

### § 2550.30

Secondary Education Act of 1965 (20 U.S.C. 2891(23)).

(n) *State entity.* A State Commission, AAE, or Transitional Entity that has been authorized by the Corporation to perform the duties of a State Commission.

(o) *Transitional Entity.* An existing State agency which has been authorized by the Corporation to perform the duties of a State Commission; the Corporation will not authorize the use of a Transitional Entity unless a State is demonstrably unable to establish a State Commission or AAE.

[58 FR 60981, Nov. 18, 1993, as amended at 67 FR 45362, July 9, 2002]

### § 2550.30 How does a State decide which of the three entities to establish?

(a) Although each State's chief executive officer has the authority to select an administrative option, the Corporation strongly encourages States to establish State Commissions which meet the requirements in this part as quickly as possible. The requirements for State Commissions were established to try to create informed and effective entities.

(b) The Corporation recognizes that some States, for legal or other legitimate reasons, may not be able to meet all of the requirements of the State Commissions. The AAE is essentially the same as a State Commission; however, it may be exempt from some of the State Commission requirements. A State that cannot meet one of the waivable requirements of the State Commission (as explained in §2550.60), and which can demonstrate this to the Corporation, should seek to establish an AAE.

(c) Over the long term, States that wish to participate in the Corporation's grant programs must have either a State Commission or an AAE approved by the Corporation. Some States, due to legal or other procedural requirements, may be unable to establish one of these two entities in time to participate in fiscal years 1994 or 1995. Therefore, during the 27-month period beginning on September 21, 1993 and ending on December 21, 1995, a State may apply to the Corporation for au-

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thorization to use a Transitional Entity.

(d) A State should consider applying to have a Transitional Entity approved only if it can demonstrate that it is impossible, for legal or procedural reasons, to establish a State Commission or AAE in time to participate in the national service programs.

(e) Regardless of which entity a State employs, each State is required to solicit broad-based, local input in an open, inclusive, non-political planning process.

### § 2550.40 How does a State obtain Corporation authorization and approval for the entity it has chosen?

(a) To receive approval of a State Commission or AAE, a State must formally establish an entity that meets the corresponding composition, membership, authority, and duty requirements of this part. (For the AAE, a State must demonstrate why it is impossible or unreasonable to establish a State Commission; an approved AAE, however, has the same rights and responsibilities as a State Commission.) Once the entity is established, the State must provide written notice—in a format to be prescribed by the Corporation—to the chief executive officer of the Corporation of the composition, membership, and authorities of the State Commission or AAE and explain how the entity will perform its duties and functions. Further, the State must agree to, first, request approval from the Corporation for any subsequent changes in the composition or duties of a State Commission or AAE the State may wish to make, and, second, to comply with any future changes in Corporation requirements with regard to the composition or duties of a State Commission or AAE. If a State meets the applicable requirements, the Corporation will approve the State Commission or AAE.

(b) If the Corporation rejects a State application for approval of a State Commission or AAE because that application does not meet one or more of the requirements of §§ 2250.50 or 2550.60, it will notify the State of the reasons for rejection and offer assistance to