



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

THE DIRECTOR

March 6, 2009

The Honorable Edward M. Kennedy
Chairman
Committee on Health, Education, Labor and Pensions
United States Senate
Washington, D.C. 20510

Dear Chairman Kennedy:

For the past 16 years, the Corporation for National and Community Service has enabled millions of Americans to make a difference in their communities, strengthen their neighborhoods, and help tackle some of the Nation's most intractable problems through service. Expanding high-quality service opportunities through the Corporation's programs promotes a spirit of civic participation and service across the country.

As our nation confronts the most severe economic downturn since the Great Depression, an enhanced commitment to local and community service is needed now more than ever. As families and communities cope with the impacts of the economic downturn, national and community service is a tangible and meaningful way for all Americans to give something back to their communities and share in the responsibility of seeing us through these challenging economic times.

The "Serve America Act" (S. 277), as introduced in the Senate, lays out a bold, bipartisan vision for the Corporation's growth and would create opportunities for millions of Americans to serve their community and country while meeting the Nation's greatest challenges. Congress took an important step last year with the introduction of H.R. 5563, the "Generations Invigorating Volunteerism and Education (GIVE) Act", a bipartisan bill to reauthorize the Corporation for National and Community Service and simplify the Corporation's management. The Administration believes that a combination of the approaches taken in both bills—a dramatic expansion of service opportunities, and a strong focus on anticipating and mitigating the management challenges of such an expansion—would promote the Administration's service agenda.

With respect to the Serve America Act, the Administration appreciates that the bill would set the Corporation on a path towards creating opportunities for 250,000 members to engage in service focused on today's challenges, including clean energy, education, health care, and economic opportunity. The Administration also strongly supports the Serve America Act's Community Solutions Funds, which would support innovations in communities and leverage private and foundation funding to invest in local innovation, test the impact of new ideas, and expand research-proven programs. The Administration appreciates the many ways the Serve

America Act would provide improved service learning opportunities for students, as well as new service opportunities for older Americans and baby boomers. The Administration also supports the concept of increasing incentives for colleges to use their Federal Work-Study funds to support public-service opportunities for students.

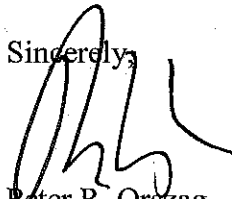
With respect to the GIVE Act as introduced by the previous Congress, the Administration is pleased with the bill's focus on strengthening the Corporation's management capacity in preparation for the expansion of its programs. Coupled with a strong Administration commitment to management reform, renewed consideration of the GIVE Act would help the Corporation support both growth and excellence in the programs it oversees. In particular, the Administration strongly supports provisions that would authorize the Corporation to consolidate or modify application procedures and reporting requirements. The Administration supports the consolidation of AmeriCorps State Competitive and National Direct funding in order to give the Corporation the flexibility to select the best possible programs. Additionally, the Administration has made a commitment to expand and improve the Senior Corps programs, and applauds the authors of the GIVE Act for introducing competition into the Retired Senior Volunteer Program (RSVP). The GIVE Act does this in a way that would provide better service opportunities to seniors without disrupting the work of existing grantees. The Administration believes that competition should be expanded across all of the Senior Corps programs, improving the quality of service opportunities for seniors while introducing greater accountability and innovation into the Senior Corps programs.

The Corporation must continue supporting high-quality programs as it undergoes this expansion. In order to do so, we must avoid new programmatic stovepipes, and allow for the consolidation of funding streams, management structures, and application and reporting processes wherever possible and appropriate. In keeping with this goal of streamlining the operations of the Corporation for both its benefit and the benefit of grantees, the Administration would support adding to the GIVE and Serve America Acts expanded authority for the Corporation to use fixed-amount grants that simplify reporting requirements and ease grantee burden. This expanded authority should be combined with robust accountability and more uniform collection of impact data to gauge the success of the programs the Corporation funds.

The Administration also strongly supports an increase in the Eli Segal Education Award, which has not been adjusted since the program's inception in 1993, and urges the House and Senate to link the award amount to the maximum Federal Pell Grant for each award year.

The Administration has called on Americans from all walks of life to take part in civic renewal and serve their communities and is committed to building the infrastructure to enable them to do so. We look forward to working with Congress to craft and enact comprehensive legislation that improves and expands service opportunities and positions the Corporation to manage this growth in a way that produces positive results for participants and the Nation.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Orszag', written over the word 'Sincerely,'.

Peter R. Orszag
Director

Identical Letter Sent to:

The Honorable Michael B. Enzi
The Honorable George Miller
The Honorable Howard McKeon