Program objectives

The Corporation shall ensure that programs that receive assistance under subtitle C of this subchapter are evaluated to determine their effectiveness in--

(1) recruiting and enrolling diverse participants in such programs, consistent with the requirements of section 12575 of this title, based on economic background, race, ethnicity, age, marital status, education levels, and disability;

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

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

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

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

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

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

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

(9) attracting a greater number of citizens to public service, including service in the active and reserve components of the Armed Forces, the National Guard, the Peace Corps (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)), and the VISTA and National Senior Volunteer Corps programs established under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.).

(h) Obtaining information

(1) In general

In conducting the evaluations required under this section, the Corporation may require each program participant and State or local applicant to provide such information as may be necessary to carry out the requirements of this section.

(2) Confidentiality

(A) In general

The Corporation shall maintain the confidentiality of information acquired under this subsection regarding individual participants.

(B) Disclosure

(i) Consent

The content of any information described in subparagraph (A) may be disclosed with the prior written consent of the individual participant with respect to whom the information is maintained.

(ii) Aggregate information

The Corporation may disclose information about the aggregate characteristics of such participants.

(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 of this subchapter.

(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 within 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 12571 of this title during the year that has been expended for projects conducted under the programs in areas described in section 12585(c)(6) of this title.

(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 September 21, 1993, not later than 18 months after September 21, 1993; 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. 180. [42 U.S.C. 12640] Engagement of participants

A State shall not engage a participant to serve in any program that receives assistance under this subchapter unless and until amounts have been appropriated under section 12681 of this title for the provision of national service educational awards and for the payment of other necessary expenses and costs associated with such participant.

SEC. 181. [42 U.S.C. 12641] Contingent extension

Section 1226a of Title 20 shall apply to this chapter.

SEC. 182. [42 U.S.C. 12642] Partnerships with schools

(a) Design of programs

The head of each Federal agency and department shall design and implement a comprehensive strategy to involve employees of such agencies and departments in partnership programs with elementary schools and secondary schools. Such strategy shall include--

(1) a review of existing programs to identify and expand the opportunities for such employees to be adult volunteers in schools and for students and out- of-school youth;

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

(3) the encouragement of employees of such agencies and departments to participate in partnership programs and other service projects;

(4) the annual recognition of outstanding service programs operated by Federal agencies; and

(5) the encouragement of businesses and professional firms to include community service among the factors considered in making hiring, compensation, and promotion decisions.

(b) Report

Not later than 180 days after November 16, 1990, and on a regular basis thereafter, the head of each Federal agency and department shall prepare and submit, to the appropriate Committees of Congress, a report concerning the implementation of this section.

SEC. 183. [42 U.S.C. 12643] 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 nonprofit organization receiving assistance directly or indirectly under this chapter; 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 nonprofit organization receiving assistance directly or indirectly under this chapter; and

(2) that relates to the duties of the Chief Financial Officer.

SEC. 184. [42 U.S.C. 12644] Drug-free workplace requirements

All programs receiving grants under this subchapter shall be subject to the Drug-Free Workplace Requirements for Federal Grant Recipients under sections 702 through 707 of Title 41.

SUBTITLE G--CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

SEC. 191. [42 U.S.C. 12651] Corporation for National and Community Service

There is established a Corporation for National and Community Service that shall administer the programs established under the national service laws. The Corporation shall be a Government corporation, as defined in section 103 of Title 5.

SEC. 192. [42 U.S.C. 12651a] 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 or was a participant or a supervisor in a program;

to be appointed by the President, by and with the advice and consent of the Senate; and

(B) the ex officio nonvoting members described in paragraph (3).

(2) Qualifications

To the maximum extent practicable, the President shall appoint members--

(A) who have extensive experience in volunteer or service activities, which may include programs funded under one of the national service laws, and in State government;

(B) who represent a broad range of viewpoints;

(C) who are experts in the delivery of human, educational, environmental, or public safety services;

(D) so that the Board shall be diverse according to race, ethnicity, age, gender, and disability characteristics; and

(E) so that no more than 50 percent of the appointed members of the Board, plus 1 additional appointed member, 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, the Administrator of the Environmental Protection Agency, and the Chief Executive Officer shall serve as ex officio nonvoting members of the Board.

(b) Officers

(1) Chairperson

The President shall appoint a member of the Board to serve as the initial Chairperson of the Board. Each subsequent Chairperson shall be elected by the Board from among its members.

(2) Vice Chairperson

The Board shall elect a Vice Chairperson from among its membership.

(3) 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 5 years, except that, as designated by the President--

(1) 3 of the members first appointed to the Board shall serve for a term of 1 year;

(2) 3 of the members first appointed to the Board shall serve for a term of 2 years;

(3) 3 of the members first appointed to the Board shall serve for a term of 3 years;

(4) 3 of the members first appointed to the Board shall serve for a term of 4 years; and

(5) 3 of the members first appointed to the Board shall serve for a term of 5 years.

(d) Vacancies

If a vacancy occurs on the Board, a new member shall be appointed by the President, 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. [42 U.S.C. 12651b] Authorities and duties of the Board of Directors

(a) Meetings

The Board shall meet not less often 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, 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, 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, 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 12651d(b)(1) of this title, and annual updates of the plan;

(2) review and approve the proposal described in section 12651d(b)(2)(A) of this title, 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 12651d(b)(3)(A) of this title, regarding the regulations, standards, policies, procedures, programs, and initiatives referred to in such section;

(4) review and approve the evaluation plan described in section 12651d(b)(4)(A) of this title;

(5)(A) review, and advise the Chief Executive Officer regarding, the actions of the Chief Executive Officer 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 the national service laws; and

(B) inform the Chief Executive Officer of any aspects of the actions of the Chief Executive Officer 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 the national service laws;

(6) receive any report as provided under subsection (b), (c), or (d) of section 8E of the Inspector General Act of 1978 [5 U.S.C.A. App.];

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

(9) ensure effective dissemination of information regarding the programs and initiatives of the Corporation;

(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 [42 U.S.C.A. § 4950 et seq.] (except as provided in section 108 of the Domestic Volunteer Service Act of 1973 [42 U.S.C.A.
§ 4958]), which may provide that the agency or organization shall pay all or a part of the costs of the program; and

(11) prepare and make recommendations to the Congress and the President for changes in the national service laws resulting from the studies and demonstrations the Chief Executive Officer is required to carry out under section 12651d(b)(10) of this title, which recommendations shall be submitted to the Congress and President not later than September 30, 1995.

(h) Administration

The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to the Board.

(i) Limitation on participation

All employees and officers of the Corporation shall recuse themselves from decisions that would constitute conflicts of interest.

(j) Coordination with other Federal activities

As part of the agenda of meetings of the Board under subsection (a) of this section, the Board shall review projects and programs conducted or funded by the Corporation under the national service laws to improve the coordination between such projects and programs, and the activities of other Federal agencies that deal with the individuals and communities participating in or benefiting from such projects and programs. The ex officio members of the Board specified in section 12651a(a)(3) of this title shall jointly plan, implement, and fund activities in connection with projects and programs conducted under the national service laws to ensure that Federal efforts attempt to address the total needs of participants in such programs and projects, their communities, and the persons and communities the participants serve.

SEC. 193. [42 U.S.C. 12651c] Chief Executive Officer

(a) Appointment

The Corporation shall be headed by an individual who shall serve as Chief Executive Officer of the Corporation, and who shall be appointed by the President, by and with the advice and consent of the Senate.

(b) Compensation

The Chief Executive Officer shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of Title 5.

(c) Regulations

The Chief Executive Officer shall prescribe such rules and regulations as are necessary or appropriate to carry out the national service laws.

SEC. 193A. [42 U.S.C. 12651d] Authorities and duties of the Chief Executive Officer.

(a) General powers and duties

The Chief Executive Officer 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 8E of the Inspector General Act of 1978 [5 U.S.C.A. App. 3].

(b) Duties

In addition to the duties conferred on the Chief Executive Officer under any other provision of the national service laws, the Chief Executive Officer 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 the national service laws; and

(B) after receiving and reviewing an approved proposal under section 12651b(g)(2) of this title, 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 the national service laws, 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 the national service laws;

(3)(A) prepare and submit to the Board a proposal regarding, the regulations established under section 12651f(b)(3)(A) of this title, and such other standards, policies, procedures, programs, and initiatives as are necessary or appropriate to carry out the national service laws; and

(B) after receiving and reviewing an approved proposal under section 12651b(g)(3) of this title--

(i) establish such standards, policies, and procedures as are necessary or appropriate to carry out the national service laws; and

(ii) establish and administer such programs and initiatives as are necessary or appropriate to carry out the national service laws;

(4)(A) prepare and submit to the Board a plan for the evaluation of programs established under the national service laws, in accordance with section 12639 of this title; and

(B) after receiving an approved proposal under section 12651b(g)(4) of this title--

(i) establish measurable performance goals and objectives for such programs, in accordance with section 12639 of this title; 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 12636 of this title;

(7) prepare and submit to the Board an annual report, and such interim reports as may be necessary, describing the major actions of the Chief Executive Officer 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 the national service laws between--

(A) the actions of the Chief Executive Officer; and

(B)(i) the strategic plan approved by the Board under section 12651b(g)(1) of this title;

(ii) the proposals approved by the Board under paragraph (2) or (3) of section 12651b(g) of this title; or

(iii) the evaluation plan approved by the Board under section 12651b(g)(4) of this title;

(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 12651g(a) of this title 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 the national service laws during the year preceding the year in which the report is prepared;

(10) provide for studies (including the evaluations described in subsection (f) of this section) and demonstrations that evaluate, and prepare and submit to the Board by June 30, 1995, a report containing recommendations regarding, issues related to--

(A) the administration and organization of programs authorized under the national service laws or under Public Law 91-378 [16 U.S.C.A. § 1701 et seq.] (referred to in this subparagraph as "service programs"), including--

(i) whether the State and national priorities designed to meet the unmet human, education, environmental, or public safety needs described in section 12572(c)(1) of this title are being addressed by this chapter;

(ii) the manner in which--

(I) educational and other outcomes of both stipended and nonstipended service and service-learning are defined and measured in such service programs; and

(II) such outcomes should be defined and measured in such service programs;

(iii) whether stipended service programs, and service programs providing educational benefits in return for service, should focus on economically disadvantaged individuals or at-risk youth or whether such programs should include a mix of individuals, including individuals from middle- and upper-income families;

(iv) the role and importance of stipends and educational benefits in achieving desired outcomes in the service programs;

(v) the potential for cost savings and coordination of support and oversight services from combining functions performed by ACTION State offices and State Commissions;

(vi) the implications of the results from such studies and demonstrations for authorized funding levels for the service programs; and

(vii) other issues that the Director determines to be relevant to the administration and organization of the service programs; and

(B) the number, potential consolidation, and future organization of national service or domestic volunteer service programs that are authorized under Federal law, including VISTA, service corps assisted under subtitle C of this subchapter and other programs authorized by this chapter, programs administered by the Public Health Service, the Department of Defense, or other Federal agencies, programs regarding teacher corps, and programs regarding work-study and higher education loan forgiveness or forbearance programs authorized by the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) related to community service; and

(11) for purposes of section 12638(d)(6)(B) of this title, issue regulations to waive the disqualification of members of the Board and members of the State Commissions selectively in a random, nondiscretionary manner and only to the extent necessary to establish the quorum involved, including rules that forbid each member of the Board and each voting member of a State Commission to participate in any discussion or decision regarding the provision of assistance or approved national service positions, or the continuation, suspension, or termination of such assistance or such positions, to any program or entity of which such member of the Board or such member of the State Commission is, or in the 1-year period before the submission of the application referred to in such section was, an officer, director, trustee, full-time volunteer, or employee.

(c) Powers

In addition to the authority conferred on the Chief Executive Officer under any other provision of the national service laws, the Chief Executive Officer may--

(1) establish, alter, consolidate, or discontinue such organizational units or components within the Corporation as the Chief Executive Officer considers necessary or appropriate, consistent with Federal law, and shall, to the maximum extent practicable, consolidate such units or components of

the divisions of the Corporation described in section 12651e(a)(3) of this title as may be appropriate to enable the two divisions to coordinate common support functions;

(2) with the approval of the President, arrange with and reimburse the heads of other Federal agencies for the performance of any of the provisions of the national service laws;

(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 the national service laws;

(5) disseminate, without regard to the provisions of section 3204 of Title 39, data and information, in such form as the Chief Executive Officer 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 Chief Executive Officer and all legal or equitable rights accruing to the Chief Executive Officer in connection with the payment of obligations in accordance with chapter 37 of Title 31 (commonly known as the "Federal Claims Collection Act of 1966");

(7) 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 chapter;

(8) exercise the authorities of the Corporation under section 12651g of this title;

(9) consolidate the reports to Congress required under the national service laws, and the report required under section 9106 of Title 31, into a single report, and submit the report to Congress on an annual basis; and

(10) generally perform such functions and take such steps consistent with the objectives and provisions of the national service laws, as the Chief Executive Officer determines to be necessary or appropriate to carry out such provisions.

(d) Delegation

(1) "Function" defined

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 the national service laws, the Chief Executive Officer may delegate any function under the national service laws, and authorize such successive redelegations of such function as may be necessary or appropriate. No delegation of a function by the Chief Executive Officer under this subsection or under any other provision of the national service laws shall relieve such Chief Executive Officer of responsibility for the administration of such function.

(3) Function of Board

The Chief Executive Officer may not delegate a function of the Board without the permission of the Board.

(e) Actions

In an action described in subsection (c)(7) of this section--

(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 Chief Executive Officer shall survive notwithstanding any change in the person occupying the office of Chief Executive Officer or any vacancy in that office;

(3) no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Chief Executive Officer or the Board or property under the control of the Chief Executive Officer or the Board; and

(4) nothing in this section shall be construed to except litigation arising out of activities under this chapter from the application of sections 509, 517, 547, and 2679 of Title 28.

(f) Evaluations

(1) Evaluation of living allowance

The Corporation shall arrange for an independent evaluation to determine the levels of living allowances paid in all programs under subtitles C and I of this subchapter, individually, by State, and by region. Such evaluation shall determine the effects that such living allowances have had on the ability of individuals to participate in such programs.

(2) Evaluation of success of investment in national service

(A) Evaluation required

The Corporation shall arrange for the independent evaluation of the operation of subtitle C of this subchapter, to determine the levels of participation of economically disadvantaged individuals in national service programs carried out or supported using assistance provided under section 12571 of this title.

(B) Period covered by evaluation

The evaluation required by this paragraph shall cover the period beginning on the date the Corporation first makes a grant under section 12571 of this title, and ending on a date that is as close as is practicable to the date specified in subsection (b)(10) of this section.

(C) Income levels of participants

The evaluating entity shall determine the total income of each participant who serves, during the period covered by the evaluation, in a national service program carried out or supported using assistance provided under section 12571 of this title or in an approved national service position. The total income of the participant shall be determined as of the date the participant was first selected to participate in such a program and shall include family total income unless the evaluating entity determines that the participant was independent at the time of selection.

(D) Assistance for distressed areas

The evaluating entity shall also determine the amount of assistance provided under section 12571 of this title during the period covered by the report that has been expended for projects conducted in areas of economic distress described in section 12585(c)(6) of this title.

(E) Definitions

As used in this paragraph:

(i) Independent

The term "independent" has the meaning given the term in section 480(d) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(d)).

(ii) Total income

The term "total income" has the meaning given the term in section 480(a) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(a)).

(g) Recruitment and public awareness functions

(1) Effort

The Chief Executive Officer 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 carried out under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.) as ACTION expended on recruitment and public awareness activities related to programs under the Domestic Volunteer Service Act of 1973 [42 U.S.C.A. § 4950 et seq.] during fiscal year 1993.

(2) Personnel

The Chief Executive Officer 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 Chief Executive Officer shall give priority in the hiring of such additional personnel to individuals who have formerly served as volunteers in the programs carried out under the Domestic Volunteer Service Act of 1973 [42 U.S.C.A. § 4950 et seq.] 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 Chief Executive Officer 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 [42 U.S.C.A. § 5081(a)].

SEC. 194. [42 U.S.C. 12651e] Officers

(a) Managing Directors

(1) In general

There shall be in the Corporation 2 Managing Directors, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall report to the Chief Executive Officer.

(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.

(3) Duties

The Corporation shall determine the programs for which the Managing Directors shall have primary responsibility and shall establish the subtitles of the Corporation to be headed by the Managing Directors.

(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 [5 U.S.C.A. App. 3].

(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.

(c) Chief Financial Officer

(1) Office

There shall be in the Corporation a Chief Financial Officer, who shall be appointed by the President, 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.

(3) Duties

The Chief Financial Officer shall--

(A) report directly to the Chief Executive Officer 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.

(d) Assistant Directors for VISTA and National Senior Volunteer Corps

(1) Appointment

One of the Managing Directors appointed under subsection (a) of this section shall, in accordance with applicable provisions of Title 5, appoint 4 Assistant Directors who shall report directly to such Managing Director, of which--

(A) 1 Assistant Director shall be responsible for programs carried out under parts A and B of Title I of the Domestic Volunteer Service Act of 1973 [42 U.S.C.A. §§ 4951 et seq. and 4971 et seq.] (the Volunteers in Service to America (VISTA) program) and other anti-poverty programs under Title I of that Act [42 U.S.C.A. § 4951 et seq.];

(B) 1 Assistant Director shall be responsible for programs carried out under part A of Title II of that Act [42 U.S.C.A. § 5001 et seq.] (relating to the Retired Senior Volunteer Program);

(C) 1 Assistant Director shall be responsible for programs carried out under part B of Title II of that Act [42 U.S.C.A. § 5011 et seq.] (relating to the Foster Grandparent Program); and

(D) 1 Assistant Director shall be responsible for programs carried out under part C of Title II of that Act [42 U.S.C.A. § 5013 et seq.] (relating to the Senior Companion Program).

(2) Effective date for exercise of authority

Each Assistant Director appointed pursuant to paragraph (1) may exercise the authority assigned to each such Director only after the effective date of section 203(c)(2) of the National and Community Service Trust Act of 1993.

SEC. 195. [42 U.S.C. 12651f] Employees, consultants, and other personnel

(a) Employees

Except as provided in subsection (b) of this section, section 12651e(d) of this title, and section 8E of the Inspector General Act of 1978 [5 U.S.C.A. App. 3], the Chief Executive Officer shall, in accordance with applicable provisions of Title 5, appoint and determine the compensation of such employees as the Chief Executive Officer determines to be necessary to carry out the duties of the Corporation.

(b) Alternative personnel system

(1) Authority

The Chief Executive Officer may designate positions in the Corporation as positions to which the Chief Executive Officer may make appointments, and for which the Chief Executive Officer may determine compensation, without regard to the provisions of Title 5 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, to the extent the Chief Executive Officer determines that such a designation is appropriate and desirable to further the effective operation of the Corporation. The Chief Executive Officer may provide for appointments to such positions to be made on a limited term basis.

(2) Appointment in the competitive service after employment under alternative personnel system

The Director of the Office of Personnel Management may grant competitive status for appointment to the competitive service, under such conditions as the Director may prescribe, to an employee who is appointed under this subsection and who is separated from the Corporation (other than by removal for cause).

(3) Selection and compensation system

(A) Establishment of system

The Chief Executive Officer, after obtaining the approval of the Director of the Office of Personnel Management, shall issue regulations establishing a selection and compensation system for employees of the Corporation appointed under paragraph (1). In issuing such regulations, the Chief Executive Officer shall take into consideration the need for flexibility in such a system.

(B) Application

The Chief Executive Officer shall appoint and determine the compensation of employees in accordance with the selection and compensation system established under subparagraph (A).

(C) Selection

The system established under subparagraph (A) shall provide for the selection of employees--

(i) through a competitive process; and

(ii) on the basis of the qualifications of applicants and the requirements of the positions.

(D) Compensation

The system established under subparagraph (A) shall include a scheme for the classification of positions in the Corporation. The system shall require that the compensation of an employee be determined in part on the basis of the job performance of the employee, and in a manner consistent with the principles described in section 5301 of Title 5. The rate of compensation for each employee compensated under 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.

(c) 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 the national service laws 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 12571 of this title directly from the Corporation; and

(C) after the effective date of section 203(c)(2) of the National and Community Service Trust Act of 1993, the State Commission and the Corporation employee responsible for programs under the Domestic Volunteer Service Act of 1973 [42 U.S.C.A. § 4950 et seq.] 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 member of the State Commission established in the State or States, as described in section 12638(c)(3) of this title.

(4) Compensation

If the employee designated under paragraph (1) is an employee whose appointment was made pursuant to subsection (b) of this section, the rate of compensation for such employee may not exceed the maximum rate of basic pay payable for GS-13 of the General Schedule under section 5332 of Title 5.

(d) Consultants

The Chief Executive Officer 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.

(e) 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 Chief Executive Officer 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 the national service laws. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(f) Advisory committees

(1) Establishment

The Chief Executive Officer, 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 Chief Executive Officer, with such qualifications as the Chief Executive Officer may specify.

(3) Expenses

Members of such an advisory committee may be allowed travel expenses as described in section 12651b(d) of this title.

(4) Staff

(A) In general

Except as provided in subparagraph (B), the Chief Executive Officer is authorized to appoint and fix the compensation of such staff as the Chief Executive Officer determines to be necessary to carry out the functions of the advisory committee, without regard to--

(i) the provisions of Title 5 governing appointments in the competitive service; and

(ii) the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(B) Compensation

If a member of the staff appointed under subparagraph (A) was appointed without regard to the provisions described in clauses (i) and (ii) of subparagraph (A), the rate of compensation for such member may not exceed the maximum rate of basic pay payable for GS-13 of the General Schedule under section 5332 of Title 5.

SEC. 196. [42 U.S.C. 12651g] Administration

(a) Donations

(1) Services

(A) Volunteers

Notwithstanding section 1342 of Title 31, the Corporation may solicit and accept the voluntary services of individuals to assist the Corporation in carrying out the duties of the Corporation under the national service laws, and may provide to such individuals the travel expenses described in section 12651b(d) of this title.

(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, 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 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 and the provisions of such subchapter shall apply; and

(iii) for purposes of the provisions of chapter 11 of part I of Title 18, 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 Chief Executive Officer shall promulgate regulations to carry out this subparagraph.

(iii) "Inherently governmental function" defined

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 the national service laws, 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) Status of contribution

Any donation 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 Chief Executive Officer 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 [40 U.S.C.A. § 471 et seq.], 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 the national service laws.

(c) Office of Management and Budget

Appropriate circulars of the Office of Management and Budget shall apply to the Corporation.

SEC. 196A. [42 U.S.C. 12651h] Corporation State offices

(a) In general

The Chief Executive Officer shall establish and maintain a decentralized field structure that provides for an office of the Corporation for each State. The office for a State shall be located in, or in reasonable proximity to, such State. Only one such office may carry out the duties described in subsection (b) of this section with respect to a State at any particular time. Such State office may be directed by the representative designated under section 12651f(c) of this title.

(b) Duties

Each State office established pursuant to subsection (a) of this section shall--

(1) provide to the State Commissions established under section 12638 of this title technical and other assistance for the development and implementation of national service plans under section 12638(e)(1) of this title;

(2) provide to community-based agencies and other entities within the State technical assistance for the preparation of applications for assistance under the national service laws, utilizing, as appropriate, information and materials provided by the clearinghouses established pursuant to section 12653a of this title;

(3) provide to the State Commission and other entities within the State support and technical assistance necessary to assure the existence of an effective system of recruitment, placement, and training of volunteers within the State;

(4) monitor and evaluate the performance of all programs and projects within the State that receive assistance under the national service laws; and

(5) perform such other duties and functions as may be assigned or delegated by the Chief Executive Officer.

SUBTITLE H--INVESTMENT FOR QUALITY AND INNOVATION

SEC. 198. [42 U.S.C. 12653] Additional Corporation activities to support national service

(a) Methods of conducting activities

The Corporation may carry out this section directly (except as provided in subsection (r) of this section) or through grants, contracts, and cooperative agreements with other entities.

(b) Innovation and quality improvement

The Corporation may undertake activities to improve the quality of national service programs, including service-learning programs, and to support innovative and model programs, including--

(1) programs, including programs for rural youth, under subtitle B or C of this subchapter;

(2) employer-based retiree programs;

(3) intergenerational programs;

(4) programs involving individuals with disabilities as participants providing service; and

(5) programs sponsored by Governors.

(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 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 public or private nonprofit organizations with demonstrated ability to carry out appropriate activities, in order to support such activities on National Youth Service Day.

(r) Assistance for Head Start

The Corporation may make grants to, and enter into contracts and cooperative agreements with, public or nonprofit private agencies and organizations that receive grants or contracts under the Foster Grandparent Program (part B of Title II of the Domestic Volunteer Service Act of 1973 [42 U.S.C.A. § 5011 et seq.]), for projects of the type described in section 211(a) of such Act [42 U.S.C.A. § 5011] operating under memoranda of agreement with the Corporation, for the purpose of increasing the number of low-income individuals who provide services under such program to children who participate in Head Start programs under the Head Start Act (42 U.S.C. 9831 et seq.).

(s) Martin Luther King, Jr., Service Day

(1) Assistance

The Corporation may make grants to eligible entities described in paragraph (2) to pay for the Federal share of the cost of planning and carrying out service opportunities in conjunction with the Federal legal holiday honoring the birthday of Martin Luther King, Jr. Such service opportunities shall consist of activities reflecting the life and teachings of Martin Luther King, Jr., such as cooperation and understanding among racial and ethnic groups, nonviolent conflict resolution, equal economic and educational opportunities, and social justice.

(2) Eligible entities

Any entity otherwise eligible for assistance under the national services laws shall be eligible to receive a grant under this subsection.

(3) Repealed. Pub.L. 105-354, § 2(b), Nov. 3, 1998, 112 Stat. 3244.

(4) Federal share

Grants provided under this subsection to an eligible entity to support the planning and carrying out of a service opportunity in conjunction with the Federal legal holiday honoring the birthday of Martin Luther King, Jr., together with all other Federal funds used to plan or carry out the service opportunity, may not exceed 30 percent of the cost of planning and carrying out the service opportunity.

(5) Calculation of entity contributions

In determining the non-Federal share of the costs of planning and carrying out a service opportunity supported by a grant under this subsection, the Corporation shall consider in-kind contributions (including facilities, equipment, and services) made to plan or carry out the service opportunity.

SEC. 198A. [42 U.S.C. 12653a] Clearinghouses

(a) Assistance

The Corporation shall provide assistance to appropriate entities to establish one or more clearinghouses, including the clearinghouse described in section 12551 of this title.

(b) Application

To be eligible to receive assistance under subsection (a) of this section, 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) of this section 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, and technical assistance relating to planning and operation of community service programs, to States and local entities eligible to receive funds under this subchapter;

(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 subchapter; and

(8) carry out such other activities as the Chief Executive Officer determines to be appropriate.

SEC. 198B. [42 U.S.C. 12653b] Presidential awards for service

(a) Presidential awards

(1) In general

The President, 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 12511(19) of this title--

(A) an individual receiving an award under this subsection need not be a participant in a program authorized under this chapter; and

(B) a program receiving an award under this subsection need not be a program authorized under this chapter.

(3) Nature of award

In making an award under this section to an individual or program, the President, 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, acting through the Corporation, shall ensure that information concerning individuals and programs receiving awards under this section is widely disseminated.

SEC. 198C. [42 U.S.C. 12653c] Military installation conversion demonstration programs

(a) Purposes

The purposes of this section are to--

(1) provide meaningful service opportunities for 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.

As used in this section:

(1) Affected military installation

The term "affected military installation" means a military installation being closed or realigned under--

(A) the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of subtitle B of Public Law 101-510; 10 U.S.C. 2687 note); and

(B) title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

(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 Chief Executive Officer, to--

(i) the community in which the installation is located; or

(ii) a community located within such distance of the installation as the Chief Executive Officer may determine by regulation to be appropriate.

(4) Demonstration program

The term "demonstration program" means a program described in subsection (c) of this section.

(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 Chief Executive Officer 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) Stipend

A community or community-based agency that receives a grant under subsection (c) of this section 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 a stipend for the participants in the project.

(2) Limitation on amount of stipend

The amount of the stipend 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 4955 of this title; and

(B) 85 percent of the stipend 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 12613(b) of this title;

(ii) a youth described in section 12614(a) of this title; or

(iii) an eligible youth described in section 1693 of Title 29 or an individual described in section 2884 of Title 29.

(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) of this section.

(f) Application

(1) In general

To be eligible to receive a grant under subsection (c) of this section, a community or community-based agency shall submit an application to the Chief Executive Officer at such time, in such manner, and containing such information as the Chief Executive Officer 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 12637 of this title and the grievance procedure requirements of section 12636(f) of this title.

(g) Limitation on grant

In making a grant under subsection (c) of this section 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.

SEC. 198D. [42 U.S.C. 12653d] Special demonstration project

(a) Special demonstration project for the Yukon-Kuskokwim delta of Alaska

The President may award grants to, and enter into contracts with, organizations to carry out programs that address significant human needs in the Yukon-Kuskokwim delta region of Alaska.

(b) Application

(1) General requirements

To be eligible to receive a grant or enter into a contract under subsection (a) of this section with respect to a program, an organization shall submit an application to the President at such time, in such manner, and containing such information as the President may require.

(2) Contents

The application submitted by the organization shall, at a minimum--

(A) include information describing the manner in which the program will utilize VISTA volunteers, individuals who have served in the Peace Corps, and other qualified persons, in partnership with the local nonprofit organizations known as the Yukon-Kuskokwim Health Corporation and the Alaska Village Council Presidents;

(B) take into consideration--

(i) the primarily noncash economy of the region; and

(ii) the needs and desires of residents of the local communities in the region; and

(C) include specific strategies, developed in cooperation with the Yupi'k speaking population that resides in such communities, for comprehensive and intensive community development for communities in the Yukon-Kuskokwim delta region.

SUBTITLE I--AMERICAN CONSERVATION AND YOUTH SERVICE CORPS

SEC. 199. [42 U.S.C. 12501 nt] Short title

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

SEC. 199A. [42 U.S.C. 12655] General authority

The Corporation may make grants to States or local applicants and may transfer funds to the Secretary of Agriculture or to the Secretary of the Interior for the creation or expansion of full-time, part-time, year-round, or summer, youth corps programs. To the extent practicable, the Corporation shall apply the provisions of subtitle C of this subchapter in making grants under this section.

SEC. 199B. [42 U.S.C. 12655a] Limitation on purchase of capital equipment

Not to exceed 10 percent of the amount of assistance made available to a program agency under this subtitle shall be used for the purchase of major capital equipment.

SEC. 199C [42 U.S.C. 12655b] State application

(a) Submission

To be eligible to receive a grant under this subtitle, a State or Indian tribe (or a local applicant if section 12655 of this title applies) 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) General content

An application submitted under subsection (a) of this section shall describe--

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

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

SEC. 199C. [42 U.S.C. 12655c] Focus of programs

(a) In general

Programs that receive assistance under this subtitle may carry out activities that--

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

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

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

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

(D) road and trail maintenance and improvement;

(E) erosion, flood, drought, and storm damage assistance and controls;
(F) stream, lake, waterfront harbor, and port improvement;

(G) wetlands protection and pollution control;

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

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

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

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

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

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

(2) in the case of youth service corps programs, include participant service in--

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

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

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

(D) private nonprofit organizations that primarily focus on social service such as community action agencies;

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

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

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

(b) Limitation on service

No participant shall perform any specific activity for more than a 6-month period. No participant shall remain enrolled in programs assisted under this subtitle for more than 24 months.

SEC. 199E. [42 U.S.C. 12655d] Related programs

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

SEC. 199F [42 U.S.C. 12655e] Public lands or Indian lands

(a) Limitation

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

(b) Review of applications

In reviewing applications submitted under section 12655b of this title that propose programs or projects to be carried out on public lands or Indian lands, the Corporation shall consult with the Secretary of the Interior.

(c) Consistency

A program carried out with assistance provided under this subtitle for conservation, rehabilitation, or improvement of any public lands or Indian lands shall be consistent with--

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

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

(d) Participation by other conservation programs

Any land or water conservation program (or any related program) administered in any State under the authority of any Federal program is encouraged to use services available under this part to carry out its program.

SEC. 199G. [42 U.S.C. 12655f] Training and education services

(a) Assessment of skills

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

(b) Enhancement of skills

Each program agency shall, through the programs and activities administered under this subtitle, enhance the educational skills of participants.

(c) Provision of pre-service and in-service training and education

(1) Requirement

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

(2) Agreements for academic study

A program agency may enter into arrangements with academic institutions or education providers, including--

(A) local education agencies;

(B) community colleges;

(C) 4-year colleges;

(D) area vocational-technical schools; and

(E) community based organizations;

to evaluate the basic skills of participants and to make academic study available to participants to enable such participants to upgrade literacy skills, to obtain high school diplomas or the equivalent of such diplomas, to obtain college degrees, or to enhance employable skills.

(3) Counseling

Career and educational guidance and counseling shall be provided to a participant during a period of in-service training as described in this subsection. Each graduating participant shall be provided with counseling with respect to additional study, job skills training or employment and shall be provided job placement assistance where appropriate.

(4) Priority for participants without high school diplomas

A program agency shall give priority to participants who have not obtained a high school diploma or the equivalent of such diploma, in providing services under this subsection.

(d) Standards and procedures

(1) Consistency with State and local requirements

Appropriate State and local officials shall certify that standards and procedures with respect to the awarding of academic credit and the certification of educational attainment in programs conducted under subsection (c) of this section are consistent with the requirements of applicable State and local law and regulations.

(2) Academic standards

The standards and procedures described in paragraph (1) shall provide that an individual serving in a program that receives assistance under this subtitle--

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

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

SEC. 199H. [42 U.S.C. 12655h] Preference for certain projects

(a) In general

In the consideration of applications submitted under section 12655b of this title, the Corporation shall give preference to programs that--

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

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

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

(4) can be planned and initiated promptly; and

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

(b) Special rule

In the consideration of applications under this subtitle the Corporation shall ensure the equitable treatment of both urban and rural areas.

SEC. 199I. [42 U.S.C. § 12655i] Age and citizenship criteria for enrollment

(a) Age and citizenship

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

(1) not less than 16 years nor more than 25 years of age, except that summer programs may include individuals not less than 14 years nor more than 21 years of age at the time of the enrollment of such individuals; and

(2) citizens or nationals of the United States or lawful permanent resident aliens of the United States.

(b) Participation of disadvantaged youth

Programs that receive assistance under this subtitle shall ensure that educationally and economically disadvantaged youth, including youth in foster care who are becoming too old for foster care, youth with disabilities, youth with limited English proficiency, youth with limited basic skills or learning disabilities and homeless youth, are offered opportunities to enroll.

(c) Special corps members

Notwithstanding subsection (a)(1) of this section, program agencies may enroll a limited number of special corps members over age 25 so that the corps may draw on their special skills to fulfill the purposes of this chapter. Programs are encouraged to consider senior citizens as special corps members.

(d) Joint projects with senior citizens organizations

Program agencies shall use not more than 2 percent of amounts received under this subtitle to conduct joint projects with senior citizens organizations to enable senior citizens to serve as mentors for youth participants.

(e) Construction

Nothing in subsection (a) of this section shall be construed to prohibit any program agency from limiting enrollment to any age subgroup within the range specified in subsection (a)(1) of this section.

SEC. 199J. [42 U.S.C. 12655j] Use of volunteers

Program agencies may use volunteer services for purposes of assisting projects carried out under this subtitle and may expend funds made available for those purposes to the agency, including funds made available under this subtitle, to provide for services or costs incidental to the utilization of such volunteers, including transportation, supplies, lodging, recruiting, training, and supervision. The use of volunteer services under this section shall be subject to the condition that such use does not result in the displacement of any participant.

SEC. 199K. [42 U.S.C. 12655l] Living allowance

(a) Full-time service

(1) Living allowance required

Subject to paragraph (3), each participant in a full-time youth corps program that receives assistance under this subtitle shall receive a living allowance in an amount equal to or greater than the average annual subsistence allowance provided to VISTA volunteers under section 4955 of this title.

(2) Limitation on Federal share

The amount of the annual living allowance provided under paragraph (1) that may be paid using assistance provided under this subtitle, section 12571 of this title, and any other Federal funds shall not exceed 85 percent of the total average annual subsistence allowance provided to VISTA volunteers under section 4955 of this title.

(3) Maximum living allowance

The total amount of an annual living allowance that may be provided to a participant in a full-time youth corps program that receives assistance under this subtitle shall not exceed 200 percent of the average annual subsistence allowance provided to VISTA volunteers under section 4955 of this title.

(4) Waiver or reduction of living allowance

The Corporation may waive or reduce the requirement of paragraph (1) with respect to such national service program if such program demonstrates that--

(A) such requirement is inconsistent with the objectives of the program; and

(B) the amount of the living allowance that will be provided to each full- time participant is sufficient to meet the necessary costs of living (including food, housing, and transportation) in the area in which the program is located.

(5) Exemption

The requirement of paragraph (1) shall not apply to any program that was in existence on September 21, 1993.

(b) Reduction in existing program benefits

(1) In general

Nothing in this section shall be construed to require a program in existence on November 16, 1990, to decrease any stipends, salaries, or living allowances provided to participants under such program so long as the amount of any such stipends, salaries, or living allowances that is in excess of the levels provided for in this section are paid from non-Federal sources.

(2) Fair Labor Standards Act of 1938

For purposes of the Fair Labor Standards Act of 1938 [29 U.S.C.A. § 201 et seq.], residential youth corps programs under this subtitle will be considered an organized camp.

(c) Health insurance

In addition to the living allowance provided under subsection (a) of this section, program agencies are encouraged to provide health insurance to each participant in a full-time youth corps program who does not otherwise have access to health insurance.

(d) Facilities, services, and supplies

(1) In general

The program agency may deduct, from amounts provided under subsection (a) of this section to a participant, a reasonable portion of the costs of the rates for any room and board that is provided for such participant at a residential facility. Such deducted funds shall be deposited into rollover accounts that shall be used solely to defray the costs of room and board for participants.

(2) Evaluation

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

(3) Duties of program agency

A program agency may provide facilities, quarters, and board and shall provide limited and emergency medical care, transportation from administrative facilities to work sites, accommodations for individuals with disabilities, and other appropriate services, supplies, and equipment to each participant.

(4) Other Federal agencies

(A) In general

The Corporation may provide services, facilities, supplies, and equipment, including any surplus food and equipment available from other Federal programs, to any program agency carrying out projects under this subtitle.

(B) Secretary of Defense

Whenever possible, the Corporation shall make arrangements with the Secretary of Defense to have logistical support provided by a military installation near the work site, including the provision of temporary tent centers where needed, and other supplies and equipment.

(5) Health and safety standards

The Corporation and program agencies shall establish standards and enforcement procedures concerning the health and safety of participants for all projects, consistent with Federal, State, and local health and safety standards.

SEC. 199L. [42 U.S.C. 12655m] Joint programs

(a) Development

The Corporation may develop, in cooperation with the heads of other Federal agencies, regulations designed to permit, where appropriate, joint programs in which activities supported with assistance made available under this subtitle are coordinated with activities supported with assistance made available under programs administered by the heads of such agencies (including the Job Training Partnership Act and title I of the Workforce Investment Act of 1998 [29 U.S.C.A. § 2801 et seq.]).

(b) Standards

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

(c) Operation of management agreements

Program agencies may enter into contracts and other appropriate arrangements with local government agencies and nonprofit organizations for the operation or management of any projects or facilities under the program.

(d) Coordination

The Corporation and program agencies carrying out programs under this subtitle shall coordinate the programs with related Federal, State, local, and private activities.

SEC. 199M. [42 U.S.C. 12655n] Federal and State employee status

(a) In general

Participants and crew leaders shall be responsible to, or be the responsibility of, the program agency administering the program on which such participants, crew leaders, and volunteers work.

(b) Non-Federal employees

(1) In general

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

(2) Work-related injury

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

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

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

(3) Tort claims procedure

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

(4) Allowance for quarters

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

(c) Availability of appropriation

Contract authority under this subtitle shall be subject to the availability of appropriations. Assistance made available under this subtitle shall only be used for activities that are in addition to those which would otherwise be carried out in the area in the absence of such funds.

TITLE II--MODIFICATION OF EXISTING PROGRAMS
SUBTITLE B--PUBLICATION

SEC. 201. INFORMATION FOR STUDENTS. [Omitted]
SEC. 202. EXIT COUNSELING FOR BORROWERS. [Omitted]
SEC. 203. DEPARTMENT INFORMATION ON DEFERMENTS AND CANCELLATIONS. [Omitted]

SUBTITLE B--YOUTHBUILD PROJECTS

SEC. 211. Youthbuild projects

[See title VII of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5091 et seq.)]

TITLE III--POINTS OF LIGHT FOUNDATION

SEC. 301. [42 U.S.C. 12601] Short title

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

SEC. 302. [42 U.S.C. 12661] Findings and purposes

(a) Findings

Congress finds that--

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

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

(3) the definition of a successful life includes service to others;

(4) individuals should be encouraged to volunteer their time and energies in community service efforts;

(5) if asked to volunteer or participate in community service, most Americans will do so;

(6) institutions should be encouraged to volunteer their resources and energies and should encourage volunteer and community service among their members, employees, affiliates; and

(7) volunteer and community service programs are intended to complement and not replace governmental responsibilities.

(b) Purpose

It is the purpose of this subchapter--

(1) to encourage every American and every American institution to help solve our most critical social problems by volunteering their time, energies and services through community service projects and initiatives;

(2) to identify successful and promising community service projects and initiatives, and to disseminate information concerning such projects and initiatives to other communities in order to promote their adoption nationwide; and

(3) to discover and encourage new leaders and develop individuals and institutions that serve as strong examples of a commitment to serving others and to convince all Americans that a successful life includes serving others.

SEC. 303. [42 U.S.C. 12662] Authority

(a) In general

The President, acting through the Corporation, is authorized to designate a private, nonprofit organization (hereinafter referred to in this subchapter as the Foundation) to receive funds pursuant to section 12681(b) of this title in furtherance of activities under section 12661 of this title, upon the determination of the Corporation that such organization is capable of carrying out the undertakings described in section 12661 of this title. Any such designation by the Corporation shall be revocable.

(b) Construction

Nothing in this chapter shall be construed either--

(1) to cause the Foundation to be deemed an agency, establishment, or instrumentality of the United States Government; or

(2) to cause the directors, officers or employees of the Foundation to be deemed officers or employees of the United States.

SEC. 304. [42 U.S.C. 12663] Grants to Foundation

(a) In general

Funds made available pursuant to sections 12662 and 12681(b) of this title shall be granted to the Foundation by a department or agency in the executive branch of the United States Government designated by the President--

(1) to assist the Foundation in carrying out the undertakings described in section 12661 of this title; and

(2) for the administrative expenses of the Foundation.

(b) Interest earned on accounts

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

SEC. 305. [42 U.S.C. 12664] Eligibility of Foundation for grants

(a) Compliance

Grants may be made to the Foundation pursuant to this subchapter only if the Foundation agrees to comply with the requirements of this subchapter. If the Foundation fails to comply with the requirements of this subchapter, additional funds shall not be released until the Foundation brings itself into compliance with such requirements.

(b) Activities

The Foundation may use funds provided under this subchapter only for activities and programs consistent with the purposes described in sections 12661 and 12663 of this title.

(c) Limitation

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

(d) Compensation

No part of the funds available to the Foundation shall inure to the benefit of any board member, officer, or employee of the Foundation, except as salary or reasonable compensation for services or expenses. Compensation for board members shall be limited to reimbursement for reasonable costs of travel and expenses.

(e) Conflicts of interest

No director, officer, or employee of the Foundation shall participate, directly or indirectly, in the consideration or determination of any question before the Foundation that affects his or her financial

interests or the financial interests of any corporation, partnership, entity, or organization in which he or she has a direct or indirect financial interest.

(f) Political activity

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

(g) Private sector contributions

During the second and third fiscal years in which funds are provided to the Foundation under this subchapter, the Foundation shall raise from private sector donations an amount equal to not less than 25 percent of any funds provided to the Foundation under this subchapter in such fiscal year. Funds shall be released to the Foundation during such fiscal year only to the extent that the matching requirement of the subsection has been met.

(h) Audit of accounts

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

(i) Audits by agencies

In fiscal years in which the Foundation is receiving grants under this subchapter, the accounts of the Foundation may be audited at any time by any agency designated by the President. The Foundation shall keep such records as will facilitate effective audits.

(j) Congressional oversight

In fiscal years in which the Foundation is receiving grants under this subchapter, the Foundation shall be subject to appropriate oversight procedures of Congress.

(k) Duties

The Foundation shall ensure--

(1) that recipients of financial assistance provided by the Foundation under this subchapter, shall keep separate accounts with respect to such assistance and such records as may be reasonably necessary to disclose fully--

(A) the amount and the disposition by such recipient of the assistance received from the Foundation;

(B) the total cost of the project or undertaking in connection with which such assistance is given or used;

(C) the amount and nature of that portion of the cost of the project or undertaking supplied by other sources; and

(D) such other records as will facilitate effective audits; and

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

(l) Annual reports

The Foundation shall prepare and submit to the President and to the appropriate Committees of Congress an annual report, that shall include a comprehensive and detailed description of the Foundation's operations, activities, financial condition, and accomplishments for the fiscal year preceding the year in which the report is submitted. Such report shall be submitted not later than 3 months after the conclusion of any fiscal year in which the Foundation receives grants under this subchapter.

TITLE IV--REPEALED BY P.L. 104-210]

[Section 402 transferred to the Child Nutrition Act of 1966 and redesignated as section 22 by P.L. 104-210; 110 Stat. 3012.]

TITLE V--AUTHORIZATION OF APPROPRIATIONS

Sec. 501. [42 U.S.C. 12681] Authorization of appropriations

(a) Subchapter I

(1) Subtitle B

(A) In general

There are authorized to be appropriated to provide financial assistance under subtitle B of subchapter I of this chapter, $45,000,000 for fiscal year 1994 and such sums as may be necessary for each of the fiscal years 1995 through 1996.

(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 subchapter I of this chapter;

(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 subchapter I of this chapter, to provide national service educational awards under subtitle D of subchapter I of this chapter, and to carry out such audits and evaluations as the Chief Executive Officer or the Inspector General of the Corporation may determine to be necessary, $300,000,000 for fiscal year 1994, $500,000,000 for fiscal year 1995, and $700,000,000 for fiscal year 1996.

(B) Programs

Of the amount appropriated under subparagraph (A) for a fiscal year, up to 15 percent shall be made available to provide financial assistance under section 12575 of this title, under subsections (b) and (c) of section 12576 of this title, and under subtitle H of subchapter I of this chapter.

(3) Subtitle E

There are authorized to be appropriated to provide financial assistance under subtitle E of subchapter I of this chapter, such sums as may be necessary for each of the fiscal years 1995 through 1996.

(4) Administration

(A) In general

There are authorized to be appropriated for the administration of this chapter $40,000,000 for fiscal year 1994, $60,000,000 for fiscal year 1995, and $70,000,000 for fiscal year 1996.

(B) Corporation

Of the amounts appropriated under subparagraph (A) for a fiscal year--

(i) up to 60 percent shall be made available to the Corporation for the administration of this chapter; and

(ii) the remainder shall be available to provide financial assistance under section 12576(a) of this title.

(b) Subchapter II

There are authorized to be appropriated to carry out subchapter II of this chapter $5,000,000 for each of the fiscal years 1994 through 1996.

(c) Availability of appropriations

Funds appropriated under this section shall remain available until expended.

(d) Specification of budget function

The authorizations of appropriations contained in this section shall be considered to be a component of budget function 500 as used by the Office of Management and Budget to cover education, training, employment, and social services, and, as such, shall be considered to be related to the programs of the Departments of Labor, Health and Human Services, and Education for budgetary purposes.