

gram for which there are no authorizations of appropriations made under this subtitle or made by an amendment made by this subtitle.”

**§ 3490. Potential financial interests or impaired objectivity of covered individuals or entities**

**(a) Maintenance of integrity and ethical values within Department of Education**

Within 60 days after December 26, 2007, the Secretary of Education shall implement procedures—

(1) to assess whether a covered individual or entity has a potential financial interest in, or impaired objectivity towards, a product or service purchased with, or guaranteed or insured by, funds administered by the Department of Education or a contracted entity of the Department; and

(2) to disclose the existence of any such potential financial interest or impaired objectivity.

**(b) Review by Inspector General**

(1) Within 60 days after the implementation of the procedures described in subsection (a), the Inspector General of the Department of Education shall report to the Committees on Appropriations of the House of Representatives and the Senate on the adequacy of such procedures.

(2) Within 1 year, the Inspector General shall conduct at least 1 review to ensure that such procedures are properly implemented and are effective to uncover and disclose the existence of potential financial interests or impaired objectivity described in subsection (a).

(3) The Inspector General shall report to such Committees any recommendations for modifications to such procedures that the Inspector General determines are necessary to uncover and disclose the existence of such potential financial interests or impaired objectivity.

**(c) Definition**

For purposes of this section, the term “covered individual or entity” means—

(1) an officer or professional employee of the Department of Education;

(2) a contractor or subcontractor of the Department, or an individual hired by the contracted entity;

(3) a member of a peer review panel of the Department; or

(4) a consultant or advisor to the Department.

(Pub. L. 110-161, div. G, title III, §306, Dec. 26, 2007, 121 Stat. 2198.)

**Editorial Notes**

**CODIFICATION**

Section was enacted as part of the Department of Education Appropriations Act, 2008, and also as part of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2008, and the Consolidated Appropriations Act, 2008, and not as part of the Department of Education Organization Act which comprises this chapter.

**SUBCHAPTER V—TRANSITIONAL, SAVINGS, AND CONFORMING PROVISIONS**

**§ 3501. Transfer and allocation of appropriations and personnel**

**(a) Personnel and appropriations in connection with functions and offices transferred by this chapter; use of unexpended funds**

Except as otherwise provided in this chapter, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to, or to be made available in connection with the functions and offices, or portions thereof transferred by this chapter, subject to section 1531 of title 31, shall be transferred to the Secretary for appropriate allocation. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

**(b) Positions specified to carry out functions or offices transferred by this chapter**

Positions expressly specified by statute or reorganization plan to carry out functions or offices transferred by this chapter, personnel occupying those positions on the effective date of this chapter, and personnel authorized to receive compensation in such positions at the rate prescribed for offices and positions at level IV or V of the Executive Schedule (5 U.S.C. 5315-5316) on May 4, 1980, shall be subject to the provisions of section 3503 of this title.

(Pub. L. 96-88, title V, §501, Oct. 17, 1979, 93 Stat. 689.)

**Editorial Notes**

**CODIFICATION**

In subsec. (a), “section 1531 of title 31” substituted for “section 202 of the Budget and Accounting Procedures Act of 1950 [31 U.S.C. 581c]” on authority of Pub. L. 97-258, §4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

In subsec. (b), “May 4, 1980” substituted for “the effective date of this chapter” pursuant to section 601 of Pub. L. 96-88, set out as an Effective Date note under section 3401 of this title.

**§ 3502. Effect on personnel**

**(a) Non-separation or non-reduction in grade or compensation of full-time personnel and part-time personnel holding permanent positions**

Except as otherwise provided in this chapter, the transfer pursuant to this subchapter of full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation for one year after the date of transfer to the Department.

**(b) Positions compensated in accordance with Executive Schedule**

Any person who, on the day preceding May 4, 1980, held a position compensated in accordance with the Executive Schedule prescribed in chap-

ter 53 of title 5 and who, without a break in service, is appointed in the Department to a position having duties comparable to the duties performed immediately preceding such appointment shall continue to be compensated in such new position at not less than the rate provided for such previous position, for the duration of the service of such person in such new position. (Pub. L. 96-88, title V, § 502, Oct. 17, 1979, 93 Stat. 690.)

#### Editorial Notes

##### CODIFICATION

In subsec. (b), “May 4, 1980” substituted for “the effective date of this chapter” pursuant to section 601 of Pub. L. 96-88, set out as an Effective Date note under section 3401 of this title.

#### Statutory Notes and Related Subsidiaries

##### ABOLISHED POSITIONS DEEMED TRANSFERRED

Pub. L. 96-88, title V, § 508(l)(4), Oct. 17, 1979, 93 Stat. 694, provided that: “Positions abolished as a consequence of the amendments made by this subsection [amending sections 1102, 2390, and 3012 of this title] shall, for purposes of section 502(a) [subsec. (a) of this section], be deemed to be permanent positions transferred pursuant to title V of this Act [this subchapter].”

#### § 3503. Agency terminations

##### (a) Specific terminations

On May 4, 1980, the following entities shall terminate:

(A) the Education Division of the Department of Health, Education, and Welfare, including the Office of Education;

(B) the Office of the Assistant Secretary for Education of the Department of Health, Education, and Welfare;

(C) the Bureau of Occupational and Adult Education of the Department of Health, Education, and Welfare.

##### (b) Positions authorized to be compensated at rate prescribed for level IV or V of the Executive Schedule

Each position which was expressly authorized by law, or the incumbent of which was authorized to receive compensation at the rate prescribed for level IV or V of the Executive Schedule (5 U.S.C. 5315-5316), in an office terminated pursuant to this chapter shall also terminate.

(Pub. L. 96-88, title V, § 503, Oct. 17, 1979, 93 Stat. 690; Pub. L. 99-145, title XII, § 1204(a)(3), Nov. 8, 1985, 99 Stat. 720.)

#### Editorial Notes

##### CODIFICATION

In subsec. (a), “May 4, 1980” substituted for “the effective date of this chapter” pursuant to section 601 of Pub. L. 96-88, set out as an Effective Date note under section 3401 of this title.

##### AMENDMENTS

1985—Subsec. (a). Pub. L. 99-145 struck out par. (1) designation and par. (2) which provided for termination of Office of Dependents’ Education of Department of Defense whenever President exercises authority under section 3442(a) of this title.

#### § 3504. Incidental transfers

##### (a) Authorization of Director of Office of Management and Budget; termination of affairs

The Director of the Office of Management and Budget, at such time or times as the Director shall provide, is authorized and directed to make such determinations as may be necessary with regard to the functions, offices, or portions thereof transferred by this chapter, and to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, offices, or portions thereof, as may be necessary to carry out the provisions of this chapter. The Director shall provide for the termination of the affairs of all entities terminated by this chapter and for such further measures and dispositions as may be necessary to effectuate the purposes of this chapter.

##### (b) Transfer of positions within Senior Executive Service

After consultation with the Director of the Office of Personnel Management, the Director of the Office of Management and Budget is authorized, at such time as the Director of the Office of Management and Budget provides, to make such determinations as may be necessary with regard to the transfer of positions within the Senior Executive Service in connection with functions and offices transferred by this chapter.

(Pub. L. 96-88, title V, § 504, Oct. 17, 1979, 93 Stat. 690.)

#### § 3505. Savings provisions

##### (a) Orders, determinations, etc.

All orders, determinations, rules, regulations, permits, grants, contracts, certificates, licenses, and privileges—

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

(2) which are in effect on May 4, 1980,

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

##### (b) Proceedings and applications; transfer

(1) The provisions of this chapter shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending on May 4, 1980, before any department, agency, commission, or component thereof, functions of which are transferred by this chapter; but such proceedings and applications, to the extent that they relate to functions so transferred, shall be continued. Orders shall be