

119TH CONGRESS
1ST SESSION

S. 2785

To expand the financial, health care, and educational benefits received by Peace Corps and AmeriCorps volunteers, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 11, 2025

Mr. KIM introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To expand the financial, health care, and educational benefits received by Peace Corps and AmeriCorps volunteers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “A Chance To Serve
5 Act”.

6 **SEC. 2. EXPANDED BENEFITS FOR CURRENT AND FORMER**
7 **PEACE CORPS VOLUNTEERS.**

8 (a) **EXTENDED NON-COMPETITIVE ELIGIBILITY.**—

9 During the 3-year period immediately following the termi-
10 nation of an individual’s service as a Peace Corps volun-

1 teer, such individual shall be granted non-competitive eli-
 2 gibility with respect to positions in the civilian career serv-
 3 ices.

4 (b) NON-DISCRIMINATION BASED ON CERTAIN IMMI-
 5 GRATION STATUSES.—Section 5(a) of the Peace Corps Act
 6 (22 U.S.C. 2504(a)) is amended—

7 (1) in the first sentence, by striking “citizens
 8 and nationals of the United States” and inserting
 9 “citizens, nationals, and lawful permanent residents
 10 of the United States”; and

11 (2) in the fourth sentence, by striking “or
 12 color.” and inserting “color, or status as a refugee,
 13 asylee, or other lawfully admitted alien.”.

14 (c) REGULARITY OF PAYMENTS OF MONTHLY STI-
 15 PENDS.—The Director of the Peace Corps shall take such
 16 steps as may be necessary to ensure that Peace Corps vol-
 17 unteers receive stipends on a regular and predictable basis
 18 (and, to the maximum extent practicable, on the same nu-
 19 merical day of each month), including in the event of a
 20 temporary partial or complete government shutdown.

21 (d) EXTENDED HEALTH CARE.—

22 (1) 1-YEAR ELIGIBILITY FOR HEALTH BENE-
 23 FITS.—Subchapter VIII of title 38, United States
 24 Code, is amended by adding at the end the following
 25 new section:

1 **“§ 1789A. Former Peace Corps volunteers**

2 “During the one-year period beginning on the day
 3 after the final day of the service of a Peace Corps volun-
 4 teer, the Secretary shall make available to such former vol-
 5 unteer such hospital care or medical services as the former
 6 volunteer may elect to receive at a medical facility of the
 7 Department of Veterans Affairs. The cost of any care or
 8 services furnished under this section to such former volun-
 9 teer shall be reimbursed at such rates as may be agreed
 10 upon by the Secretary and the Director of the Peace
 11 Corps, based on the cost of the care or service furnished
 12 and in accordance with health care otherwise provided to
 13 volunteers under section 5(e) of the Peace Corps Act. Such
 14 former volunteers may decline to receive any of the health
 15 benefits authorized under this section.”.

16 (2) CONFORMING AMENDMENTS.—Section 5(e)
 17 of the Peace Corps Act (22 U.S.C. 2504(e)) is
 18 amended—

19 (A) by inserting after the first sentence the
 20 following new sentence: “Former volunteers
 21 shall also be entitled to such hospital care and
 22 medical services as may be provided in accord-
 23 ance with section 1789A of title 38, United
 24 States Code.”; and

25 (B) in the second sentence, by inserting
 26 “(other than health care provided in accordance

1 with such section 1789A)” after “such health
2 care”.

3 (3) CLERICAL AMENDMENT.—The table of sec-
4 tions for chapter 17 of title 38, United States Code,
5 is amended by adding after the item relating to sec-
6 tion 1789 the following new item:

“1789A. Former Peace Corps volunteers.”.

7 (e) READJUSTMENT ALLOWANCES FOR VOLUNTEERS
8 AND VOLUNTEER LEADERS.—Section 5 of the Peace
9 Corps Act (22 U.S.C. 2504) is amended—

10 (1) in subsection (b), by striking “insure their
11 health” and inserting “ensure their safety, their
12 health, and”;

13 (2) in subsection (c)—

14 (A) by striking “\$125” and inserting
15 “\$425”;

16 (B) by striking “his” each place such term
17 appears and inserting “the volunteer’s”;

18 (C) by striking “he” and inserting “the
19 volunteer”; and

20 (D) by adding at the end the following:
21 “The amount of the readjustment allowance au-
22 thorized under this subsection may be periodi-
23 cally adjusted by the Director of the Peace
24 Corps to reflect the percentage increase (if any)
25 in the Consumer Price Index.”;

1 (3) by redesignating subsection (e), as amended
2 by subsection (b)(2) of this Act as subsection (d);

3 (4) by inserting after subsection (d), as so
4 amended and redesignated, the following:

5 “(e) The Director shall consult with health experts
6 outside of the Peace Corps, including experts licensed in
7 the field of mental health, and follow guidance by the Cen-
8 ters for Disease Control and Prevention regarding the pre-
9 scription of medications to volunteers.”;

10 (5) in subsection (h), by striking “he” and in-
11 serting “the President”;

12 (6) in subsection (n)(2)—

13 (A) by striking “subsection (e)” each place
14 such term appears and inserting “subsection
15 (d)”;

16 (B) by striking “he” and inserting “the
17 President”;

18 (7) in subsection (o), by striking “his” each
19 place such term appears and inserting “the volun-
20 teer’s”;

21 (8) by adding at the end the following new sub-
22 section:

23 “(q) SUSPENSION OF PAYMENTS AND ACCRUAL OF
24 INTEREST ON FEDERAL LOANS DURING SERVICE.—

1 “(1) IN GENERAL.—If a volunteer receives a
 2 loan made under part D of title IV of the Higher
 3 Education Act of 1965 (20 U.S.C. 1087a et seq.)
 4 before commencing service in the Peace Corps—

5 “(A) all payments due for such loans shall
 6 be suspended; and

7 “(B) interest shall not accrue on such loan
 8 for the duration of such service.

9 “(2) DEFERMENT OR FORBEARANCE.—Not-
 10 withstanding any other provision of the Higher Edu-
 11 cation Act of 1965 (20 U.S.C. 1001 et seq.), the
 12 Secretary of Education shall deem each month for
 13 which a loan payment was—

14 “(A) suspended under this subsection; or

15 “(B) subject to a deferment or forbearance
 16 under the Higher Education Act of 1965, as if
 17 the borrower of the loan had made a payment
 18 for the purpose of any loan forgiveness program
 19 or loan rehabilitation program authorized under
 20 part B or D of title IV of the Higher Education
 21 Act of 1965 (20 U.S.C. 1071 et seq. and 1087a
 22 et seq.) for which the borrower would have oth-
 23 erwise qualified.”.

24 (f) NONTAXABLE STATUS FOR READJUSTMENT AL-
 25 LOWANCES.—Notwithstanding any other provision of the

1 Internal Revenue Code of 1986, a readjustment allowance
 2 received pursuant to section 5(c) of the Peace Corps Act
 3 (22 U.S.C. 2504(c)), as amended by subsection (e)(2) of
 4 this section, shall not be subject to taxation under chapter
 5 1 of such Code.

6 **SEC. 3. EXPANDED BENEFITS FOR AMERICORPS VOLUN-**
 7 **TEERS.**

8 (a) INCREASE IN NATIONAL SERVICE POSITIONS.—
 9 Notwithstanding any provision of the national service
 10 laws, on or after the date of enactment of this Act, not
 11 fewer than 500,000 national service positions shall be
 12 available under the national service programs authorized
 13 under such laws.

14 (b) INCREASE IN LIVING ALLOWANCE.—Notwith-
 15 standing section 140 of the National and Community
 16 Service Act of 1990 (42 U.S.C. 12594) or any other provi-
 17 sion of the national service laws, any individual serving
 18 in a national service program authorized under a national
 19 service law shall receive a living allowance that is not less
 20 than 200 percent of the poverty line (as defined in section
 21 673(2) of the Community Services Block Grant Act (42
 22 U.S.C. 9902(2))) and adjusted by the Corporation for Na-
 23 tional and Community Service in the manner described in
 24 such section.

1 (c) EXTENDED NON-COMPETITIVE ELIGIBILITY.—

2 Notwithstanding any other law, rule, or regulation, the
3 head of any agency in the Executive branch may non-
4 competitively appoint, to a competitive service position at
5 such agency, any individual who is certified by the Cor-
6 poration for National and Community Service as having
7 satisfactorily completed service in a national service pro-
8 gram authorized under a national service law. Such an in-
9 dividual may not be appointed under the authority pro-
10 vided under this section after the date that is 3 years after
11 the date such individual so completes such service.

12 (d) 1-YEAR ELIGIBILITY FOR HEALTH BENEFITS.—

13 Notwithstanding section 140 of the National and Commu-
14 nity Service Act of 1990 (42 U.S.C. 12594) or any other
15 provision of the national service laws, during the one-year
16 period beginning on the day after the final day of a partic-
17 ipant in a national service program authorized under a
18 national service law, the Corporation for National and
19 Community Service shall provide such former participant,
20 at no cost to such participant, with the health care policy
21 such participant received during the term of service in
22 such program.

23 (e) DOUBLING OF THE SEGAL AMERICORPS EDU-
24 CATION AWARD.—Section 147(a) of the National and

1 Community Service Act of 1990 (42 U.S.C. 12603(a)) is
 2 amended by inserting “twice” before “the maximum”.

3 (f) USE OF THE SEGAL AMERICORPS EDUCATION
 4 AWARD.—Section 148(a)(4) of the National and Commu-
 5 nity Service Act of 1990 (42 U.S.C. 12604(a)(4)) is
 6 amended by inserting before the semicolon at the end the
 7 following: “, or for the purpose of obtaining a recognized
 8 post-secondary credential (as defined in section 3 of the
 9 Workforce Innovation and Opportunity Act (29 U.S.C.
 10 3102))”.

11 (g) SUSPENSION OF PAYMENTS AND ACCRUAL OF IN-
 12 TEREST ON FEDERAL LOANS DURING SERVICE.—

13 (1) IN GENERAL.—Notwithstanding any provi-
 14 sion of a national service law, if an individual re-
 15 ceives a loan made under part D of title IV of the
 16 Higher Education Act of 1965 (20 U.S.C. 1087a et
 17 seq.) before commencing service in a national service
 18 program under a national service law—

19 (A) all payments due for such loans shall
 20 be suspended; and

21 (B) interest shall not accrue on such loan
 22 for the duration of such service.

23 (2) DEFERMENT OR FORBEARANCE.—Notwith-
 24 standing any other provision of the Higher Edu-
 25 cation Act of 1965 (20 U.S.C. 1001 et seq.), the

1 Secretary of Education shall deem each month for
2 which a loan payment was—

3 (A) suspended under this subsection; or

4 (B) subject to a deferment or forbearance
5 under the Higher Education Act of 1965, as if
6 the borrower of the loan had made a payment
7 for the purpose of any loan forgiveness program
8 or loan rehabilitation program authorized under
9 part B or D of title IV of the Higher Education
10 Act of 1965 (20 U.S.C. 1071 et seq. and 1087a
11 et seq.) for which the borrower would have oth-
12 erwise qualified.

13 (h) NON-DISCRIMINATION BASED ON CERTAIN IMMI-
14 GRATION STATUSES.—Notwithstanding any provision of a
15 national service law, a refugee, asylee, or other lawfully
16 admitted alien may not be prohibited from serving in a
17 national service program authorized under such a law, or
18 receiving an education benefit for such service, on the
19 basis of such status.

20 (i) PLANNING GRANTS FOR UNDERSERVED COMMU-
21 NITIES.—Notwithstanding any provision of a national
22 service law, the Corporation for National and Community
23 Service may award planning grants to underserved com-
24 munities to enable such communities to develop the capac-
25 ity to carry out national service programs under national

1 service laws. Any matching fund requirements under the
 2 national service laws shall be waived for the first 2 years
 3 during which any such community carries out such a na-
 4 tional service program.

5 (j) AVAILABILITY OF SHORTER TERM OF SERVICE.—
 6 Notwithstanding sections 139(b), 146, and 147 of the Na-
 7 tional and Community Service Act of 1990 (42 U.S.C.
 8 12593(b), 12602, and 12603), the Corporation for Na-
 9 tional and Community Service may determine the number
 10 of hours required to successfully complete any term of
 11 service in AmeriCorps that is less than 1,700 hours. Any
 12 reduction of the required term of service below 1,700
 13 hours shall include a corresponding reduction in the
 14 amount of any national service educational award that
 15 may be available under subtitle D of title I of such Act
 16 (42 U.S.C. 12601 et seq.) with regard to such service.

17 (k) NATIONAL SERVICE LAWS DEFINED.—In this
 18 section, the term “national service laws” has the meaning
 19 given such term in section 101 of the National and Com-
 20 munity Service Act of 1990 (42 U.S.C. 12511).

21 **SEC. 4. PUBLIC SERVICE LOAN FORGIVENESS.**

22 Section 455(m)(3)(B) of the Higher Education Act
 23 of 1965 (20 U.S.C. 1087e(m)(3)(B)) is amended—

24 (1) by striking “or” at the end of clause (i);

1 (2) in clause (ii), by striking the period at the
2 end and inserting “; or”; and

3 (3) by adding at the end the following:

4 “(iii) serving, on a full-time basis, in
5 a national service program authorized
6 under a national service law (as defined in
7 section 101 of the National and Commu-
8 nity Service Act of 1990 (42 U.S.C.
9 12511)) or as a Peace Corps volunteer.”.

10 **SEC. 5. EXCLUSION FROM GROSS INCOME OF CERTAIN PAY-**
11 **MENTS FOR NATIONAL SERVICE.**

12 (a) IN GENERAL.—Part II of subchapter B of chap-
13 ter 1 of the Internal Revenue Code of 1986 is amended
14 by inserting after section 139I the following new section:

15 **“SEC. 139J. CERTAIN PAYMENTS FOR NATIONAL SERVICE.**

16 “In the case of an individual, gross income shall not
17 include any amount received under a national service edu-
18 cational award under subtitle D of title I of the National
19 and Community Service Act of 1990 (42 U.S.C. 12601
20 et seq.) or any living allowance provided to such individual
21 during participation in a national service program author-
22 ized under a national service law (as defined in section
23 101 of the National and Community Service Act of 1990
24 (42 U.S.C. 12511)).”.

1 (b) CLERICAL AMENDMENT.—The table of sections
2 for part II of subchapter B of chapter 1 of such Code
3 is amended by inserting after the item relating to section
4 139I the following new item:

“Sec. 139J. Certain payments for national service.”.

5 (c) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to taxable years ending after the
7 date of the enactment of this Act.

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