



ISSUE PAPER

Support full funding for the “Edward M. Kennedy Serve America Act” (H.R. 1388/S.277)

- Enhances existing national service programs
- Allows the philanthropic Sector to dispense grants from the Social Innovation Fund to qualifying community organizations

Position: The Council on Foundations supports full funding for the “Edward M. Kennedy Serve America Act” (H.R. 1388/S. 277). Specifically, we support the Senate’s FY2010 Labor-HHS Appropriations bill which includes funding for the Social Innovation Fund and the Nonprofit Capacity Building Program.

For more information, contact the Government Relations Department at 703-879-0600 or govt@cof.org.

Background:

On Wednesday, March 18th, the House of Representatives and Senate introduced legislation which will expand and enhance existing national service programs (H.R. 1388/S.277). Both the House and Senate bills create a “Social Innovations Fund” which will provide grants to nonprofit organizations that can demonstrate successful programs. These grants will expand proven solutions, replicate successful programs, and invest in supporting new innovations.

Status of the 111th Congress:

On March 26 the Senate passed the “Edward M. Kennedy Serve America Act (H.R.1388/S.277). The Senate-passed bill included an amendment to set up a program to expand organizational development assistance to small and mid-size nonprofit organizations. The Baucus-Grassley amendment would designate \$5 million a year for fiscal 2010 to 2014 to provide grants to nonprofit organizations that provide development assistance, such as grant writing and compliance with tax laws, to small and midsize nonprofits.

On Tuesday, March 31 the House of Representatives passed the “Edward M. Kennedy Serve America Act (H.R.1388/S.277).

President Obama signed the Edward M. Kennedy Serve America Act (H.R.1388) into law on April 21. Although President Obama signed the Serve Act into law, **Congress still needs to make the appropriations**; funding will not be available until October 1, 2009 at the earliest, when the new federal fiscal year begins.

On Friday, July 17 the House Appropriations Committee approved its FY 2010 Labor-HHS Appropriations bill. The bill includes \$1.059 billion for the Corporation for National and Community Service (CNCS). The appropriated amount of \$1.059 billion falls short of the President’s request by \$90 million. The Social Innovation Fund would receive \$35 million, \$15 million less than requested. The bill also takes away the \$5 million expressly reserved for the Nonprofit Capacity Building Program in the Serve America Act, and gives discretion to CNCS to decide whether to provide funds for critical education and training for small and mid-size nonprofits.

On Thursday, July 30 the Senate Appropriations Committee held its full committee markup where they approved the FY 2010 Labor-HHS Appropriations bill. The Committee’s recommendation includes \$1.157 billion for the Corporation for National and Community Service (CNCS), a \$267 million increase to implement the Edward M. Kennedy Serve America Act. The Committee’s recommendation of \$1.157 billion is \$8 million above the President’s budget request for 2010. The bill includes funding for several new programs as outlined in the Serve Act including \$50 million for the Social Innovation Fund, \$8 million for the Volunteer Generation Fund, and \$2 million for the Nonprofit Capacity Building Program.

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