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# Large-Scale Staff Reductions to AmeriCorps: Potential Impacts and the Chief Executive Officer's Discretionary Authority

In April 2025, the second Trump Administration placed the majority of staff at AmeriCorps—according to media reports, about 85% of the more than 500 full-time employees—on administrative leave with pay. Some Members of Congress have expressed concern over these actions and have introduced legislation to prevent cuts to AmeriCorps programs. This In Focus provides an overview of AmeriCorps's statutory authorities, including the executive branch's ability to restructure or eliminate its programs absent congressional action.

#### A Brief History of AmeriCorps

In 1993, President Clinton signed the National and Community Service Trust Act (NCSTA) into law, which established the Corporation for National and Community Service (hereinafter, the "Corporation"), now operating as AmeriCorps. The Corporation is the consolidation of several existing national service programs, including Volunteers in Service to America (VISTA, created in 1964) and the National Civilian Community Corps (NCCC). The NCCC was first authorized in 1990 and modeled after the Depression-era Civilian Conservation Corps.

After the passage of the NCSTA, state governors appointed service commissions to administer AmeriCorps State and National programs, and the first class of 20,000 AmeriCorps members began their terms of service in 1994. By 2023, the number of participants had grown tenfold to 200,000. Historically, national service has become more popular during times of crisis, such as after the 9/11 attacks and Hurricane Katrina, and during economic downturns when unemployment is high. For example, in 2009 the American Recovery and Reinvestment Act of 2009 added 13,000 AmeriCorps members. In 2022, AmeriCorps and the Centers for Disease Control and Prevention jointly created Public Health AmeriCorps as a response to the COVID-19 pandemic.

Over the past decade, Congress has conducted hearings and investigations into AmeriCorps's financial practices amid allegations of fraud. The Corporation has failed financial audits, and the Government Accountability Office issued a report in 2024 recommending that AmeriCorps take several actions to ameliorate fraud risk. In each of FY2024 and FY2025, Congress appropriated more than \$1.2 billion for AmeriCorps.

## **Statutory Authorities Underlying AmeriCorps**

The Corporation's current statutory authorities derive from three main acts of Congress:

- the Domestic Volunteer Service Act of 1973 (DVSA), which created or reauthorized several of the programs that the Corporation currently oversees, including VISTA and the National Senior Volunteer Corps (also known as Senior Corps);
- the National and Community Service Act of 1990 (NCSA), which created or reauthorized additional programs that the Corporation currently oversees, including AmeriCorps State and National grants and the NCCC; and
- the NCSTA, which created the Corporation in its current form and established the National Service Trust from which education awards are disbursed.

### Purpose and Organization of the Corporation

In statute, the Corporation's purpose is to "administer the programs established under the national service laws." It is a government corporation led by a Board of Directors and a Chief Executive Officer (CEO). The CEO and all voting board members are appointed by the President, with the advice and consent of the Senate.

In addition to the board and CEO, the Corporation's authorizing statutes establish a number of other officials:

- two Managing Directors, appointed by the President, who report to the CEO (the Corporation "shall determine the programs for which the Managing Directors shall have primary responsibility and shall establish the divisions of the Corporation to be headed by the Managing Directors");
- four Assistant Directors appointed by one of the Managing Directors "who shall report directly to such Managing Director" and oversee, respectively, the VISTA program and three programs under the National Senior Volunteer Corps (Foster Grandparent, Retired and Senior Volunteer, and Senior Companion);
- an Inspector General, appointed by the President, with the advice and consent of the Senate; and
- a Chief Financial Officer, appointed by the CEO.

The Corporation's current regulations set out a somewhat different organizational structure, providing for the following officials:

- the CEO;
- a Chief of Staff;
- a General Counsel;

- a Chief Operating Officer;
- a Chief Financial Officer;
- a Chief Program Officer;
- · a Chief Diversity and Inclusion Officer; and
- the "Directors of AmeriCorps programs and offices."

As of April 2025, AmeriCorps appears to have eliminated the position of Chief Diversity and Inclusion Officer, consistent with recent executive orders.

#### **Powers of the CEO**

In statute, Congress has delegated a considerable amount of authority and flexibility to the CEO. Historically, AmeriCorps was structured as a corporation for this express purpose—to enable flexible and efficient funding and operations outside of the constraints of a traditional government agency. Accordingly, the CEO may do the following:

- "establish, alter, consolidate, or discontinue such organizational units or components within the Corporation as the [CEO] considers necessary or appropriate, consistent with Federal law, and ..., to the maximum extent practicable, consolidate such units or components of the divisions of the Corporation";
- "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";
- "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"; and
- "allocate and expend funds made available under the national service laws."

The CEO also has express statutory authority to "delegate any function under the national service laws, and authorize such successive redelegations ... as may be necessary or appropriate." Such delegations do not relieve the CEO of responsibility for administering a delegated function.

#### **Limitations on the CEO's Authority**

Although the CEO has considerable latitude to "establish, alter, consolidate, or discontinue" various AmeriCorps grants and programs, there are some limitations. The authorities discussed above do not expressly permit the CEO or the President to reassign the Corporation's statutory functions permanently to another agency. The CEO must also continue to administer those programs specifically mandated by law, such as VISTA. However, the CEO may temporarily delegate functions to other agencies, so long as these agencies are reimbursed. AmeriCorps's various authorizing statutes also do not prescribe specific percentages or levels of funding across different programs.

Congress may limit CEO discretion by using the appropriations process to prescribe funding levels (e.g., 50% of overall appropriations must be used for State and National grantmaking) or impose other requirements. For example, FY2024 appropriations language required that the Corporation "shall make any significant changes to program requirements, service delivery or policy only through public notice and comment rulemaking."

#### **Implications for Current Programs**

The Corporation's board and CEO, rather than Congress, created many of the current AmeriCorps programs. (Most recently, the Biden Administration created the American Climate Corps without any authorizing legislation.) Accordingly, such programs may be discontinued without further congressional action. The CEO also has the discretionary authority to reduce the scope of statutorily required programs by decreasing the number of new grants or, where permitted by law, discontinuing existing ones.

The Corporation sent home all NCCC members in April 2025 and later canceled nearly \$400 million in grants made through other programs. (Two dozen states and the District of Columbia have filed a lawsuit seeking to reverse the cuts.) Current law states, "The Corporation may establish the National Civilian Community Corps Program to carry out the purpose of this division." Courts typically read the use of "may" (instead of "shall") as permissive, rather than mandatory. Consequently, it appears likely that the CEO may choose a different structure or program model to meet the mandates of Congress rather than continue the NCCC in its current form.

Similarly, the statutory language authorizing grants to support AmeriCorps state commissions uses "may," not "shall," as does the authorizing language for grants to support the Volunteer Generation Fund. In regards to AmeriCorps Seniors programs, the Director is "authorized to make grants ... in accordance with regulations the Director shall prescribe." These provisions appear to give the CEO or Director discretion on whether or how to award grants under those programs, which likely would also allow the CEO or Director to choose not to award grants.

### **Obligations for Earned Education Awards**

Full-time AmeriCorps members who complete a full term of service qualify for an education award. The value of the awards is the maximum value of the Pell Grant for the fiscal year in which the term of national service is approved. Even if Congress were to rescind AmeriCorps's authorities altogether, the U.S. government likely would still be obligated to disburse education awards already earned but not yet claimed by individual participants. AmeriCorps alumni have seven years to claim their education awards before they expire. These awards are not tax exempt.

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