

Employment and Training Administration, Labor

§ 627.305

this section. Where OJT is provided to youth concurrently enrolled under titles II-B and II-C, the source of funding for the OJT shall govern which requirements apply.

(k) *Employment and employee leasing agencies.*

(1) *Definition.* The terms *employment agency* and *employee leasing agency* mean an employer that provides regular, on-going employment (i.e., not probationary, temporary, or intermittent employment) in a specific occupation and, for a fee, places employees at the worksite of another employer to perform work for such employer.

(2) Employment and employee leasing agencies that meet the other requirements of this section may be eligible for OJT agreements when the agreement specifies the source of training and specifies that the payments are for the extraordinary training costs of the entity providing the training.

§ 627.245 Work experience.

(a) *Definition.—Work Experience* means a short-term or part-time training assignment with a public or private nonprofit organization for a participant who needs assistance in becoming accustomed to basic work requirements. It is prohibited in the private for-profit sector.

(b) *Suitability.* Work experience should be designed to promote the development of good work habits and basic work skills.

(c) *Duration of work experience.* Participation in work experience shall be for a reasonable length of time, based on the needs of the participant. The duration of work experience shall be recorded in the participant's ISS.

(d) *Combination with other services.* Work experience under titles II-A and C shall be accompanied either concurrently or sequentially by other services designed to increase the basic education and/or occupational skills of the participant, as recorded in the ISS.

(e) Work experience is not an allowable activity under title III of the Act. (Sections 204(b) and (c), 253(a), and 264 (c) and (d).)

§ 627.250 Interstate agreements.

The Secretary hereby grants authority to the several States to enter into

interstate agreements and compacts in accordance with section 127 of the Act and, as specified in § 627.420(g), Procurement.

Subpart C—Payments, Supportive Services, and Benefits and Working Conditions

§ 627.300 Scope and purpose.

This subpart sets forth requirements for allowable payments to JTPA participants under titles I and II. These include needs-based payments under title II, incentive and bonus payments under title II, work-based training payments under title II, and payments for combined activities under title II. Requirements for supportive services under titles I, II, and III, including financial assistance and needs-related payments, are also included in this subpart. This subpart also sets forth rules for benefits and working conditions for JTPA participants. These include requirements for: Compliance with applicable labor laws; workers' compensation coverage or medical and accident insurance where there is no State workers' compensation coverage; and working conditions which are not detrimental to the participant's health and safety.

§ 627.305 Payments.

(a)(1) *General.* Allowable types of payments which may be made to participants are: Needs-based payments for eligible individuals in programs under title II; incentive and bonus payments for participants in title II programs; work-based training payments for work experience, entry employment experience, internships and other work-based training activities; payments for participants in title II-B activities; and training payments for combined activities in title II programs. These payments shall be made in accordance with paragraphs (b) through (f) of this section.

(2) A participant shall receive no payments for training activities in which the participant fails to participate without good cause (section 142(a)(1)).

(3) The SDA shall ensure to the extent possible that similarly situated participants receive similar payments.

(4) Payments to participants, broadly defined for this subsection as all funds distributed to participants except OJT wages, shall not be considered as income for the purposes of determining eligibility for and the amount of income transfer and in-kind aid furnished under any Federal or federally assisted program based on need, other than as provided under the Social Security Act (section 142(b)).

(5) The SDA is responsible for meeting any applicable Internal Revenue Service and Fair Labor Standards Act requirements (section 142(a)(3)).

(6) An SDA may set fixed levels for any non-wage payment.

(b) *Needs-based payments.* (1) Participants in programs funded under title II may receive needs-based payments when such payments are necessary to enable the individual to participate in training programs. Payments shall be made in accordance with a locally developed policy which is included in the job training plan approved by the Governor.

(2) The individual determination of participants' needs-based payments and the amount of such payments shall be based upon the results of the continuing objective assessment and determined in accordance with a locally developed policy. The provisions and amount of such payments shall be recorded in the ISS.

(c) *Incentive and bonus payments.* Participants in programs funded under title II may receive incentive and bonus payments based on their attendance and performance in accordance with a locally developed policy. The policy shall be described in the job training plan approved by the Governor and shall include a specification of the requirements for the receipt of such payments and the level of payments.

(d) *Work-based training payments.* Individuals participating in work experience, in entry employment experience programs, in limited internships for youth in the private sector, or in other work-based training activities under title II of the Act may receive work-based training payments which may be wages.

(e) Summer participants may receive training payments for participation in activities under title II-B.

(f) *Training payments for combined activities.* For title II programs, participants in one of the activities described in paragraph (d) of this section for which work-based training payments are payable for more than 50 percent of the participant's time, including classroom training, may also receive training payments for hours of participation in classroom training.

§ 627.310 Supportive services.

(a)(1) The SDA or SSG shall develop a policy on supportive services in accordance with the definition at section 4(24) of the Act. This policy shall be included in the job training plan approved by the Governor (section 4(24)). Supportive services may be provided to participants through in-kind or cash assistance, or by arrangement with another human service agency when necessary to enable an individual who is eligible for training under a JTPA assisted program, but who cannot afford to pay for such services, to participate in such JTPA-assisted program.

(2) In the event that an SDA or SSG adopts a policy of providing a fixed reimbursement for a particular supportive service to all participants, it shall, as part of its policy, state the rationale for its choice and the fixed amounts it has adopted.

(b) Limited supportive services may be provided to applicants in order to permit them to complete the application process.

(c) Necessary supportive services shall be recorded in a participant's ISS under title II or should be recorded in a participant's individual readjustment plan under title III. When supportive services are provided in accordance with paragraph (b) of this section, information on any supportive service provided may be maintained for future inclusion in an ISS.

(d) The SDA or SSG shall ensure, to the extent possible, that similarly situated participants receive similar supportive services.

(e) For title II participants, necessary supportive services (with the exception of financial assistance) may be provided for up to one year following termination as post-termination or followup services (sections 4(24), 204(b)(2)(J), and 204(c)(4)). For title III