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DEPARTMENT OF LABOR

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■

HIGH UNEMPLOYMENT AREAS

**Comprehensive Manpower
Program and Grants**

DEPARTMENT OF LABOR

Office of the Secretary

[29 CFR Parts 94, 95, 96, 98]

COMPREHENSIVE MANPOWER PROGRAM
AND GRANTS TO AREAS OF HIGH UN-
EMPLOYMENT

Notice of Proposed Rulemaking; Correction

In FR Doc. 75-6069, appearing at page 10828 in the issue for Friday, March 7, 1975, the material set forth below was inadvertently omitted. The proposed regulations should be corrected by adding the following material:

PART 94—GENERAL PROVISIONS FOR
PROGRAMS UNDER THE COMPREHEN-
SIVE EMPLOYMENT AND TRAINING ACT

In § 94.3 add the following entries to the consolidated table of contents.

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PART 95—PROGRAMS UNDER TITLE I OF
THE COMPREHENSIVE EMPLOYMENT
AND TRAINING ACT

1. In § 95.53, paragraphs (c) and (d) are added to read as follows:

§ 95.53 Application approval and disapproval; grant agreement.

(c) An application for a special grant shall be disapproved if it fails to meet any requirement of the Act, the regulations promulgated under the Act, or any

other applicable law. All other conditions set forth in § 95.19 shall apply to the disapproval of special grants.

(d) Upon approval, the Governor shall provide a summary of the Special Grant to each prime sponsor in the State.

2. Section 95.54 is added as follows:

§ 95.54 Modifications; limitations on use of funds.

A modification to a Governor's special grant may be accomplished in three different ways depending upon the magnitude of the modification:

(a) *Modification of grant agreement.*

(1) A modification to the grant agreement is required when the ARDM requires a change in (i) the term of the grant, (ii) the amount funded by the grant, or (iii) the assurances and certifications included in the grant agreement (sections 105 and 108).

(2) When the term or allotment funded by the grant is changed, the prime sponsor shall also submit revised portions of its special Grant Plan to specifically identify the changes.

(3) When the term or allotment funded by a grant is changed, the Governor shall provide a summary of the change to each prime sponsor in the State.

(4) The request for modification will consist of the following: A grant signature sheet; a Project Operating Plan (one for the total project and one for each prime sponsor whose plan is changed); and a program narrative explaining the proposed modification.

(5) A denial of a prime sponsor's request for a grant modification shall be subject to the appeal procedures set out in Part 98.

(b) *Major plan modification.* (1) When a plan modification falls into one of the following categories, it will be considered to be major plan modification:

(i) When the cumulative amount of transfers among cost categories exceeds \$10,000 or 5 percent of the grant, whichever is greater; or

(ii) When there is a 15 percent cumulative change in the number of program participants.

(iii) A Governor desiring a major modification shall submit a revised Project Operating Plan and a narrative explanation of the proposed changes to the ARDM. The ARDM shall notify the prime sponsor of final approval or of tentative disapproval within 10 days of receipt of the proposed modification. Final ARDM action on disapproval shall be taken within 30 days of the receipt of the proposed modification. Appeal of any such determination may be obtained through the procedures set out in Part 98 of this chapter.

(c) *Minor modifications.* Any other modifications shall be considered a minor modification and as such can be made without the prior notification and approval of the ARDM. Such a modification shall be included in the Quarterly Progress Report and a revised Project Operating Plan reflecting only the items to

be modified shall be submitted to the ARDM along with the Quarterly Progress Report.

(d) *Limitation on use of funds.*—(1) Funds for vocational education services may not be used for any other activities included in this special grant.

(2) Funds for State Manpower Services Councils may be used for State manpower services to the extent such funds are not needed for this council.

3. Section 95.55 is added to read as follows:

§ 95.55 Governor's distribution of vocational education funds.

(a) Upon notification of the funds available to his State for vocational education, the Governor shall inform the State Vocational Education Board and each prime sponsor of the amount of funds available to be spent in each prime sponsor's area. If a prime sponsor elects not to use all or part of the funds provided for its area, it shall notify the Governor who will redistribute the funds among other eligible prime sponsors.

(b) The Governor shall determine the amount of funds to be made available in each prime sponsor's area assuring that such funds do not increase by more than 20 percent the amount of funds available to that prime sponsor's area under the basic allocation formula set out in § 95.2(b).

4. Section 95.56 is added to read as follows:

§ 95.56 Program operations.

(a) *Vocational education services and activities.*—(1) The Governor shall provide vocational education funds he receives by special grant to the State Vocational Education Board as described in § 95.55. The State Vocational Education Board will then provide the training and services detailed in a nonfinancial agreement with the prime sponsor as described in § 95.58. This agreement will be developed at the local level between prime sponsors and the State Vocational Education Board to provide vocational education and services to prime sponsor participants eligible under this Part 95 which are consistent with provisions of the prime sponsors' comprehensive plan. The agreement will then be forwarded to the Governor, to become part of his special grant application which shall be submitted to the ARDM.

(2) Vocational education services which may be provided by a State Vocational Education Board include, but are not limited to, basic or general education, educational programs conducted for offenders, institutional training, and supportive services as defined in § 95.33 (d)(5) or as authorized as supportive services in vocational education programs administered by a State Vocational Education Board. The services provided must be consistent with the provisions of the Act and regulations. Vocational education funds allocated under this Subpart D may also be utilized, as appropriate, for the payment of allowances to participants in vocational

education training and for administrative costs incurred for the vocational education programs funded under the Act.

(3) If no Vocational Education Board exists within a State, the Governor may provide financial assistance to an alternate agency which serves the same purpose as a State Vocational Education Board.

(b) *State Manpower Services Council.* The Governor shall, from funds available under § 95.2(b)(2), provide staff and other necessary services in support of the Manpower Services Council in performing its functions under § 95.13 (d).

(c) *State manpower services.* Funds provided under § 95.2(c)(2) of these regulations are to be used for the following:

(1) Activities required to be performed by State prime sponsors:

(i) Assurance that the State agencies providing manpower and manpower-related services either independently or as subgrantees or contractors will cooperate with prime sponsors and eligible applicants in implementation of the program.

(ii) Development of methods for the sharing of resources and facilities in order to carry out manpower programs throughout the State. The administration of such programs will be designed to meet the needs of the area with minimum duplication and in the most efficient and economical manner.

(iii) Coordination of programs financed under the Wagner-Peyser Act in accordance with such rules, regulations, and guidelines as the Secretary determines necessary for the purpose of providing coordinated and comprehensive assistance to those individuals requiring manpower and manpower-related services to achieve their full occupational potential in accordance with the policies of the Act;

(iv) Arrangements to assist the Secretary under 38 U.S.C. 2012(a) in requiring each Federal contractor and subcontractor programs under the Act to list all suitable employment openings in the State Employment Service local offices. Fulfillment of this responsibility shall be based upon information developed by the Secretary (sec. 106(b)(5));

(v) Arrangements for any planning areas to service geographical regions within the State, including a description of the roles and responsibilities of the planning area with particular emphasis on the steps taken to assure that plans of all State agencies for delivery of services have been effectively coordinated.

(vi) Coordination of the manpower and related services to be provided by the State in areas to be serviced by prime sponsors other than the State, and that provision has been made for the establishment of mechanisms to (A) provide for the exchange of information between States and local governments on State, intrastate, and regional planning in areas such as economic development, human resource development, education,

and such other areas that may be relevant to manpower planning; and (B) promote the coordination of all manpower plans in a State so as to eliminate conflict, duplication, and overlapping between manpower services under the Act and manpower services provided under other statutory authority.

(2) Activities which may be provided at the option of the State (sec. 106(c)) are as follows:

(i) Provision of allowable services under the Act which are being delivered throughout the State by State agencies responsible for employment and training and related services;

(ii) The provision of financial assistance for special programs and services designed to meet the needs of rural areas outside major labor market areas;

(iii) Development and publication of information regarding economic, industrial, and labor market conditions, including but not limited to job opportunities and skill requirements, labor supply in various skills, occupations, and economic and business development and location trends;

(iv) Provision of services without reimbursement and upon request to any prime sponsor serving an area within the State, such information and technical assistance to assist any such prime sponsor in developing and implementing its programs under the Act; and

(v) Development of special model training and employment programs and related services, including programs for offenders similar to programs described in section 301(c) of this Act.

5. Section 95.57 is added to read as follows:

§ 95.57 Funding; grant administration.

(a) *Funding.* Special grants will be funded in the same way as basic grants under this Part 95.

(b) *Grant administration.* The requirements relating to grant administration contained in Part 98 are applicable to special grants to Governors except as provided in Subpart D of this Part 95.

(1) The overall 20 percent limitation on funds used for administration as set out in § 98.12(f) (6) shall not apply to the special grant.

(i) Funds provided for vocational education services through the special grant are subject to the provisions of the 20 percent limitation on use of funds § 98.12(f) (6).

(ii) There is no administrative cost limitation on funds for State Manpower

Services Council or State manpower services.

(2) When funds for vocational education services are used for the payment of allowances to participants, the method of payment utilized must be that of the prime sponsor whose participants are receiving such allowances.

(i) Where the prime sponsor has an established delivery system for the payment of allowances pursuant to § 95.34, the State Vocational Education Board shall transfer the required funds to the agency administering that system.

(ii) Where the prime sponsor has no allowance payment delivery system, the method of payment shall be developed between the prime sponsor and the State Vocational Education Board, subject to the requirements of § 95.34.

(c) *Reports for special grants.*—(1) A Quarterly Progress Report containing financial and statistical data is required. The Governor will supply to each prime sponsor to which he is providing services a Quarterly Progress Report for funds expended in its area and will submit a summary Quarterly Progress Report, with copies of the individual prime sponsor reports attached, to the ARDM. These reports will be submitted for each Federal fiscal year quarter, to be submitted no later than 30 days after the end of the reporting quarter. Instructions for completion of this report are in the "Forms Preparation Handbook."

6. Section 95.58 is added to read as follows:

§ 95.58 Nonfinancial agreement between prime sponsor and State Vocational Education Board.

(a) Upon notification of the funds available for its area, the prime sponsor shall develop a financial, statistical, and narrative plan for the expenditure of such funds by the Vocational Education Board in the prime sponsor's area. This plan shall be developed consistent with the prime sponsor's Comprehensive Manpower Plan and shall be submitted to the Vocational Education Board for its approval. When approved, the plan will be signed by both the prime sponsor and the Board and will constitute a nonfinancial agreement.

(b) The Vocational Education Board shall provide services to the prime sponsor upon receipt of the necessary funds from the Governor. The nonfinancial agreement will consist of the following three sections:

(1) Prime sponsor vocational education nonfinancial agreement signature sheet;

(2) Vocational education Project Operating Plan; and

(3) Vocational education program narrative.

(c) After the agreement is signed, a copy will be sent to the Governor for his review and approval.

(d) The Governor shall develop procedures for the prime sponsors and the Vocational Education Board to follow when they desire to modify the nonfinancial agreement.

(e) The Governor shall develop procedures to assure that the Vocational Education Board provides services consistent with the Governor's vocational education plan and the nonfinancial agreements between the Board and the prime sponsors.

7. Section 95.59 is added to read as follows:

§ 95.59 Coordination with prime sponsor.

(a) The financial and statistical information from the approved Nonfinancial Agreement Project Operating Plan will be entered into the relevant columns of the prime sponsor's basic grant Project Operating Plan as provided in the "Forms Preparation Handbook". If the Comprehensive Manpower grant has been signed prior to final approval of the Vocational Education Agreement, a modified prime sponsor's grant Project Operating Plan will be submitted when the vocational education information is available.

(b) Information provided by the Vocational Education Quarterly Progress Report, supplied to the prime sponsor from the Governor, will be entered in the prime sponsor's basic grant Quarterly Progress Report.

Limited extension of comment period. In view of this omission, the comment period on the omitted material set forth above is extended to April 17, 1975. This does not affect the comment period for the material published on March 7; that period ends on April 7. However, the Manpower Administration will accept comments on the original material insofar as it may be affected by the material published today until April 17, 1975.

Signed at Washington, D.C., this 21st day of March 1975.

BEN BURDETSKY,
Assistant Secretary of Labor.

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