

Administrative Use of CDBG Funds

February 14, 1997

Honorable Dana Rohrabacher
Member, United States House
of Representatives
16162 Beach Blvd., Suite 304
Huntington Beach, CA 92647-3813

Dear Representative Rohrabacher:

Thank you for your recent inquiry on behalf of the City of Costa Mesa, California, regarding the use of Community Development Block Grant (CDBG) funds to pay the salary of an employee at the Costa Mesa Job Center whose job responsibilities include verifying the legal status of individuals to work when they register at the Job Center.

The information received regarding this proposed use of CDBG funds indicates that California State law (S.B. 733) requires government and private agencies providing employment services to verify an individual's legal status to work. However, the City believes that the CDBG requirements prohibit such verification. Therefore, it has questioned whether this use of CDBG funds is eligible.

Section 401 of the recently-enacted Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193, 110 Stat. 2105, approved August 22, 1996, "the Act") has generated several questions regarding grantee verification of the U.S. citizenship status of persons receiving a Federal public benefit. It is unclear if or how the Act's verification coverage will be applied to the CDBG program. The Department of Justice is expected to issue regulations implementing Section 401 of the Act by March 30, 1997. When those regulations are issued, HUD may have to make conforming changes to HUD program rules. Until that time, HUD can not provide a more definite answer.

Thank you for your interest in the Community Development Block Grant program. Please do not hesitate to contact me if I can be of further assistance.

Sincerely,

Hal C. DeCell III
Assistant Secretary