

Public Law 109–281
109th Congress

An Act

To amend the Workforce Investment Act of 1998 to provide for a YouthBuild program.

Sept. 22, 2006
[S. 3534]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “YouthBuild Transfer Act”.

YouthBuild
Transfer Act.
29 USC 2801
note.

SEC. 2. YOUTHBUILD PROGRAM.

(a) ESTABLISHMENT OF YOUTHBUILD PROGRAM IN THE DEPARTMENT OF LABOR.—Subtitle D of title I of the Workforce Investment Act of 1998 is amended by inserting before section 174 (29 U.S.C. 2919) the following new section:

“SEC. 173A. YOUTHBUILD PROGRAM.

29 USC 2918a.

“(a) STATEMENT OF PURPOSE.—The purposes of this section are—

“(1) to enable disadvantaged youth to obtain the education and employment skills necessary to achieve economic self-sufficiency in occupations in demand and postsecondary education and training opportunities;

“(2) to provide disadvantaged youth with opportunities for meaningful work and service to their communities;

“(3) to foster the development of employment and leadership skills and commitment to community development among youth in low-income communities; and

“(4) to expand the supply of permanent affordable housing for homeless individuals and low-income families by utilizing the energies and talents of disadvantaged youth.

“(b) DEFINITIONS.—In this section:

“(1) ADJUSTED INCOME.—The term ‘adjusted income’ has the meaning given the term in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)).

“(2) APPLICANT.—The term ‘applicant’ means an eligible entity that has submitted an application under subsection (c).

“(3) ELIGIBLE ENTITY.—The term ‘eligible entity’ means a public or private nonprofit agency or organization (including a consortium of such agencies or organizations), including—

“(A) a community-based organization;

“(B) a faith-based organization;

“(C) an entity carrying out activities under this title, such as a local board;

“(D) a community action agency;

“(E) a State or local housing development agency;

“(F) an Indian tribe or other agency primarily serving Indians;

“(G) a community development corporation;

“(H) a State or local youth service or conservation corps; and

“(I) any other entity eligible to provide education or employment training under a Federal program (other than the program carried out under this section).

“(4) HOMELESS INDIVIDUAL.—The term ‘homeless individual’ has the meaning given the term in section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302).

“(5) HOUSING DEVELOPMENT AGENCY.—The term ‘housing development agency’ means any agency of a State or local government, or any private nonprofit organization, that is engaged in providing housing for homeless individuals or low-income families.

“(6) INCOME.—The term ‘income’ has the meaning given the term in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)).

“(7) INDIAN; INDIAN TRIBE.—The terms ‘Indian’ and ‘Indian tribe’ have the meanings given such terms in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

“(8) INDIVIDUAL OF LIMITED ENGLISH PROFICIENCY.—The term ‘individual of limited English proficiency’ means an eligible participant under this section who meets the criteria set forth in section 203(10) of the Adult Education and Family Literacy Act (20 U.S.C. 9202(10)).

“(9) LOW-INCOME FAMILY.—The term ‘low-income family’ means a family described in section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)).

“(10) QUALIFIED NATIONAL NONPROFIT AGENCY.—The term ‘qualified national nonprofit agency’ means a nonprofit agency that—

“(A) has significant national experience providing services consisting of training, information, technical assistance, and data management to YouthBuild programs or similar projects; and

“(B) has the capacity to provide those services.

“(11) REGISTERED APPRENTICESHIP PROGRAM.—The term ‘registered apprenticeship program’ means an apprenticeship program—

“(A) registered under the Act of August 16, 1937 (commonly known as the ‘National Apprenticeship Act’; 50 Stat. 664, chapter 663; 20 U.S.C. 50 et seq.); and

“(B) that meets such other criteria as may be established by the Secretary under this section.

“(12) TRANSITIONAL HOUSING.—The term ‘transitional housing’ means housing provided for the purpose of facilitating the movement of homeless individuals to independent living within a reasonable amount of time. The term includes housing primarily designed to serve deinstitutionalized homeless individuals and other homeless individuals who are individuals with disabilities or members of families with children.

“(13) YOUTHBUILD PROGRAM.—The term ‘YouthBuild program’ means any program that receives assistance under this section and provides disadvantaged youth with opportunities

for employment, education, leadership development, and training through the rehabilitation or construction of housing for homeless individuals and low-income families, and of public facilities.

“(c) YOUTHBUILD GRANTS.—

“(1) AMOUNTS OF GRANTS.—The Secretary is authorized to make grants to applicants for the purpose of carrying out YouthBuild programs approved under this section.

“(2) ELIGIBLE ACTIVITIES.—An entity that receives a grant under this subsection shall use the funds made available through the grant to carry out a YouthBuild program, which may include the following activities:

“(A) Education and workforce investment activities including—

“(i) work experience and skills training (coordinated, to the maximum extent feasible, with preapprenticeship and registered apprenticeship programs) in the rehabilitation and construction activities described in subparagraphs (B) and (C);

“(ii) occupational skills training;

“(iii) other paid and unpaid work experiences, including internships and job shadowing;

“(iv) services and activities designed to meet the educational needs of participants, including—

“(I) basic skills instruction and remedial education;

“(II) language instruction educational programs for individuals with limited English proficiency;

“(III) secondary education services and activities, including tutoring, study skills training, and dropout prevention activities, designed to lead to the attainment of a secondary school diploma, General Education Development (GED) credential, or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities);

“(IV) counseling and assistance in obtaining postsecondary education and required financial aid; and

“(V) alternative secondary school services;

“(v) counseling services and related activities, such as comprehensive guidance and counseling on drug and alcohol abuse and referral;

“(vi) activities designed to develop employment and leadership skills, which may include community service and peer-centered activities encouraging responsibility and other positive social behaviors, and activities related to youth policy committees that participate in decision-making related to the program;

“(vii) supportive services and provision of need-based stipends necessary to enable individuals to participate in the program and supportive services to assist individuals, for a period not to exceed 12 months after the completion of training, in obtaining or retaining employment, or applying for and transitioning to postsecondary education; and

“(viii) job search and assistance.

“(B) Supervision and training for participants in the rehabilitation or construction of housing, including residential housing for homeless individuals or low-income families, or transitional housing for homeless individuals.

“(C) Supervision and training for participants in the rehabilitation or construction of community and other public facilities, except that not more than 10 percent of funds appropriated to carry out this section may be used for such supervision and training.

“(D) Payment of administrative costs of the applicant, except that not more than 15 percent of the amount of assistance provided under this subsection to the grant recipient may be used for such costs.

“(E) Adult mentoring.

“(F) Provision of wages, stipends, or benefits to participants in the program.

“(G) Ongoing training and technical assistance that are related to developing and carrying out the program.

“(H) Follow-up services.

“(3) APPLICATION.—

“(A) FORM AND PROCEDURE.—To be qualified to receive a grant under this subsection, an eligible entity shall submit an application at such time, in such manner, and containing such information as the Secretary may require.

“(B) MINIMUM REQUIREMENTS.—The Secretary shall require that the application contain, at a minimum—

“(i) labor market information for the labor market area where the proposed program will be implemented, including both current data (as of the date of submission of the application) and projections on career opportunities in growing industries;

“(ii) a request for the grant, specifying the amount of the grant requested and its proposed uses;

“(iii) a description of the applicant and a statement of its qualifications, including a description of the applicant’s relationship with local boards, one-stop operators, local unions, entities carrying out registered apprenticeship programs, other community groups, and employers, and the applicant’s past experience, if any, with rehabilitation or construction of housing or public facilities, and with youth education and employment training programs;

“(iv) a description of the proposed site for the proposed program;

“(v) a description of the educational and job training activities, work opportunities, postsecondary education and training opportunities, and other services that will be provided to participants, and how those activities, opportunities, and services will prepare youth for employment in occupations in demand in the labor market area described in clause (i);

“(vi) a description of the proposed rehabilitation or construction activities to be undertaken under the grant and the anticipated schedule for carrying out such activities;

“(vii) a description of the manner in which eligible youth will be recruited and selected as participants, including a description of arrangements that will be made with local boards, one-stop operators, community- and faith-based organizations, State educational agencies or local educational agencies (including agencies of Indian tribes), public assistance agencies, the courts of jurisdiction, agencies operating shelters for homeless individuals and other agencies that serve youth who are homeless individuals, foster care agencies, and other appropriate public and private agencies;

“(viii) a description of the special outreach efforts that will be undertaken to recruit eligible young women (including young women with dependent children) as participants;

“(ix) a description of the specific role of employers in the proposed program, such as their role in developing the proposed program and assisting in service provision and in placement activities;

“(x) a description of how the proposed program will be coordinated with other Federal, State, and local activities and activities conducted by Indian tribes, such as local workforce investment activities, vocational education programs, adult and language instruction educational programs, activities conducted by public schools, activities, conducted by community colleges, national service programs, and other job training provided with funds available under this title;

“(xi) assurances that there will be a sufficient number of adequately trained supervisory personnel in the proposed program;

“(xii) a description of results to be achieved with respect to common indicators of performance for youth and lifelong learning, as identified by the Secretary;

“(xiii) a description of the applicant’s relationship with local building trade unions regarding their involvement in training to be provided through the proposed program, the relationship of the proposed program to established registered apprenticeship programs and employers, and the ability of the applicant to grant industry-recognized skill certification through the program;

“(xiv) a description of activities that will be undertaken to develop the leadership skills of participants;

“(xv) a detailed budget and a description of the system of fiscal controls, and auditing and accountability procedures, that will be used to ensure fiscal soundness for the proposed program;

“(xvi) a description of the commitments for any additional resources (in addition to the funds made available through the grant) to be made available to the proposed program from—

“(I) the applicant;

“(II) recipients of other Federal, State or local housing and community development assistance who will sponsor any part of the rehabilitation, construction, operation and maintenance, or other

housing and community development activities undertaken as part of the proposed program; or

“(III) entities carrying out other Federal, State, or local activities or activities conducted by Indian tribes, including vocational education programs, adult and language instruction educational programs, and job training provided with funds available under this title;

“(xvii) information identifying, and a description of, the financing proposed for any—

“(I) rehabilitation of the property involved;

“(II) acquisition of the property; or

“(III) construction of the property;

“(xviii) information identifying, and a description of, the entity that will operate and manage the property;

“(xix) information identifying, and a description of, the data collection systems to be used;

“(xx) a certification, by a public official responsible for the housing strategy for the State or unit of general local government within which the proposed program is located, that the proposed program is consistent with the housing strategy; and

“(xxi) a certification that the applicant will comply with the requirements of the Fair Housing Act (42 U.S.C. 3601 et seq.) and will affirmatively further fair housing.

“(4) SELECTION CRITERIA.—For an applicant to be eligible to receive a grant under this subsection, the applicant and the applicant’s proposed program shall meet such selection criteria as the Secretary shall establish under this section, which shall include criteria relating to—

“(A) the qualifications or potential capabilities of an applicant;

“(B) an applicant’s potential for developing a successful YouthBuild program;

“(C) the need for an applicant’s proposed program, as determined by the degree of economic distress of the community from which participants would be recruited (measured by indicators such as poverty, youth unemployment, and the number of individuals who have dropped out of secondary school) and of the community in which the housing and public facilities proposed to be rehabilitated or constructed is located (measured by indicators such as incidence of homelessness, shortage of affordable housing, and poverty);

“(D) the commitment of an applicant to providing skills training, leadership development, and education to participants;

“(E) the focus of a proposed program on preparing youth for occupations in demand or postsecondary education and training opportunities;

“(F) the extent of an applicant’s coordination of activities to be carried out through the proposed program with local boards, one-stop operators, and one-stop partners participating in the operation of the one-stop delivery

system involved, or the extent of the applicant's good faith efforts in achieving such coordination;

“(G) the extent of the applicant's coordination of activities with public education, criminal justice, housing and community development, national service, or postsecondary education or other systems that relate to the goals of the proposed program;

“(H) the extent of an applicant's coordination of activities with employers in the local area involved;

“(I) the extent to which a proposed program provides for inclusion of tenants who were previously homeless individuals in the rental housing provided through the program;

“(J) the commitment of additional resources (in addition to the funds made available through the grant) to a proposed program by—

“(i) an applicant;

“(ii) recipients of other Federal, State, or local housing and community development assistance who will sponsor any part of the rehabilitation, construction, operation and maintenance, or other housing and community development activities undertaken as part of the proposed program; or

“(iii) entities carrying out other Federal, State, or local activities or activities conducted by Indian tribes, including vocational education programs, adult and language instruction educational programs, and job training provided with funds available under this title;

“(K) the applicant's potential to serve different regions, including rural areas and States that have not previously received grants for YouthBuild programs; and

“(L) such other factors as the Secretary determines to be appropriate for purposes of carrying out the proposed program in an effective and efficient manner.

“(5) APPROVAL.—To the extent practicable, the Secretary shall notify each applicant, not later than 5 months after the date of receipt of the application by the Secretary, whether the application is approved or not approved.

Notification.
Deadline.

“(d) USE OF HOUSING UNITS.—Residential housing units rehabilitated or constructed using funds made available under subsection (c) shall be available solely—

“(1) for rental by, or sale to, homeless individuals or low-income families; or

“(2) for use as transitional or permanent housing, for the purpose of assisting in the movement of homeless individuals to independent living.

“(e) ADDITIONAL PROGRAM REQUIREMENTS.—

“(1) ELIGIBLE PARTICIPANTS.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), an individual may participate in a YouthBuild program only if such individual is—

“(i) not less than age 16 and not more than age 24, on the date of enrollment;

“(ii) a member of a low-income family, a youth in foster care (including youth aging out of foster care), a youth offender, a youth who is an individual with

a disability, a child of incarcerated parents, or a migrant youth; and

“(iii) a school dropout.

“(B) EXCEPTION FOR INDIVIDUALS NOT MEETING INCOME OR EDUCATIONAL NEED REQUIREMENTS.—Not more than 25 percent of the participants in such program may be individuals who do not meet the requirements of clause (ii) or (iii) of subparagraph (A), but who—

“(i) are basic skills deficient, despite attainment of a secondary school diploma, General Education Development (GED) credential, or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities); or

“(ii) have been referred by a local secondary school for participation in a YouthBuild program leading to the attainment of a secondary school diploma.

“(2) PARTICIPATION LIMITATION.—An eligible individual selected for participation in a YouthBuild program shall be offered full-time participation in the program for a period of not less than 6 months and not more than 24 months.

“(3) MINIMUM TIME DEVOTED TO EDUCATIONAL SERVICES AND ACTIVITIES.—A YouthBuild program receiving assistance under subsection (c) shall be structured so that participants in the program are offered—

“(A) education and related services and activities designed to meet educational needs, such as those specified in clauses (iv) through (vii) of subsection (c)(2)(A), during at least 50 percent of the time during which the participants participate in the program; and

“(B) work and skill development activities such as those specified in clauses (i), (ii), (iii), and (viii) of subsection (c)(2)(A), during at least 40 percent of the time during which the participants participate in the program.

“(4) AUTHORITY RESTRICTION.—No provision of this section may be construed to authorize any agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution (including a school) or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or school system.

“(5) STATE AND LOCAL STANDARDS.—All educational programs and activities supported with funds provided under subsection (c) shall be consistent with applicable State and local educational standards. Standards and procedures for the programs and activities that relate to awarding academic credit for and certifying educational attainment in such programs and activities shall be consistent with applicable State and local educational standards.

“(f) MANAGEMENT AND TECHNICAL ASSISTANCE.—

“(1) SECRETARY ASSISTANCE.—The Secretary may enter into contracts with 1 or more entities to provide assistance to the Secretary in the management, supervision, and coordination of the program carried out under this section.

“(2) TECHNICAL ASSISTANCE.—

“(A) CONTRACTS AND GRANTS.—The Secretary shall enter into contracts with or make grants to 1 or more

qualified national nonprofit agencies, in order to provide training, information, technical assistance, and data management to recipients of grants under subsection (c).

“(B) RESERVATION OF FUNDS.—Of the amounts available under subsection (h) to carry out this section for a fiscal year, the Secretary shall reserve 5 percent to carry out subparagraph (A).

“(3) CAPACITY BUILDING GRANTS.—

“(A) IN GENERAL.—In each fiscal year, the Secretary may use not more than 3 percent of the amounts available under subsection (h) to award grants to 1 or more qualified national nonprofit agencies to pay for the Federal share of the cost of capacity building activities.

“(B) FEDERAL SHARE.—The Federal share of the cost described in subparagraph (A) shall be 25 percent. The non-Federal share shall be provided from private sources.

“(g) SUBGRANTS AND CONTRACTS.—Each recipient of a grant under subsection (c) to carry out a YouthBuild program shall provide the services and activities described in this section directly or through subgrants, contracts, or other arrangements with local educational agencies, postsecondary educational institutions, State or local housing development agencies, other public agencies, including agencies of Indian tribes, or private organizations.

“(h) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated for each of fiscal years 2007 through 2012 such sums as may be necessary to carry out this section.

“(2) FISCAL YEAR.—Notwithstanding section 189(g), appropriations for any fiscal year for programs and activities carried out under this section shall be available for obligation only on the basis of a fiscal year.”.

(b) CLERICAL AMENDMENT.—Section 1(b) of the Workforce Investment Act of 1998 (relating to the table of contents) is amended by inserting before the item relating to section 174 the following:

29 USC 2801
prec. note.

“Sec. 173A. YouthBuild program”.

(c) EXCEPTION TO PROGRAM YEAR APPROPRIATION CYCLE REQUIREMENT.—Section 189(g)(1)(A) of the Workforce Investment Act of 1998 (29 U.S.C. 2939(g)(1)(A)) is amended by inserting “and section 173A” after “Except as provided in subparagraph (B)”.

(d) CONFORMING AMENDMENTS.—

(1) Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) is amended in paragraphs (1)(B)(iii) and (2)(B) of subsection (c), and paragraphs (1)(B)(iii) and (2)(B) of subsection (d), by striking “Youthbuild” and all that follows and inserting “YouthBuild programs receiving assistance under section 173A of the Workforce Investment Act of 1998.”.

(2) Section 507(b) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4183(b)) is amended by striking “subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act,”.

(3) Section 402 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12870) is amended by striking the second sentence of subsections (a) and (b).

(e) REPEAL OF PROVISIONS.—Subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899 et seq.) is repealed.

12 USC 1701u
note.

(f) **EFFECTIVE DATE.**—This section and the amendments made by this section take effect on the earlier of—

(1) the date of enactment of this Act; and

(2) September 30, 2006.

29 USC 2918a
note.

SEC. 3. TRANSFER OF FUNCTIONS AND SAVINGS PROVISIONS.

(a) **DEFINITIONS.**—For purposes of this section, unless otherwise provided or indicated by the context—

(1) the term “Federal agency” has the meaning given to the term “agency” by section 551(1) of title 5, United States Code;

(2) the term “function” means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program; and

(3) the term “office” includes any office, administration, agency, institute, unit, organizational entity, or component thereof.

(b) **TRANSFER OF FUNCTIONS.**—There are transferred to the Department of Labor all functions which the Secretary of Housing and Urban Development exercised before the effective date of this section (including all related functions of any officer or employee of the Department of Housing and Urban Development) relating to subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899 et seq.).

(c) **DETERMINATIONS OF CERTAIN FUNCTIONS BY THE OFFICE OF MANAGEMENT AND BUDGET.**—If necessary, the Office of Management and Budget shall make any determination of the functions that are transferred under subsection (b).

(d) **PERSONNEL PROVISIONS.**—

(1) **APPOINTMENTS.**—The Secretary of Labor may appoint and fix the compensation of such officers and employees, including investigators, attorneys, and administrative law judges, as may be necessary to carry out the respective functions transferred under this section. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5, United States Code.

(2) **EXPERTS AND CONSULTANTS.**—The Secretary of Labor may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code, and compensate such experts and consultants for each day (including traveltime) at rates not in excess of the rate of pay for level IV of the Executive Schedule under section 5315 of such title. The Secretary of Labor may pay experts and consultants who are serving away from their homes or regular place of business travel expenses and per diem in lieu of subsistence at rates authorized by sections 5702 and 5703 of such title for persons in Government service employed intermittently.

(e) **DELEGATION AND ASSIGNMENT.**—Except where otherwise expressly prohibited by law or otherwise provided by this section, the Secretary of Labor may delegate any of the functions transferred to the Secretary of Labor by this section and any function transferred or granted to the Secretary of Labor after the effective date of this section to such officers and employees of the Department of Labor as the Secretary of Labor may designate, and may authorize successive redelegations of such functions as may be

necessary or appropriate. No delegation of functions by the Secretary of Labor under this subsection or under any other provision of this section shall relieve the Secretary of Labor of responsibility for the administration of such functions.

(f) REORGANIZATION.—The Secretary of Labor is authorized to allocate or reallocate any function transferred under subsection (b) among the officers of the Department of Labor, and to establish, consolidate, alter, or discontinue such organizational entities in the Department of Labor as may be necessary or appropriate.

(g) RULES.—The Secretary of Labor is authorized to prescribe, in accordance with the provisions of chapters 5 and 6 of title 5, United States Code, such rules and regulations as the Secretary of Labor determines necessary or appropriate to administer and manage the functions of the Department of Labor.

(h) TRANSFER AND ALLOCATIONS OF APPROPRIATIONS.—Except as otherwise provided in this section, the assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds used, held, arising from, available to, or to be made available in connection with the functions transferred by this section, subject to section 1531 of title 31, United States Code, shall be transferred to the Department of Labor. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

(i) TRANSFERS.—The Director of the Office of Management and Budget, at such time or times as the Director shall provide, is authorized to make such determinations as may be necessary with regard to the functions transferred by this section, and to make such dispositions of assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds used, held, arising from, available to, or to be made available in connection with such functions, subject to section 1531 of title 31, United States Code, as may be necessary to carry out the provisions of this section. The Director of the Office of Management and Budget shall provide for the termination of the affairs of all entities terminated by this section and for such further measures and dispositions as may be necessary to effectuate the purposes of this section.

(j) SAVINGS PROVISIONS.—

(1) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(A) which have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under this section; and

(B) which are in effect at the time this section takes effect, or were final before the effective date of this section and are to become effective on or after the effective date of this section,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Secretary of Labor or other authorized official, a court of competent jurisdiction, or by operation of law.

(2) **PROCEEDINGS NOT AFFECTED.**—The provisions of this section shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before the Department of Housing and Urban Development at the time this section takes effect, with respect to functions transferred by this section but such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this section had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this paragraph shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(3) **SUITS NOT AFFECTED.**—The provisions of this section shall not affect suits commenced before the effective date of this section, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this section had not been enacted.

(4) **NONABATEMENT OF ACTIONS.**—No suit, action, or other proceeding commenced by or against the Department of Housing and Urban Development, or by or against any individual in the official capacity of such individual as an officer of the Department of Housing and Urban Development, shall abate by reason of the enactment of this section.

(5) **ADMINISTRATIVE ACTIONS RELATING TO PROMULGATION OF REGULATIONS.**—Any administrative action relating to the preparation or promulgation of a regulation by the Department of Housing and Urban Development relating to a function transferred under this section may be continued by the Department of Labor with the same effect as if this section had not been enacted.

(k) **SEPARABILITY.**—If a provision of this section or its application to any person or circumstance is held invalid, neither the remainder of this section nor the application of the provision to other persons or circumstances shall be affected.

(l) **TRANSITION.**—The Secretary of Labor is authorized to utilize—

(1) the services of such officers, employees, and other personnel of the Department of Housing and Urban Development with respect to functions transferred to the Department of Labor by this section; and

(2) funds appropriated to such functions for such period of time,

as may reasonably be needed to facilitate the orderly implementation of this section.

(m) **ACCOMPLISHING ORDERLY TRANSFER.**—Consistent with the requirements of this section, the Secretary of Labor and the Secretary of Housing and Urban Development shall take such actions as the Secretaries determine are appropriate to accomplish the orderly transfer of functions as described in subsection (b).

(n) **ADMINISTRATION OF PRIOR GRANTS.**—Notwithstanding any other provision of this Act, grants awarded under subtitle D of

title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899 et seq.) with funds appropriated for fiscal year 2006 or a preceding fiscal year shall be subject to the continuing authority of the Secretary of Housing and Urban Development under the provisions of such subtitle, as in effect on the day before the date of enactment of this Act, until the authority to expend applicable funds for the grants, as specified by the Secretary of Housing and Urban Development, has expired and the Secretary has completed the administrative responsibilities associated with the grants.

(o) REFERENCES.—A reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to—

(1) the Secretary of Housing and Urban Development with regard to functions transferred under subsection (b), shall be deemed to refer to the Secretary of Labor; and

(2) the Department of Housing and Urban Development with regard to functions transferred under subsection (b), shall be deemed to refer to the Department of Labor.

(p) EFFECTIVE DATE.—This section takes effect on the earlier of—

(1) the date of enactment of this Act; and

(2) September 30, 2006.

Approved September 22, 2006.

LEGISLATIVE HISTORY—S. 3534:

CONGRESSIONAL RECORD, Vol. 152 (2006):

Aug. 3, considered and passed Senate.

Sept. 6, considered and passed House.