

TO: Chief Professional Officers -2-
FROM: Jack Moskowitz, Vice President of Government Relations, UNITED WAY OF AMERICA
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ACTION Reauthorization/National Commission on Volunteerism

The Senate passed the ACTION authorization (S 239) in June. S 239 does not contain a separate authorization for the Urban Volunteer Corps program to establish volunteer Management Assistance Programs. It does give the director expanded discretionary authority to fund new Management Assistance Programs as demonstrations. The House bill (HR 2859) as reported to the floor, however, would separately authorize \$12 million for the urban programs including management assistance, fixed income counseling and a "Good Neighbor Fund" of small grants for neighborhood revitalization.

HR 2859 will go to the House floor soon after Labor Day. United Way of America is working to pass it with the Urban Volunteer Corps intact. The bill has generated controversy from opponents of the establishment of any new spending program and of the ACTION agency. It would be helpful for the House Members to hear from their constituents in support of the Urban Volunteer Corps.

During Senate action on S 239, Senator Durenberger sponsored an amendment to the bill creating a Commission on Volunteerism to study and investigate volunteer roles, tax incentives and federal support for volunteer organizations. This amendment passed the Senate with very little discussion or understanding. (A copy of the amendment and the floor debate is attached.) Although the proposal was put forth with the sincere intention of aiding the voluntary sector, we believe the amendment has major flaws.

The amendment was drafted without consulting the major charitable, educational, health and religious organizations. These organizations unanimously regard the proposal apprehensively because of its broad mandate, its relationship with the controversial ACTION agency and its potential for a highly political composition (5 members appointed by the President, 5 by the Speaker of the House, 5 by the President Pro Tem of the Senate, with the chairman to be elected by the commission).

Because the commission would be charged with studying tax incentives to the voluntary sector, we are also concerned that it could become a dumping ground for the Fisher-Conable/Moynihan-Packwood bills. A referral of this issue to the commission will surely slow our effort to gain passage of this tax law change.

Furthermore, it is difficult to justify spending a half million dollars, the sum authorized for the commission when funding for so many human service programs is being cut. It made little sense for the Senate to eliminate the ACTION urban programs while including these additional funds for a commission whose role is unclear. With this half million dollars, for example, United Ways could establish over 15 new management assistance programs. For these reasons we cannot lend our support to this proposal as presently drafted.

Members of Congress have been getting mail in support of the commission. It is important for them to hear about the potential problems. There are just too many unanswered questions concerning the commission's focus. We are suggesting that consideration of this proposal be postponed in order to provide the opportunity to redraft it in conjunction with the major charitable, health, educational and religious organizations. There is no need to rush this through with the ACTION authorization in September. There are many other bills a carefully considered amendment could be attached to in the future.