

(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 sec-

tion 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 approved by the substate grantee; retraining provided pursuant to the certificate shall be in accord with requirements and procedures established by the substate grantee and shall be conducted under a grant, contract, or other arrangement between the substate grantee and the service provider.

(d) Substate grantees shall ensure that records are maintained showing to whom such certificates of continuing eligibility have been issued, the dates of issuance, and the number redeemed by substate grantees.

**Subpart G—Federal Delivery of Dislocated Worker Services Through National Reserve Account Funds**

**§ 631.60 General.**

This subpart provides for the use of funds reserved to the Secretary for use under part B of title III of the Act. These funds may be used for the allowable activities, described in section 323 of the Act; demonstration programs, described in section 324 of the Act; the Defense Conversion Adjustment Program (DCAP), described in section 325 of the Act; the Defense Diversification Program (DDP), described in section 325A of the Act; Clean Air Employment Transition Assistance (CAETA), described in section 326 of the Act; and similar uses and programs which may be added to part B of title III of the Act.

**§ 631.61 Application for funding and selection criteria.**

To qualify for consideration for funds reserved by the Secretary for activities