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National Service: Improving Current National Service Policies and Processes

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Chairman Heck and distinguished members of the Commission, I am honored to have the opportunity to testify before you regarding national service, and specifically about improving current national service policies and processes. My name is AnnMaura Connolly, and I serve as the President of Voices for National Service and the Chief Strategy Officer and Executive Vice President of City Year. I began my career in national service as a Jesuit Volunteer after graduating from the College of the Holy Cross. My experience in the Jesuit Volunteer Corps was a transformational one, and I have spent my career working to expand opportunities for young people to serve here in the United States and abroad.

Voices for National Service is a coalition of national and local service programs, state service commissions and individual champions committed to expanding effective national service programs including AmeriCorps and Senior Corps. Today national service programs supported by the Corporation for National and Community Service (CNCS) engage nearly 295,000 Americans in results-driven service across all 50 states and the District of Columbia. Voices for National Service builds the case for the federal investment in national service, conducts research on the benefits and impact of service, builds the capacity of the service community to educate our nation's leaders about the value of AmeriCorps and Senior Corps, and mobilizes stakeholders and champions to fight for increased investment in national service.

Fueled by national service, City Year brings together diverse, talented teams of young adults to serve in high-need schools across the country, where they support students, teachers and schools all day, every day. City Year AmeriCorps members build strong, "near-peer" relationships with students and provide academic and social-emotional support, while serving as essential resources to the school to boost student learning and achievement. Through their work in schools and communities, City Year AmeriCorps members not only make a difference in the lives of students they serve, but also acquire valuable skills that prepare them to become the next generation of civically-engaged leaders. City Year is also building pathways for strong, diverse educators, with 47 percent of City Year alumni working in the education field, as teachers, guidance counselors, administrators or at education nonprofits. City Year operates in 29 U.S. cities and has international affiliates in Johannesburg, South Africa, and in London, Birmingham and Manchester U.K.

Since the founding of our country, national service has been an essential part of America's DNA. The Declaration of Independence asserted the right to life, liberty and the pursuit of happiness—and reminds us of our responsibilities of this great nation: "we mutually pledge to one another our lives, fortunes and sacred honor." These words resonate as much today as when they were first written. One powerful way to strengthen our democracy is to ask new generations of Americans to work together through a year of national service to help solve the most persistent needs facing our communities and our country. Those who serve commit to a set term of sustained, substantial service. They earn a modest living allowance and serve through a community based non-profit organization. Those who serve receive leadership and skills development opportunities, and their service assignment is designed to have significant

community impact. National service is historically bipartisan, politically popular and a proven strategy for addressing pressing national and local challenges in education, disaster response, opioid addiction and other health related challenges and much more, while saving taxpayer dollars.

Since its inception in 1994, more than one million Americans have served through AmeriCorps. Approximately 75,000 young Americans serve in 21,000 locations across the country each year, and together they mobilize millions of Americans annually. The federal investment in AmeriCorps is matched by more than \$1 billion in outside funding and donations each year.

Voters overwhelmingly support investing in national service: A series of polls commissioned by Voices for National Service and conducted by TargetPoint Consulting found that 83 percent of voters support maintaining or increasing the federal investment in national service, including 78 percent of Republicans, 84 percent of Independents and 90 percent of Democrats.

Furthermore, TargetPoint found that 79 percent of voters support the current structure of national service which leverages a public/private partnership, requires strict accountability, awards grants on a competitive basis to nonprofit organizations and requires that federal funds be matched by funds from private and other sources. Across party lines, voters overwhelmingly agreed that national service helps replace government handouts with local, volunteer-based, community work, and empowers people to be more self-sufficient and less dependent on government in the long run. Voters also believe that national service helps prepare young people for the workforce, builds stronger neighborhoods and communities and helps restore important values of patriotism and civic duty. Michael Meyers, President of TargetPoint said “In today’s highly partisan atmosphere, the bipartisan agreement on the value of national service is wonderful to see. There is deep support for the national and local benefits, and the core values, that define our national service programs.”

Studies show that national service is cost-effective: A cost-benefit analysis conducted by economists at Columbia University found that every federal dollar invested in national service generates returns to society of \$3.95 in terms of higher earnings, increased output and other community benefits. The study also found that an expansion of national service opportunities for young Americans would be cost-effective. Based on a series of cost-benefit simulations, benefits are likely to increase more than proportionally as more young Americans participate in national service opportunities, and because of economies of scale, unit costs of national service opportunities are likely to fall. The Columbia University study concluded that the economic value of national service far exceeds its cost, and that result is true for those who participate, the taxpayer, and for broader society.

AmeriCorps alumni report that national service develops skills and competencies and that they vote at a significantly higher rate than their peers: A 2017 report by the Corporation for National and Community Service documented the long-term outcomes of AmeriCorps alumni —

showing that service has an effect on the communities served, and also on the AmeriCorps members themselves.

The alumni reported that there were substantial benefits to participating in AmeriCorps programs, including helping them figure out the next steps of their career and increasing their ability to work with others and to respond to unexpected challenges. In fact, an overwhelming 90 percent of AmeriCorps alumni agreed or strongly agreed that they could solve difficult problems, accomplish goals, handle unexpected events and unforeseen situations, remain calm, and identify multiple solutions.

AmeriCorps alumni also reported having high levels of cultural competency and the ability to work with diverse groups of people — extremely important skills in an increasingly diverse country and world. Eight out of 10 alumni say AmeriCorps benefited and advanced their career path. AmeriCorps alumni are more likely to attain a bachelor's degree or higher than the average adult – with 70 percent of alumni saying that AmeriCorps helped them achieve their educational goals, thanks to the Segal AmeriCorps Education Award received after service. Ninety-four percent of alumni registered to vote in the 2016 presidential election, well above the national average.

As this Commission considers recommendations regarding updating the current system of national service, Voices strongly encourages the preservation of the following components of the existing infrastructure:

- **Triple bottom line:** National service programs supporting AmeriCorps and Senior Corps members advance three goals: fulfilling unmet needs, strengthening communities and improving the lives of those who serve. Strong evidence documents the impact of AmeriCorps programs in these three areas.
- **Fulfilling unmet community needs in high-priority areas:** National service programs provide an influx of human capital to communities in need. Dedicated national service members provide critical services to tackle pressing needs in many areas of national and local importance, including education, health care, environmental stewardship, economic opportunity, veterans and military families and disaster response and relief.
- **Scaling high-impact programs:** The national service field has grown significantly since the launch of AmeriCorps 25 years ago. Many national service programs are achieving high levels of impact and should receive commensurate support to scale their work.
- **Leveraging private support:** AmeriCorps and Senior Corps leverage private and other non-federal funds to match grants from the Corporation for National and Community Service. This public-private partnership framework should remain a fundamental component of national service programs.
- **Aligning with existing community efforts:** National service programs are designed to fuel community-driven solutions to local challenges. National service programs are

intended to align with existing community supports and boost results by using evidence-based practices and providing additional human capital in targeted areas.

- **Geographic diversity:** Current law requires national service grant funding to be distributed with an eye toward geographic diversity, ensuring that national service programs are supporting urban and rural communities.
- **Accountability:** The goal of national service programs is to strengthen local communities, and to this end, AmeriCorps and Senior Corps programs are committed to rigorous eligibility screening and ongoing oversight to ensure a high level of accountability for the individuals engaged in service, particularly those working with vulnerable populations.
- **Reducing the financial burden of higher education:** The AmeriCorps education award can be used to make tuition payments or to pay back qualified student loans, helping to reduce the financial burden of higher education. Individuals who complete a full-time term of service earn an AmeriCorps education award equal to the maximum value of a Federal Pell Grant for the year in which they served, ensuring the value of the AmeriCorps education award is protected against inflation.
- **Developing leaders from diverse backgrounds:** In addition to providing critical services to local communities, national service programs are designed to develop leaders from diverse backgrounds. The benefits provided to AmeriCorps members in exchange for their service are an essential component of the program that is designed to enable Americans of all economic backgrounds to participate and gain the skills that set them up for career success.
- **Designated terms of service:** AmeriCorps programs engage dedicated Americans for intensive service for distinct periods of time. The requirements of these terms of service, as defined in current law, distinguish AmeriCorps positions from jobs and community-based volunteering opportunities.
- **State service commissions:** State service commissions are governor-appointed entities that administer more than three-quarters of AmeriCorps grant funding. State service commissions are a critical element of the national service infrastructure that helps to ensure AmeriCorps resources are directed toward high quality programs that meet state and local priorities.
- **National Direct AmeriCorps programs:** Multi-state AmeriCorps programs can apply directly to the Corporation for National and Community Service for grant funding. This is an important mechanism that supports a more streamlined grant process for programs operating in multiple states.
- **AmeriCorps VISTA:** More than 50 years ago, VISTA was launched as a national service program to fight poverty in AmeriCorps. Today more than 39 million Americans live in poverty (12.3 percent according to 2017 Census), and AmeriCorps VISTA members continue to support community efforts to address the effects of poverty. The cost sharing structure within AmeriCorps VISTA helps to extend the reach of the

program across the country, engaging sponsors to share the costs associated with supporting national service members.

- **Senior Corps programs:** Senior Corps is comprised of three, distinct national service initiatives that engage older Americans in service: Foster Grandparents, Senior Companions and the Retired Senior Volunteer Program (RSVP). Each of these programs directs the talents and experience of older Americans toward meeting pressing local needs and provides significant health and other benefits to the individuals who serve as Senior Corps volunteers.
- **Volunteer Generation Fund:** The Volunteer Generation Fund supports volunteer programs and creates new local organizations that generate additional volunteer activity and enhance community impact.
- **Federal Agency programs:** A handful of federal agencies have formed partnerships with the Corporation for National and Community Service to leverage AmeriCorps to advance their missions. The agencies provide the funding needed to support AmeriCorps member stipends and program support, and CNCS provides education awards to those who serve. These programs should be expanded to enhance service delivery aligned with federal agency programs and priorities, and to save tax payer dollars.
- **Professional Corps:** Professional Corps are AmeriCorps programs that recruit and place qualified participants in positions as teachers, nurses, and other health care providers, police officers, early childhood development staff, engineers and more. These AmeriCorps members serve in communities with an inadequate number of professionals in these areas. Their salaries may exceed the maximum living allowance for AmeriCorps members and can be provided for by public or private employers who agree to pay 100 percent of the members' the salaries and benefits.
- **National days of service:** National days of service, including Martin Luther King, Jr. Day and the 9/11 Day of Service offer an opportunity to raise awareness of the impact and value of national service while also engaging a wide range of Americans in service. These national days of service provide a valuable “on ramp” for Americans to begin a commitment to serve and expose them to national service opportunities in their communities.

MODERNIZE AND SIMPLIFY THE CURRENT SYSTEM OF NATIONAL SERVICE

Despite the strong history of impact and recent improvements to make national service delivery more flexible, efficient and accountable, there are ways that the current system of national service can be strengthened and enhanced. The following recommendations are based on feedback and engagement of national and local service programs, state service commissions and other stakeholders in the national service field.

Update and simplify AmeriCorps: There is an opportunity to further simplify and modernize the current structure of AmeriCorps to allow the host organizations to spend less time on burdensome administrative requirements and more time on delivering high quality service and developing those who serve. The following recommendations reflect a set of reforms to the AmeriCorps infrastructure, some of which may be implemented through regulatory changes, while others would require congressional action.

- **Simplify Match Reporting Requirements:** The current cost-reimbursement grant structure requires AmeriCorps programs to maintain documentation of match source funding that is auditable based on expenditure, which creates significant, unnecessary administrative burden and programmatic risk. In the early years of AmeriCorps, when the cost of maintaining a national service program was less clear, the match funding requirements made sense as a mechanism to establish program sustainability based on a robust public/private partnership. After more 25 years of implementation, however, it has become clear that the basic operating requirements of an AmeriCorps program—such as recruiting a corps, providing AmeriCorps member screening, training, and supervision of service, measuring performance, and conducting program evaluation—inevitably require financial investment beyond the federal grant funding provided by the Corporation for National and Community Service. Because AmeriCorps programs cannot meet operating requirements without matching contributions from other, non-federal sources, the need to audit the receipt and expenditure of these non-federal contributions is superfluous. For programs that utilize the cost-reimbursement construct, the match documentation requirement adds no value: instead, it creates accounting complexity, generates audit risk, and limits use of alternate sources of funds. Voices recommends the elimination of the requirement to include match source documentation when reporting on match funding for cost-reimbursement grants. CNCS should require AmeriCorps programs to bear the responsibility of securing the additional funds they need to operate programs in accordance with all other AmeriCorps program requirements, and report on match funding amounts and source, but should be relieved of the burden of maintaining auditable documentation.
- **Pilot pay-for-performance to address the unpredictability of AmeriCorps grant amounts for programs with established track records of achieving results.** Fluctuations in national priorities and the three-year competitive grant cycle result in program churn. In every grant cycle, quality AmeriCorps programs are defunded, because overall funding has not been significantly increased and other programs have taken precedence due to either a change in national priorities or program growth that happens to be funded during the same competitive grant cycle. As a result, AmeriCorps programs that have operated successfully for decades can disappear or be sharply downsized, often disregarding local demand for their service. Defunding not only reduces the funds available to these programs, it subjects them to difference workforce

rules or other consequences. Furthermore, the three-year competitive grant cycle and unpredictable grant funding impedes on the ability of AmeriCorps programs to engage in long-term, strategic planning. Implementing a quality program with local partnerships requires year-round investment in sponsor cultivation and AmeriCorps member recruitment. CNCS should launch a pilot program that would enable AmeriCorps programs with established track records of achieving results to seek a longer term pay-for-performance funding option that would support strategic investments, enable growth, and limit year-to-year fluctuations in grant funding. Such a funding option would enable both national and local AmeriCorps programs to maintain a baseline corps size over a designated period of years and would prioritize program growth during that longer-term grant period, supporting the provision of additional AmeriCorps positions, if certain performance metrics, including demonstration of community support and community investment, are achieved.

- **Expand fixed priced grants and incentivize their use.** The fixed-price grant structure offers streamlined grant administration and greater flexibility, and this approach should be expanded to ensure access for more programs, including those that engage AmeriCorps members on a part-time basis. However, the current fixed-price grant system creates significant financial risk for AmeriCorps programs that endure a reasonable amount of AmeriCorps member attrition during the service term, because programs are reimbursed based on the number of AmeriCorps members who are actively serving. For example, programs that engage opportunity youth are still subjected to financial penalties when an AmeriCorps member discontinues their service so that they can accept a job. The current basis for reimbursement places extraordinary pressure on AmeriCorps programs receiving funds through the fixed-price grant structure to retain AmeriCorps members in service for as long as possible, even when the member may not be a good fit for the program or the position, or has an employment opportunity, which may be a goal of the program in which they are serving. CNCS should reduce the unpredictability of grant funding caused by AmeriCorps member attrition by calculating fixed-price grant payments using a standard, reasonable percentage of AmeriCorps member attrition throughout the service term. This assumed level of attrition may be set at a different threshold for AmeriCorps programs that engage opportunity youth.
- **Provide additional resources for harder-to-engage AmeriCorps members and those in rural areas.** AmeriCorps programs are intended to enable Americans to serve their communities and the nation, regardless of their race, class, ethnicity, religion, sexual orientation, or disability status. Nonetheless, certain individuals may require additional supports to facilitate their successful participation in national service and to effectively advance their personal and professional development. It is harder for AmeriCorps programs to engage such individuals in service opportunities, because limited funding is

available to provide the supports needed to ensure successful and meaningful completion of the service term. In addition, some AmeriCorps program models are more expensive to run because of significant and specific training and oversight requirements. CNCS should provide additional grant funding to AmeriCorps programs that engage people living in rural communities, people with disabilities, or opportunity youth, as well as programs that demonstrate higher costs commensurate with more advanced or complex program models. In rural communities, CNCS should standardize criteria to provide a higher cost per AmeriCorps member rate for national service programs operating in those locations and reduce match requirements proportionately.

- **Address the challenges facing AmeriCorps programs in high-cost communities.**

AmeriCorps members serving in high-cost communities often have difficulty securing affordable housing options and other necessities in the communities they serve. Current law requires full-time AmeriCorps programs to provide a minimum living allowance that is aligned with the national poverty level for a single individual. This year, the minimum living allowance is set at \$13,792. The Notice of Funding Availability restricts the maximum cost that a program may request per member to cover basic full-time member costs (i.e. the living allowance and a portion of requisite health benefits), which is set at an amount of \$14,932 per member this year. Even in areas with greatest need and fewest resources, program ability to request increased support is limited by statute to \$18,000 per AmeriCorps member, with adjustments for inflation. These pressures minimize the likelihood that AmeriCorps members, particularly those living in high cost communities, are provided a living allowance sufficient to meet rising costs of living and secure housing in the local community. The statutory cap on the cost per AmeriCorps member should be adjusted to ensure that AmeriCorps programs are able to provide for adequate living allowances and ensure sufficient grant funding to cover the increased maximum amount for grant funding. To provide for the wide variations in cost of living across the country, CNCS should establish a tiered structure for the cost per AmeriCorps member that is calibrated to cost of living brackets and ensure sufficient grant funding to cover these variations. Ultimately, CNCS should develop a grant funding model that aligns not to cost per AmeriCorps member, but to criteria based on local cost of living, availability of philanthropic dollars, type of AmeriCorps members recruited, program objectives, return on investment, and other criteria based on programs' financial needs required to complete their service objectives.

- **Incorporate the cost of evaluations into the cost-per-AmeriCorps member.** CNCS requires AmeriCorps programs to conduct program evaluations every grant cycle. The reporting requirements associated with this evaluation requirement are lengthy and time-consuming, and the evaluations can be costly for AmeriCorps programs to conduct with limited resources. Under the current requirements, AmeriCorps programs are required to

outline a theory of change, measurable outcomes, research questions, study components and rationale for the study design, assessment of strengths and limitations, description of sampling methods, measurement tools, data collection procedures and analysis plan, evaluator qualifications and estimated budget—and produce a report every three years. To conduct external program evaluations, AmeriCorps programs must provide evaluators with access to outputs, outcome data, participants, partners and more, which can create redundancies in the data collection and analysis that occurs with performance measurement. The time frame of three years is far out of alignment with standard nonprofit evaluation practice which typically requires refreshed evaluation every six years. CNCS should incorporate the cost of evaluation into the cost per AmeriCorps member overall. The cost of evaluations should also be factored into cost per AmeriCorps member increases.

- **Modernize the AmeriCorps VISTA program.** AmeriCorps VISTA was created in 1965, with a focus on supporting community efforts to overcome poverty. AmeriCorps VISTA members recruit and manage community volunteers, raise funds and help coordinate projects. They support programs that improve academic performance, expand job opportunities, develop financial assets, alleviate hunger, reduce homelessness and improve health services. They also support programs that increase housing access, develop economic opportunities for low-income veterans and military families and expand access to technology. There are a variety of ways in which AmeriCorps VISTA should be modernized, including extending to alumni of AmeriCorps VISTA who are over the age of 55 the option to transfer their earned AmeriCorps education award to an eligible child or grandchild. Those who serve through AmeriCorps State and National programs are offered this option. CNCS should extend the same benefit to alumni of AmeriCorps VISTA. In addition, CNCS should update the training requirements for AmeriCorps VISTA members. Both public and privately funded AmeriCorps VISTA members are required to participate in a scheduled pre-service-orientation program provided by CNCS. The orientation program is intended to be offered at least once a month, and AmeriCorps VISTA members are not permitted to begin their service term until they complete the orientation program. In practice, the orientation program is not offered with the intended frequency, which limits the flexibility of start dates for AmeriCorps VISTA members and restricts opportunities to effectively meet the needs of the host organization and the local community. CNCS should develop an online version of the AmeriCorps VISTA pre-service orientation that can be completed at the convenience of the AmeriCorps VISTA member and their host organization and require that the orientation be completed within the first month of their service term.

Update the three Senior Corps Programs, RSVP, Foster Grandparents and Senior Companions. Senior Corps taps the skills, talents and experience of more than 220,000 Americans age 55 and over to meet a wide range of community challenges through three

programs: RSVP (Retired Senior Volunteer Program), Foster Grandparents and Senior Companions. RSVP volunteers recruit and manage other volunteers, mentor and tutor children, support disaster response and help organize environmental projects, among other activities. Foster Grandparents serve one-on-one as tutors and mentors to young people with special needs. Senior Companions help frail seniors live independently. There is an opportunity to make changes to these programs to help them achieve sustainability and expand their services. RSVP programs, which largely serve rural communities, often struggle to raise matching funds to satisfy the match requirements under current law. The challenge of raising matching funds can be further exacerbated by economic downturn and the occurrence of a natural disaster in the service area, both of which create a greater need for services provided by RSVP volunteers and places significant additional financial burden on the local community. To ensure communities continue to receive the critical services provided by RSVP volunteers, CNCS should provide greater flexibility with regard to match requirements and should grant waivers of the match requirement in cases of economic downturn, the occurrence of a natural disaster, or similar events in the service area that severely restrict or reduce sources of non-federal support. For the Foster Grandparents and Senior Companions Programs, CNCS should index the stipend for volunteers to match the rate of inflation to minimize financial burden on low-income volunteers when the cost of living increases over time.

MAKE NATIONAL SERVICE OPPORTUNITIES MORE VISIBLE TO AMERICANS OF ALL BACKGROUNDS AND EXPAND ACCESS FOR ALL YOUNG PEOPLE WHO WANT TO SERVE

Despite the broad bipartisan support for national service, a majority of Americans are not aware of the opportunity to serve. More can and should be done to make national service opportunities more visible to all Americans, and to make national service accessible to all who want to serve. One of the unique and valuable aspects of the current system of national service is that it is powering the work of many high-quality nonprofit organizations, and it is being deployed to address state and local challenges. The downside of such a decentralized system is that often the AmeriCorps and Senior Corps “brands” are less visible than the more well-known national brands of program sponsors such as Teach For America, Habitat for Humanity and the American Red Cross. A study commissioned by Service Year Alliance found that less than one-third of 14-24 year olds are aware of national service opportunities.

There are bipartisan efforts in Congress to help address the visibility challenge, create greater incentives to make national service accessible for all young people who want to serve and to scale national service. Last Congress, Senators Tammy Duckworth (D-IL), Kirsten Gillibrand (D-NY), Richard Blumenthal (D-CT), Amy Klobuchar (D-MN) and Tammy Baldwin (D-WI) introduced legislation to help make sure every young American who wants to dedicate a year to national service has the opportunity to do so. The 21st Century American Service Act would

increase the number of service positions available through civilian national service organizations, educate all young Americans about the national service opportunities available to them and reduce financial barriers that prohibit some young Americans from serving. The bill would double both the annual AmeriCorps living stipend and the education award for participants.

Senators Chris Coons (D-DE), Jack Reed (D-RI), and Richard Blumenthal (D-CT) introduced the America's Call To Improve Opportunities Now (ACTION) for National Service Act. U.S. Representatives John B. Larson (D-CT), John Lewis (D-GA), and Joe Kennedy III (D-MA) have introduced similar legislation in the U.S. House of Representatives. Their bills call for elevating the Corporation for National and Community Service to a cabinet-level agency, establishing a National Service Foundation to encourage private sector and philanthropic investment in expanding service opportunities, and providing resources to help support up to one million national service positions annually. The ACTION Act would significantly reduce student loan debt burdens by ensuring that individuals who serve two full terms of service are rewarded with an education benefit equivalent to four years of the average in-state tuition at a public, four-year college.

Other specific ideas to address these challenges include:

- **Create “connective tissue” between the military and civilian national service organizations.** In 2014, it was estimated that 71 percent of 17-24 year olds in the United States would fail to meet the requirements for military service because of physical, behavioral or educational challenges. If every young person turned away for military service for those reasons were directed to a civilian service option, many more would have the opportunity to serve their country, growing the impact of service on our communities. By promoting service in AmeriCorps and the Peace Corps at military recruiting stations, in communications to Selective Service System registrants and through partnerships between military and civilian national service organizations, we can create a system that incentivizes referrals between military and civilian national service programs. Young people who complete one or more civilian national service terms might be excellent candidates for military service. Military recruiters might refer potential recruits to civilian service opportunities to further develop their skills and leadership potential either before or after military service.
- **Leverage civilian national service as an effective transition strategy for veterans when they return home** A term of civilian national service, either in AmeriCorps or Senior Corps can be a helpful pathway for a veteran who is transitioning from military to civilian life. There are countless examples of veterans who return home and find that a term of civilian national service allows them to put their skills and experience to work for their community and helps them find the same kind of purpose and mission-oriented work that they experienced through their military experience. National service should be

designated as an eligible use of GI Bill benefits and veterans transition program funding. There are a handful of organizations that are leveraging the talents and experience of veterans but there is potential for significant scale in this area.

- **Exempt the Segal AmeriCorps Education Award from taxation and increase its value.** The original vision for AmeriCorps was simple: invite young Americans to roll up their sleeves and engage in intensive national service to support communities. In exchange, those who complete a term of service would be provided with an education scholarship that can make higher education more affordable. Every AmeriCorps member who completes a term of service receives a Segal AmeriCorps Education Award that may be used to pursue a future degree or to pay off existing, qualified student loans. The value of the education award is currently linked to the maximum amount of a federal Pell Grant for the year in which the AmeriCorps member served.

Unfortunately, the AmeriCorps education award is subject to federal taxation after it is used—which has significant practical implications. Because the award is sent directly to the institution of higher education or to the student loan lender, AmeriCorps alumni are not able to use a portion of the award to pay the resulting tax. This creates an unexpected tax burden on the dedicated Americans who commit to serving the country through AmeriCorps. The financial hardship created by the tax discourages use of the education award and delays educational plans for those who have served their nation and communities. For low-income youth, the tax on the award makes AmeriCorps service a less viable option.

During the 115th Congress, the Segal AmeriCorps Education Award Enhancement Act was introduced to exclude the Segal AmeriCorps Education Award from taxation. Senators Michael Bennet (D-CO) and Johnny Isakson (R-GA) introduced the bill in the Senate. Rep. John Lewis (D-GA) introduced companion legislation in the House of Representatives. We expect these bills to be reintroduced in the new Congress. The legislation would enable the AmeriCorps Education Award to continue to be a valuable and compelling incentive for young people to serve their country and a tool for making higher education more affordable. Providing tax relief would reaffirm support for those who voluntarily devote a year of their life to national service.

In addition to removing the tax, the amount of the Segal AmeriCorps Education Award should be increased. The current value of a full-time AmeriCorps Education Award is approximately \$6,000, and the average student loan debt per borrower is \$30,100. AmeriCorps members should be provided greater relief from the mounting costs of pursuing a postsecondary degree. One way to do that is to reform the Public Service Loan Forgiveness program to provide three years' worth of credit for completion of one term of service as an AmeriCorps member. This would grant individuals who complete two full-time terms of service six years of public service credit toward the ten years

needed to earn student loan forgiveness, even if the AmeriCorps members seek loan deferment and loan payments are not made during their term of service. There are a number of other proposals circulating that would increase the value of the Segal AmeriCorps Education Award as referenced in the introduction to this section.

- **Create incentives to encourage AmeriCorps members to serve more than one term.** Despite the clear benefits to communities of engaging experienced AmeriCorps members in a second full-time term of service, the benefits provided to these members does not sufficiently incentivize continued service. Under current law, the Segal AmeriCorps Education Awards earned for multiple full-time terms of service are equal in value. There should be greater incentives for completing a second term of service, including provision of higher living allowances and increased education awards. In addition, a second term of service could have greater value under the Public Service Loan Forgiveness Act referenced above.
- **Focus national service on the greatest needs of the nation:** Today in America there are 1,200 American high schools with graduation rates below 67 percent. An analysis shows that approximately 100,000 AmeriCorps members serving as Student Success Coaches are needed in those schools and the elementary and middle schools that feed into them to provide support to keep students in school and on track to graduation. In addition, there is a need for thousands of AmeriCorps members in key areas of need in education, from early education to preventing summer learning loss and providing support for college access, persistence and success. National service has also proven to be an effective strategy for helping communities respond to and recover from natural disasters. In the midst of a serious and growing national opioid crisis, national service members are working across the country to support substance abuse prevention, education, reduction and recovery programs through local nonprofits, faith-based and community organizations. National service can be a powerful force working to support communities facing these and other challenges across the country, and it should be expanded to meet the scale of these and the other great needs of the nation.
- **Modify the federal work-study program to reward higher education institutions that use more than the minimum required amount of funding for service positions.** The federal work-study program disburses funds to colleges on a formula basis, requiring them to spend at least seven percent of funds on students performing community service. Work-study should be directed toward national service programs by raising the required percentage of dollars from seven percent to twenty percent and by waiving match requirements. Congress should update the federal work-study formula to better reward colleges committed to national service. The current work-study allocation formula inequitably distributes funds in favor of expensive colleges because of an outdated funding formula. A change to that formula that modernizes its distribution would include

a component that rewards colleges for using more of their federal dollars to support national service opportunities.

- **Create a new “Universities of National Service” modeled on Employers of National Service to encourage universities to give preference and promote national service before, during or after matriculation.** A “leap year” of national service should become a natural part of preparing students for professional careers in medicine, law, finance and other fields. A year of national service would benefit the students who serve, the communities they impact and the university community, which would benefit from the civic commitment and experience of students who bring that “real life” experience to campus. Universities should be encouraged to match the Segal AmeriCorps Education Award (207 already do), and all public colleges and universities should be required to allow AmeriCorps alumni to attend their institutions at in-state tuition rates.
- **Dramatically expand Employers of National Service.** Today, 559 companies and organizations—including some local and state governments—have enrolled with the Corporation for National and Community Service as Employers of National Service. These companies and organizations give explicit consideration in their hiring process to applicants who are AmeriCorps and Peace Corps alumni. The federal government should become an Employer of National Service, which would help to establish a high-quality talent pipeline for federal government positions. By dramatically expanding this effort, we can begin to shift the culture toward one that appropriately values the commitment and sacrifice of those who serve and address the concern that a year of service takes those who serve “off track” from their career aspirations.
- **Create a new program to engage public transit systems around the country to offer free transportation to national service members during their term of service.** Often AmeriCorps and Senior Corps members must travel long distances to their service sites. We should engage public transit systems around the country in a new program designed to acknowledge and reward those who serve by allowing them to ride free of charge during their national service term. Efforts of this kind have been piloted in some communities but should be formalized and taken to scale.
- **Extend the AmeriCorps VISTA relocation assistance benefit to all AmeriCorps members.** AmeriCorps programs encounter challenges when AmeriCorps members are willing to serve in communities other than their own but cannot afford to relocate. This hinders the ability of AmeriCorps programs to concentrate services on the communities in greatest need and to provide sufficient numbers of AmeriCorps members to serve in these locations. AmeriCorps VISTA members are provided a relocation assistance benefit, which should be extended to all AmeriCorps members.

- **Develop pilot programs to address the AmeriCorps housing challenge:** For many AmeriCorps members, especially those who chose to serve in communities with high costs of living, housing can be a challenge. Pilots should be created to leverage available housing in former military bases, convents, and new platforms such as Silvernest, which matches older adults with potential roommates.
- **Call on federal agencies to develop plans that use existing resources to leverage national service to achieve their mission and meet their goals.** National service can be a powerful strategy for helping federal agencies advance their work. FEMA Corps, which was created in 2012 to help the agency respond in a more cost-effective way to disasters. At scale, FEMA Corps is projected to save the federal government \$60 million annually. Other models have been developed and piloted in education, public lands and juvenile justice. These models should be expanded and others developed in partnership with the Corporation for National and Community Service.
- **Leverage fines, fees and penalties to scale national service opportunities.** Each year the U.S. Department of Justice and regulatory agencies collect billions of dollars annually from corporate fines and settlements. Revenue without a designated purpose remains in the General Fund of the Treasury. A portion of these funds could be directed to a new National Service Fund that would be available to the Corporation for National and Community Service without fiscal year limit to expand the number of national service positions and support their activities, including by providing education awards. This would mitigate the limitations on the growth of national service that result from fluctuations in annual congressional appropriations. The Corporation for National and Community Service already has gift authority, which permits the agency to solicit and use donations of money or property from private parties. A similar model exists at the U.S. Department of Justice, called the Crime Victims Fund, which was established by the Victims of Crime Act of 1984, and is the funding source for victim services across the country. Other alternative dedicated funding streams could include an optional donation box on tax forms, or a simple way for wealthy Americans to redirect a portion of their social security checks to sponsor national service opportunities.

Conclusion:

The French philosopher and Jesuit priest Pierre Teilhard de Chardin wrote: “Someday, after mastering the winds, the waves, the tides and gravity, we shall harness for God the energies of love, and then, for a second time in the history of the world, humanity will have discovered fire.” I believe that our country and our world would be different if every young person had the opportunity to serve for a year. National service breaks down barriers between people, prepares young people for work by giving them skills and experiences, and develops civic character. It connects people of diverse backgrounds, giving them the chance to get to know each other, understand each other, and work together for the common good. Service is a powerful antidote

to apathy and pessimism and reveals to people the power within them to change the trajectory of a person's life, and in so doing to change their own.

Today, 75,000 people serve through AmeriCorps, just over 220,000 serve through Senior Corps, less than 300 through the Jesuit Volunteer Corps, 8,000 through YouthBuild, and over 7,300 through the Peace Corps. That is real progress. But it is not enough. We should not stop until every person in this country is challenged and given the opportunity to serve. And when we achieve that vision, the result will be a nation that is more tolerant, more connected and more just.

Thank you for the opportunity to testify before you today.