

(g) If a substate grantee fails to meet the requirements for plan submission and approval found in this section, the Governor may exercise the by-pass authority set forth at §631.38 of this part.

(h) When the substate area is the State, the substate plan (and plan modification(s)) shall be submitted by the Governor to the Secretary. The dates for submission and consideration and the Secretary's review and approval (or disapproval) of the plan or plan modification, and appeals to administrative law judges from disapproval thereof, shall be conducted according to the provisions of §628.430 of this chapter.

§631.51 Allowable substate program activities.

(a) The substate grantee may use JTPA section 302(c)(1), (c)(2), and (d) funds allocated by the Governor under §631.32 of this part for basic readjustment services, retraining services, supportive services and needs-related payments.

(b) The provisions of §§627.420 and 627.435 of this chapter (Procurement, Cost principles and allowable costs) apply to funds allocated to substate grantees under this part unless otherwise specifically provided for.

(c) Other than basic and remedial education, literacy and English for non-English speakers training, retraining services provided with funds available to a substate area shall be limited to those for occupations in demand in the area or another area to which the participant is willing to relocate, or in sectors of the economy with a high potential for sustained demand or growth.

(d) Retraining services provided to individuals with funds available to a substate area should be limited to those individuals who can most benefit from and are in need of such services (sections 312(e) and 141(a)).

§631.52 Selection of service providers.

(a) The substate grantee shall provide authorized JTPA Title III services within the substate area, pursuant to an agreement with the Governor and in accordance with the approved State plan and substate plan, including the selection of service providers.

(b) The substate grantee may provide authorized JTPA Title III services directly or through contract, grant, or agreement with service providers (section 312(d)).

(c) Services provided to displaced homemakers should be part of ongoing programs and activities under Title III of the Act and this part and not separate and discrete programs.

(d) The provisions of section 107(a), (b), (c) and (e) of the Act and §627.422 of this chapter apply to substate grantee selection of service providers as specified in this section.

§ 631.53 Certificates of continuing eligibility.

(a) A substate grantee may issue to any eligible dislocated worker who has applied for the program authorized in this part a certificate of continuing eligibility. Such a certificate of continuing eligibility:

- (1) May be effective for periods not to exceed 104 weeks;
- (2) Shall not include any reference to any specific amount of funds;
- (3) Shall state that it is subject to the availability of funds at the time any such training services are to be provided; and
- (4) Shall be non-transferable.

(b) Acceptance of a certificate of continuing eligibility shall not be deemed to be enrollment in training.

(c) Certificates of continuing eligibility may be used, subject to the conditions included on the face of the certificate, in two distinct ways:

- (1) To defer the beginning of retraining: any individual to whom a certificate of continuing eligibility has been issued under paragraph (a) of this section shall remain eligible for retraining and education services authorized under this part for the period specified in the certificate, notwithstanding the definition of "eligible dislocated worker" in section 301(a) of the Act or the participant eligibility provisions in §631.3 of this part, and may use the certificate in order to receive retraining services, subject to the limitations contained in the certificate; or
- (2) To permit eligible dislocated workers to seek out and arrange their own retraining with service providers