

109<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 3534

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## AN ACT

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

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 “YouthBuild Transfer  
5 Act”.

1 **SEC. 2. YOUTHBUILD PROGRAM.**

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

7 **“SEC. 173A. YOUTHBUILD PROGRAM.**

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

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

15 “(2) to provide disadvantaged youth with op-  
16 portunities for meaningful work and service to their  
17 communities;

18 “(3) to foster the development of employment  
19 and leadership skills and commitment to community  
20 development among youth in low-income commu-  
21 nities; and

22 “(4) to expand the supply of permanent afford-  
23 able housing for homeless individuals and low-in-  
24 come families by utilizing the energies and talents of  
25 disadvantaged youth.

26 “(b) DEFINITIONS.—In this section:

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

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

8           “(3) ELIGIBLE ENTITY.—The term ‘eligible en-  
9 tity’ means a public or private nonprofit agency or  
10 organization (including a consortium of such agen-  
11 cies or organizations), including—

12                   “(A) a community-based organization;

13                   “(B) a faith-based organization;

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

16                   “(D) a community action agency;

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

19                   “(F) an Indian tribe or other agency pri-  
20 marily serving Indians;

21                   “(G) a community development corpora-  
22 tion;

23                   “(H) a State or local youth service or con-  
24 servation corps; and

1           “(I) any other entity eligible to provide  
2           education or employment training under a Fed-  
3           eral program (other than the program carried  
4           out under this section).

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

9           “(5) HOUSING DEVELOPMENT AGENCY.—The  
10          term ‘housing development agency’ means any agen-  
11          cy of a State or local government, or any private  
12          nonprofit organization, that is engaged in providing  
13          housing for homeless individuals or low-income fami-  
14          lies.

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

18          “(7) INDIAN; INDIAN TRIBE.—The terms ‘In-  
19          dian’ and ‘Indian tribe’ have the meanings given  
20          such terms in section 4 of the Indian Self-Deter-  
21          mination and Education Assistance Act (25 U.S.C.  
22          450b).

23          “(8) INDIVIDUAL OF LIMITED ENGLISH PRO-  
24          FICIENCY.—The term ‘individual of limited English  
25          proficiency’ means an eligible participant under this

1 section who meets the criteria set forth in section  
2 203(10) of the Adult Education and Family Lit-  
3 eracy Act (20 U.S.C. 9202(10)).

4 “(9) LOW-INCOME FAMILY.—The term ‘low-in-  
5 come family’ means a family described in section  
6 3(b)(2) of the United States Housing Act of 1937  
7 (42 U.S.C. 1437a(b)(2)).

8 “(10) QUALIFIED NATIONAL NONPROFIT AGEN-  
9 CY.—The term ‘qualified national nonprofit agency’  
10 means a nonprofit agency that—

11 “(A) has significant national experience  
12 providing services consisting of training, infor-  
13 mation, technical assistance, and data manage-  
14 ment to YouthBuild programs or similar  
15 projects; and

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

18 “(11) REGISTERED APPRENTICESHIP PRO-  
19 GRAM.—The term ‘registered apprenticeship pro-  
20 gram’ means an apprenticeship program—

21 “(A) registered under the Act of August  
22 16, 1937 (commonly known as the ‘National  
23 Apprenticeship Act’; 50 Stat. 664, chapter 663;  
24 20 U.S.C. 50 et seq.); and

1           “(B) that meets such other criteria as may  
2           be established by the Secretary under this sec-  
3           tion.

4           “(12) TRANSITIONAL HOUSING.—The term  
5           ‘transitional housing’ means housing provided for  
6           the purpose of facilitating the movement of homeless  
7           individuals to independent living within a reasonable  
8           amount of time. The term includes housing pri-  
9           marily designed to serve deinstitutionalized homeless  
10          individuals and other homeless individuals who are  
11          individuals with disabilities or members of families  
12          with children.

13          “(13) YOUTHBUILD PROGRAM.—The term  
14          ‘YouthBuild program’ means any program that re-  
15          ceives assistance under this section and provides dis-  
16          advantaged youth with opportunities for employ-  
17          ment, education, leadership development, and train-  
18          ing through the rehabilitation or construction of  
19          housing for homeless individuals and low-income  
20          families, and of public facilities.

21          “(c) YOUTHBUILD GRANTS.—

22                 “(1) AMOUNTS OF GRANTS.—The Secretary is  
23                 authorized to make grants to applicants for the pur-  
24                 pose of carrying out YouthBuild programs approved  
25                 under this section.

1           “(2) ELIGIBLE ACTIVITIES.—An entity that re-  
2 ceives a grant under this subsection shall use the  
3 funds made available through the grant to carry out  
4 a YouthBuild program, which may include the fol-  
5 lowing activities:

6           “(A) Education and workforce investment  
7 activities including—

8           “(i) work experience and skills train-  
9 ing (coordinated, to the maximum extent  
10 feasible, with preapprenticeship and reg-  
11 istered apprenticeship programs) in the re-  
12 habilitation and construction activities de-  
13 scribed in subparagraphs (B) and (C);

14           “(ii) occupational skills training;

15           “(iii) other paid and unpaid work ex-  
16 periences, including internships and job  
17 shadowing;

18           “(iv) services and activities designed  
19 to meet the educational needs of partici-  
20 pants, including—

21           “(I) basic skills instruction and  
22 remedial education;

23           “(II) language instruction edu-  
24 cational programs for individuals with  
25 limited English proficiency;

1                   “(III) secondary education serv-  
2                   ices and activities, including tutoring,  
3                   study skills training, and dropout pre-  
4                   vention activities, designed to lead to  
5                   the attainment of a secondary school  
6                   diploma, General Education Develop-  
7                   ment (GED) credential, or other  
8                   State-recognized equivalent (including  
9                   recognized alternative standards for  
10                  individuals with disabilities);

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

14                  “(V) alternative secondary school  
15                  services;

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

20                  “(vi) activities designed to develop  
21                  employment and leadership skills, which  
22                  may include community service and peer-  
23                  centered activities encouraging responsi-  
24                  bility and other positive social behaviors,  
25                  and activities related to youth policy com-

1           mittees that participate in decision-making  
2           related to the program;

3           “(vii) supportive services and provi-  
4           sion of need-based stipends necessary to  
5           enable individuals to participate in the pro-  
6           gram and supportive services to assist indi-  
7           viduals, for a period not to exceed 12  
8           months after the completion of training, in  
9           obtaining or retaining employment, or ap-  
10          plying for and transitioning to postsec-  
11          ondary education; and

12          “(viii) job search and assistance.

13          “(B) Supervision and training for partici-  
14          pants in the rehabilitation or construction of  
15          housing, including residential housing for home-  
16          less individuals or low-income families, or tran-  
17          sitional housing for homeless individuals.

18          “(C) Supervision and training for partici-  
19          pants in the rehabilitation or construction of  
20          community and other public facilities, except  
21          that not more than 10 percent of funds appro-  
22          priated to carry out this section may be used  
23          for such supervision and training.

24          “(D) Payment of administrative costs of  
25          the applicant, except that not more than 15

1 percent of the amount of assistance provided  
2 under this subsection to the grant recipient may  
3 be used for such costs.

4 “(E) Adult mentoring.

5 “(F) Provision of wages, stipends, or bene-  
6 fits to participants in the program.

7 “(G) Ongoing training and technical as-  
8 sistance that are related to developing and car-  
9 rying out the program.

10 “(H) Follow-up services.

11 “(3) APPLICATION.—

12 “(A) FORM AND PROCEDURE.—To be  
13 qualified to receive a grant under this sub-  
14 section, an eligible entity shall submit an appli-  
15 cation at such time, in such manner, and con-  
16 taining such information as the Secretary may  
17 require.

18 “(B) MINIMUM REQUIREMENTS.—The Sec-  
19 retary shall require that the application contain,  
20 at a minimum—

21 “(i) labor market information for the  
22 labor market area where the proposed pro-  
23 gram will be implemented, including both  
24 current data (as of the date of submission

1 of the application) and projections on ca-  
2 reer opportunities in growing industries;

3 “(ii) a request for the grant, speci-  
4 fying the amount of the grant requested  
5 and its proposed uses;

6 “(iii) a description of the applicant  
7 and a statement of its qualifications, in-  
8 cluding a description of the applicant’s re-  
9 lationship with local boards, one-stop oper-  
10 ators, local unions, entities carrying out  
11 registered apprenticeship programs, other  
12 community groups, and employers, and the  
13 applicant’s past experience, if any, with re-  
14 habilitation or construction of housing or  
15 public facilities, and with youth education  
16 and employment training programs;

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

19 “(v) a description of the educational  
20 and job training activities, work opportuni-  
21 ties, postsecondary education and training  
22 opportunities, and other services that will  
23 be provided to participants, and how those  
24 activities, opportunities, and services will  
25 prepare youth for employment in occupa-

1 tions in demand in the labor market area  
2 described in clause (i);

3 “(vi) a description of the proposed re-  
4 habilitation or construction activities to be  
5 undertaken under the grant and the antici-  
6 pated schedule for carrying out such activi-  
7 ties;

8 “(vii) a description of the manner in  
9 which eligible youth will be recruited and  
10 selected as participants, including a de-  
11 scription of arrangements that will be  
12 made with local boards, one-stop operators,  
13 community- and faith-based organizations,  
14 State educational agencies or local edu-  
15 cational agencies (including agencies of In-  
16 dian tribes), public assistance agencies, the  
17 courts of jurisdiction, agencies operating  
18 shelters for homeless individuals and other  
19 agencies that serve youth who are homeless  
20 individuals, foster care agencies, and other  
21 appropriate public and private agencies;

22 “(viii) a description of the special out-  
23 reach efforts that will be undertaken to re-  
24 cruit eligible young women (including

1 young women with dependent children) as  
2 participants;

3 “(ix) a description of the specific role  
4 of employers in the proposed program,  
5 such as their role in developing the pro-  
6 posed program and assisting in service pro-  
7 vision and in placement activities;

8 “(x) a description of how the proposed  
9 program will be coordinated with other  
10 Federal, State, and local activities and ac-  
11 tivities conducted by Indian tribes, such as  
12 local workforce investment activities, voca-  
13 tional education programs, adult and lan-  
14 guage instruction educational programs,  
15 activities conducted by public schools, ac-  
16 tivities, conducted by community colleges,  
17 national service programs, and other job  
18 training provided with funds available  
19 under this title;

20 “(xi) assurances that there will be a  
21 sufficient number of adequately trained su-  
22 pervisory personnel in the proposed pro-  
23 gram;

24 “(xii) a description of results to be  
25 achieved with respect to common indicators

1 of performance for youth and lifelong  
2 learning, as identified by the Secretary;

3 “(xiii) a description of the applicant’s  
4 relationship with local building trade  
5 unions regarding their involvement in  
6 training to be provided through the pro-  
7 posed program, the relationship of the pro-  
8 posed program to established registered  
9 apprenticeship programs and employers,  
10 and the ability of the applicant to grant in-  
11 dustry-recognized skill certification  
12 through the program;

13 “(xiv) a description of activities that  
14 will be undertaken to develop the leader-  
15 ship skills of participants;

16 “(xv) a detailed budget and a descrip-  
17 tion of the system of fiscal controls, and  
18 auditing and accountability procedures,  
19 that will be used to ensure fiscal soundness  
20 for the proposed program;

21 “(xvi) a description of the commit-  
22 ments for any additional resources (in ad-  
23 dition to the funds made available through  
24 the grant) to be made available to the pro-  
25 posed program from—

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“(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

1                   “(III) construction of the prop-  
2                   erty;

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

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

9                   “(xx) a certification, by a public offi-  
10                  cial responsible for the housing strategy  
11                  for the State or unit of general local gov-  
12                  ernment within which the proposed pro-  
13                  gram is located, that the proposed program  
14                  is consistent with the housing strategy;  
15                  and

16                  “(xxi) a certification that the appli-  
17                  cant will comply with the requirements of  
18                  the Fair Housing Act (42 U.S.C. 3601 et  
19                  seq.) and will affirmatively further fair  
20                  housing.

21                  “(4) SELECTION CRITERIA.—For an applicant  
22                  to be eligible to receive a grant under this sub-  
23                  section, the applicant and the applicant’s proposed  
24                  program shall meet such selection criteria as the

1 Secretary shall establish under this section, which  
2 shall include criteria relating to—

3 “(A) the qualifications or potential capa-  
4 bilities of an applicant;

5 “(B) an applicant’s potential for devel-  
6 oping a successful YouthBuild program;

7 “(C) the need for an applicant’s proposed  
8 program, as determined by the degree of eco-  
9 nomic distress of the community from which  
10 participants would be recruited (measured by  
11 indicators such as poverty, youth unemploy-  
12 ment, and the number of individuals who have  
13 dropped out of secondary school) and of the  
14 community in which the housing and public fa-  
15 cilities proposed to be rehabilitated or con-  
16 structed is located (measured by indicators such  
17 as incidence of homelessness, shortage of af-  
18 fordable housing, and poverty);

19 “(D) the commitment of an applicant to  
20 providing skills training, leadership develop-  
21 ment, and education to participants;

22 “(E) the focus of a proposed program on  
23 preparing youth for occupations in demand or  
24 postsecondary education and training opportu-  
25 nities;

1           “(F) the extent of an applicant’s coordina-  
2           tion of activities to be carried out through the  
3           proposed program with local boards, one-stop  
4           operators, and one-stop partners participating  
5           in the operation of the one-stop delivery system  
6           involved, or the extent of the applicant’s good  
7           faith efforts in achieving such coordination;

8           “(G) the extent of the applicant’s coordina-  
9           tion of activities with public education, criminal  
10          justice, housing and community development,  
11          national service, or postsecondary education or  
12          other systems that relate to the goals of the  
13          proposed program;

14          “(H) the extent of an applicant’s coordina-  
15          tion of activities with employers in the local  
16          area involved;

17          “(I) the extent to which a proposed pro-  
18          gram provides for inclusion of tenants who were  
19          previously homeless individuals in the rental  
20          housing provided through the program;

21          “(J) the commitment of additional re-  
22          sources (in addition to the funds made available  
23          through the grant) to a proposed program by—

24                 “(i) an applicant;

1           “(ii) recipients of other Federal,  
2           State, or local housing and community de-  
3           velopment assistance who will sponsor any  
4           part of the rehabilitation, construction, op-  
5           eration and maintenance, or other housing  
6           and community development activities un-  
7           dertaken as part of the proposed program;  
8           or

9           “(iii) entities carrying out other Fed-  
10          eral, State, or local activities or activities  
11          conducted by Indian tribes, including voca-  
12          tional education programs, adult and lan-  
13          guage instruction educational programs,  
14          and job training provided with funds avail-  
15          able under this title;

16          “(K) the applicant’s potential to serve dif-  
17          ferent regions, including rural areas and States  
18          that have not previously received grants for  
19          YouthBuild programs; and

20          “(L) such other factors as the Secretary  
21          determines to be appropriate for purposes of  
22          carrying out the proposed program in an effec-  
23          tive and efficient manner.

24          “(5) APPROVAL.—To the extent practicable, the  
25          Secretary shall notify each applicant, not later than

1       5 months after the date of receipt of the application  
2       by the Secretary, whether the application is ap-  
3       proved or not approved.

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

7               “(1) for rental by, or sale to, homeless individ-  
8       uals or low-income families; or

9               “(2) for use as transitional or permanent hous-  
10       ing, for the purpose of assisting in the movement of  
11       homeless individuals to independent living.

12       “(e) ADDITIONAL PROGRAM REQUIREMENTS.—

13               “(1) ELIGIBLE PARTICIPANTS.—

14                       “(A) IN GENERAL.—Except as provided in  
15       subparagraph (B), an individual may partici-  
16       pate in a YouthBuild program only if such indi-  
17       vidual is—

18                               “(i) not less than age 16 and not  
19       more than age 24, on the date of enroll-  
20       ment;

21                               “(ii) a member of a low-income fam-  
22       ily, a youth in foster care (including youth  
23       aging out of foster care), a youth offender,  
24       a youth who is an individual with a dis-

1 ability, a child of incarcerated parents, or  
2 a migrant youth; and

3 “(iii) a school dropout.

4 “(B) EXCEPTION FOR INDIVIDUALS NOT  
5 MEETING INCOME OR EDUCATIONAL NEED RE-  
6 QUIREMENTS.—Not more than 25 percent of  
7 the participants in such program may be indi-  
8 viduals who do not meet the requirements of  
9 clause (ii) or (iii) of subparagraph (A), but  
10 who—

11 “(i) are basic skills deficient, despite  
12 attainment of a secondary school diploma,  
13 General Education Development (GED)  
14 credential, or other State-recognized equiv-  
15 alent (including recognized alternative  
16 standards for individuals with disabilities);  
17 or

18 “(ii) have been referred by a local sec-  
19 ondary school for participation in a  
20 YouthBuild program leading to the attain-  
21 ment of a secondary school diploma.

22 “(2) PARTICIPATION LIMITATION.—An eligible  
23 individual selected for participation in a YouthBuild  
24 program shall be offered full-time participation in

1 the program for a period of not less than 6 months  
2 and not more than 24 months.

3 “(3) MINIMUM TIME DEVOTED TO EDU-  
4 CATIONAL SERVICES AND ACTIVITIES.—A  
5 YouthBuild program receiving assistance under sub-  
6 section (c) shall be structured so that participants in  
7 the program are offered—

8 “(A) education and related services and ac-  
9 tivities designed to meet educational needs,  
10 such as those specified in clauses (iv) through  
11 (vii) of subsection (c)(2)(A), during at least 50  
12 percent of the time during which the partici-  
13 pants participate in the program; and

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

19 “(4) AUTHORITY RESTRICTION.—No provision  
20 of this section may be construed to authorize any  
21 agency, officer, or employee of the United States to  
22 exercise any direction, supervision, or control over  
23 the curriculum, program of instruction, administra-  
24 tion, or personnel of any educational institution (in-  
25 cluding a school) or school system, or over the selec-

1 tion of library resources, textbooks, or other printed  
2 or published instructional materials by any edu-  
3 cational institution or school system.

4 “(5) STATE AND LOCAL STANDARDS.—All edu-  
5 cational programs and activities supported with  
6 funds provided under subsection (c) shall be con-  
7 sistent with applicable State and local educational  
8 standards. Standards and procedures for the pro-  
9 grams and activities that relate to awarding aca-  
10 demic credit for and certifying educational attain-  
11 ment in such programs and activities shall be con-  
12 sistent with applicable State and local educational  
13 standards.

14 “(f) MANAGEMENT AND TECHNICAL ASSISTANCE.—

15 “(1) SECRETARY ASSISTANCE.—The Secretary  
16 may enter into contracts with 1 or more entities to  
17 provide assistance to the Secretary in the manage-  
18 ment, supervision, and coordination of the program  
19 carried out under this section.

20 “(2) TECHNICAL ASSISTANCE.—

21 “(A) CONTRACTS AND GRANTS.—The Sec-  
22 retary shall enter into contracts with or make  
23 grants to 1 or more qualified national nonprofit  
24 agencies, in order to provide training, informa-  
25 tion, technical assistance, and data manage-

1           ment to recipients of grants under subsection  
2           (c).

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

8           “(3) CAPACITY BUILDING GRANTS.—

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

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

19          “(g) SUBGRANTS AND CONTRACTS.—Each recipient  
20          of a grant under subsection (c) to carry out a YouthBuild  
21          program shall provide the services and activities described  
22          in this section directly or through subgrants, contracts,  
23          or other arrangements with local educational agencies,  
24          postsecondary educational institutions, State or local

1 housing development agencies, other public agencies, in-  
2 cluding agencies of Indian tribes, or private organizations.

3 “(h) AUTHORIZATION OF APPROPRIATIONS.—

4 “(1) IN GENERAL.—There are authorized to be  
5 appropriated for each of fiscal years 2007 through  
6 2012 such sums as may be necessary to carry out  
7 this section.

8 “(2) FISCAL YEAR.—Notwithstanding section  
9 189(g), appropriations for any fiscal year for pro-  
10 grams and activities carried out under this section  
11 shall be available for obligation only on the basis of  
12 a fiscal year.”.

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

“Sec. 173A. YouthBuild program”.

17 (c) EXCEPTION TO PROGRAM YEAR APPROPRIATION  
18 CYCLE REQUIREMENT.—Section 189(g)(1)(A) of the  
19 Workforce Investment Act of 1998 (29 U.S.C.  
20 2939(g)(1)(A)) is amended by inserting “and section  
21 173A” after “Except as provided in subparagraph (B)”.

22 (d) CONFORMING AMENDMENTS.—

23 (1) Section 3 of the Housing and Urban Devel-  
24 opment Act of 1968 (12 U.S.C. 1701u) is amended  
25 in paragraphs (1)(B)(iii) and (2)(B) of subsection

1 (c), and paragraphs (1)(B)(iii) and (2)(B) of sub-  
2 section (d), by striking “Youthbuild” and all that  
3 follows and inserting “YouthBuild programs receiv-  
4 ing assistance under section 173A of the Workforce  
5 Investment Act of 1998.”.

6 (2) Section 507(b) of the Native American  
7 Housing Assistance and Self-Determination Act of  
8 1996 (25 U.S.C. 4183(b)) is amended by striking  
9 “subtitle D of title IV of the Cranston-Gonzalez Na-  
10 tional Affordable Housing Act,”.

11 (3) Section 402 of the Cranston-Gonzalez Na-  
12 tional Affordable Housing Act (42 U.S.C. 12870) is  
13 amended by striking the second sentence of sub-  
14 sections (a) and (b).

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

18 (f) EFFECTIVE DATE.—This section and the amend-  
19 ments made by this section take effect on the earlier of—

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

21 (2) September 30, 2006.

22 **SEC. 3. TRANSFER OF FUNCTIONS AND SAVINGS PROVI-**  
23 **SIONS.**

24 (a) DEFINITIONS.—For purposes of this section, un-  
25 less otherwise provided or indicated by the context—

1           (1) the term “Federal agency” has the meaning  
2           given to the term “agency” by section 551(1) of title  
3           5, United States Code;

4           (2) the term “function” means any duty, obli-  
5           gation, power, authority, responsibility, right, privi-  
6           lege, activity, or program; and

7           (3) the term “office” includes any office, ad-  
8           ministration, agency, institute, unit, organizational  
9           entity, or component thereof.

10          (b) TRANSFER OF FUNCTIONS.—There are trans-  
11          ferred to the Department of Labor all functions which the  
12          Secretary of Housing and Urban Development exercised  
13          before the effective date of this section (including all re-  
14          lated functions of any officer or employee of the Depart-  
15          ment of Housing and Urban Development) relating to sub-  
16          title D of title IV of the Cranston-Gonzalez National Af-  
17          fordable Housing Act (42 U.S.C. 12899 et seq.).

18          (c) DETERMINATIONS OF CERTAIN FUNCTIONS BY  
19          THE OFFICE OF MANAGEMENT AND BUDGET.—If nec-  
20          essary, the Office of Management and Budget shall make  
21          any determination of the functions that are transferred  
22          under subsection (b).

23          (d) PERSONNEL PROVISIONS.—

24                 (1) APPOINTMENTS.—The Secretary of Labor  
25                 may appoint and fix the compensation of such offi-

1       cers and employees, including investigators, attor-  
2       neys, and administrative law judges, as may be nec-  
3       essary to carry out the respective functions trans-  
4       ferred under this section. Except as otherwise pro-  
5       vided by law, such officers and employees shall be  
6       appointed in accordance with the civil service laws  
7       and their compensation fixed in accordance with title  
8       5, United States Code.

9               (2) EXPERTS AND CONSULTANTS.—The Sec-  
10       retary of Labor may obtain the services of experts  
11       and consultants in accordance with section 3109 of  
12       title 5, United States Code, and compensate such ex-  
13       perts and consultants for each day (including travel-  
14       time) at rates not in excess of the rate of pay for  
15       level IV of the Executive Schedule under section  
16       5315 of such title. The Secretary of Labor may pay  
17       experts and consultants who are serving away from  
18       their homes or regular place of business travel ex-  
19       penses and per diem in lieu of subsistence at rates  
20       authorized by sections 5702 and 5703 of such title  
21       for persons in Government service employed inter-  
22       mittently.

23               (e) DELEGATION AND ASSIGNMENT.—Except where  
24       otherwise expressly prohibited by law or otherwise pro-  
25       vided by this section, the Secretary of Labor may delegate

1 any of the functions transferred to the Secretary of Labor  
2 by this section and any function transferred or granted  
3 to the Secretary of Labor after the effective date of this  
4 section to such officers and employees of the Department  
5 of Labor as the Secretary of Labor may designate, and  
6 may authorize successive redelegations of such functions  
7 as may be necessary or appropriate. No delegation of func-  
8 tions by the Secretary of Labor under this subsection or  
9 under any other provision of this section shall relieve the  
10 Secretary of Labor of responsibility for the administration  
11 of such functions.

12 (f) REORGANIZATION.—The Secretary of Labor is  
13 authorized to allocate or reallocate any function trans-  
14 ferred under subsection (b) among the officers of the De-  
15 partment of Labor, and to establish, consolidate, alter, or  
16 discontinue such organizational entities in the Department  
17 of Labor as may be necessary or appropriate.

18 (g) RULES.—The Secretary of Labor is authorized to  
19 prescribe, in accordance with the provisions of chapters  
20 5 and 6 of title 5, United States Code, such rules and  
21 regulations as the Secretary of Labor determines nec-  
22 essary or appropriate to administer and manage the func-  
23 tions of the Department of Labor.

24 (h) TRANSFER AND ALLOCATIONS OF APPROPRIA-  
25 TIONS.—Except as otherwise provided in this section, the

1 assets, liabilities, grants, contracts, property, records, and  
2 unexpended balances of appropriations, authorizations, al-  
3 locations, and other funds used, held, arising from, avail-  
4 able to, or to be made available in connection with the  
5 functions transferred by this section, subject to section  
6 1531 of title 31, United States Code, shall be transferred  
7 to the Department of Labor. Unexpended funds trans-  
8 ferred pursuant to this subsection shall be used only for  
9 the purposes for which the funds were originally author-  
10 ized and appropriated.

11 (i) TRANSFERS.—The Director of the Office of Man-  
12 agement and Budget, at such time or times as the Direc-  
13 tor shall provide, is authorized to make such determina-  
14 tions as may be necessary with regard to the functions  
15 transferred by this section, and to make such dispositions  
16 of assets, liabilities, grants, contracts, property, records,  
17 and unexpended balances of appropriations, authoriza-  
18 tions, allocations, and other funds used, held, arising from,  
19 available to, or to be made available in connection with  
20 such functions, subject to section 1531 of title 31, United  
21 States Code, as may be necessary to carry out the provi-  
22 sions of this section. The Director of the Office of Manage-  
23 ment and Budget shall provide for the termination of the  
24 affairs of all entities terminated by this section and for

1 such further measures and dispositions as may be nec-  
2 essary to effectuate the purposes of this section.

3 (j) SAVINGS PROVISIONS.—

4 (1) CONTINUING EFFECT OF LEGAL DOCU-  
5 MENTS.—All orders, determinations, rules, regula-  
6 tions, permits, agreements, grants, contracts, certifi-  
7 cates, licenses, registrations, privileges, and other  
8 administrative actions—

9 (A) which have been issued, made, grant-  
10 ed, or allowed to become effective by the Presi-  
11 dent, any Federal agency or official thereof, or  
12 by a court of competent jurisdiction, in the per-  
13 formance of functions which are transferred  
14 under this section; and

15 (B) which are in effect at the time this  
16 section takes effect, or were final before the ef-  
17 fective date of this section and are to become  
18 effective on or after the effective date of this  
19 section,

20 shall continue in effect according to their terms until  
21 modified, terminated, superseded, set aside, or re-  
22 voked in accordance with law by the President, the  
23 Secretary of Labor or other authorized official, a  
24 court of competent jurisdiction, or by operation of  
25 law.

1           (2) PROCEEDINGS NOT AFFECTED.—The provi-  
2           sions of this section shall not affect any proceedings,  
3           including notices of proposed rulemaking, or any ap-  
4           plication for any license, permit, certificate, or finan-  
5           cial assistance pending before the Department of  
6           Housing and Urban Development at the time this  
7           section takes effect, with respect to functions trans-  
8           ferred by this section but such proceedings and ap-  
9           plications shall be continued. Orders shall be issued  
10          in such proceedings, appeals shall be taken there-  
11          from, and payments shall be made pursuant to such  
12          orders, as if this section had not been enacted, and  
13          orders issued in any such proceedings shall continue  
14          in effect until modified, terminated, superseded, or  
15          revoked by a duly authorized official, by a court of  
16          competent jurisdiction, or by operation of law. Noth-  
17          ing in this paragraph shall be deemed to prohibit the  
18          discontinuance or modification of any such pro-  
19          ceeding under the same terms and conditions and to  
20          the same extent that such proceeding could have  
21          been discontinued or modified if this section had not  
22          been enacted.

23          (3) SUITS NOT AFFECTED.—The provisions of  
24          this section shall not affect suits commenced before  
25          the effective date of this section, and in all such

1 suits, proceedings shall be had, appeals taken, and  
2 judgments rendered in the same manner and with  
3 the same effect as if this section had not been en-  
4 acted.

5 (4) NONABATEMENT OF ACTIONS.—No suit, ac-  
6 tion, or other proceeding commenced by or against  
7 the Department of Housing and Urban Develop-  
8 ment, or by or against any individual in the official  
9 capacity of such individual as an officer of the De-  
10 partment of Housing and Urban Development, shall  
11 abate by reason of the enactment of this section.

12 (5) ADMINISTRATIVE ACTIONS RELATING TO  
13 PROMULGATION OF REGULATIONS.—Any administra-  
14 tive action relating to the preparation or promulga-  
15 tion of a regulation by the Department of Housing  
16 and Urban Development relating to a function  
17 transferred under this section may be continued by  
18 the Department of Labor with the same effect as if  
19 this section had not been enacted.

20 (k) SEPARABILITY.—If a provision of this section or  
21 its application to any person or circumstance is held in-  
22 valid, neither the remainder of this section nor the applica-  
23 tion of the provision to other persons or circumstances  
24 shall be affected.

1 (l) TRANSITION.—The Secretary of Labor is author-  
2 ized to utilize—

3 (1) the services of such officers, employees, and  
4 other personnel of the Department of Housing and  
5 Urban Development with respect to functions trans-  
6 ferred to the Department of Labor by this section;  
7 and

8 (2) funds appropriated to such functions for  
9 such period of time,  
10 as may reasonably be needed to facilitate the orderly im-  
11 plementation of this section.

12 (m) ACCOMPLISHING ORDERLY TRANSFER.—Con-  
13 sistent with the requirements of this section, the Secretary  
14 of Labor and the Secretary of Housing and Urban Devel-  
15 opment shall take such actions as the Secretaries deter-  
16 mine are appropriate to accomplish the orderly transfer  
17 of functions as described in subsection (b).

18 (n) ADMINISTRATION OF PRIOR GRANTS.—Notwith-  
19 standing any other provision of this Act, grants awarded  
20 under subtitle D of title IV of the Cranston-Gonzalez Na-  
21 tional Affordable Housing Act (42 U.S.C. 12899 et seq.)  
22 with funds appropriated for fiscal year 2006 or a pre-  
23 ceding fiscal year shall be subject to the continuing au-  
24 thority of the Secretary of Housing and Urban Develop-  
25 ment under the provisions of such subtitle, as in effect

1 on the day before the date of enactment of this Act, until  
2 the authority to expend applicable funds for the grants,  
3 as specified by the Secretary of Housing and Urban Devel-  
4 opment, has expired and the Secretary has completed the  
5 administrative responsibilities associated with the grants.

6 (o) REFERENCES.—A reference in any other Federal  
7 law, Executive order, rule, regulation, or delegation of au-  
8 thority, or any document of or relating to—

9 (1) the Secretary of Housing and Urban Devel-  
10 opment with regard to functions transferred under  
11 subsection (b), shall be deemed to refer to the Sec-  
12 retary of Labor; and

13 (2) the Department of Housing and Urban De-  
14 velopment with regard to functions transferred  
15 under subsection (b), shall be deemed to refer to the  
16 Department of Labor.

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

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

20 (2) September 30, 2006.

Passed the Senate August 3, 2006.

Attest:

*Secretary.*

109<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**S. 3534**

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**AN ACT**

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