

every new participant will initially receive objective assessment, ISS, and referral to non-title II services for a period of 6 months, or until January 1, 1994.

(n) *Out-of-school youth ratio.* The 50-percent out-of-school participants requirement for title II-C will be phased in during PY 1993 and will not be the subject of compliance review until PY 1994, beginning July 1, 1994. During PY 1993, however, SDA's must show significant improvement in the proportion of out-of-school youth being served and performance in increasing the service ratio will be monitored by the States and DOL during this implementation period.

(o) *Administrative issuances.* Other implementation issues may be handled by administrative issuance. ETA will transmit such guidance directly to all Governors via a Training and Employment Guidance Letter (TEGL). Such TEGL's will be published as Notices in the FEDERAL REGISTER (section 701(i)).

§ 627.905 Guidance on contracts and other agreements.

The Department does not intend for contracts, agreements, inter-agency agreements, retainers, and similar arrangements to be negotiated and/or entered into for the sole purpose of applying previously existing rules and regulations. The 1992 JTPA amendments were effective July 1, 1993. The Department intends that contracts, awards and agreements entered into on or before June 30, 1993 are to be used to serve and/or train participants enrolled on or before June 30, 1993, unless the contracts and agreements are modified to comply with the new amendments and regulations.

§ 627.906 Determinations on State and SDA implementation.

(a) The Department expects that the States and SDA's will fully implement the provisions of the Act and these regulations regarding procurement, cost principles, cost categories, cost limitations, participant service requirements and eligibility beginning July 1, 1993.

(b) The Department expects that the implementation by the States and SDA's of the program design features in these regulations, particularly ob-

jective assessment and development of the ISS, may require additional time beyond July 1, 1993 to fully implement.

(c) In deciding to allow or disallow questioned costs related to the implementation of the provisions described in paragraph (b) of this section, the Grant Officer will consider the extent to which the State's and SDA's have made good faith efforts in properly implementing such provisions in the period July 1, 1993 through June 30, 1994.

PART 628—PROGRAMS UNDER TITLE II OF THE JOB TRAINING PARTNERSHIP ACT

Subpart A—Scope and Purpose

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628.100 Scope and purpose of part 628.

Subpart B—State Planning

628.200 Scope and purpose.
628.205 Governor's coordination and special services plan.
628.210 State Job Training Coordinating Council.
628.215 State Human Resource Investment Council.

Subpart C—State Programs

628.300 Scope and purpose.
628.305 State distribution of funds.
628.310 Administration.
628.315 Education coordination and grants.
628.320 Services for older individuals.
628.325 Incentive grants, capacity building and technical assistance.

Subpart D—Local Service Delivery System

628.400 Scope and purpose.
628.405 Service delivery areas.
628.410 Private Industry Council.
628.415 Selection of SDA grant recipient and administrative entity.
628.420 Job training plan.
628.425 Review and approval.
628.426 Disapproval or revocation of the plan.
628.430 State SDA submission.

Subpart E—Program Design Requirements for Programs Under Title II of the Job Training Partnership Act

628.500 Scope and purpose.
628.505 Eligibility.
628.510 Intake, referrals, and targeting.
628.515 Objective assessment.
628.520 Individual service strategy.
628.525 Limitations.