



# Federal Register

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**Friday,  
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**Part IV**

## **Department of Labor**

**Veterans' Employment and Training  
Service**

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**20 CFR Part 1010  
Priority of Service for Covered Persons;  
Proposed Rule**

**DEPARTMENT OF LABOR****Veterans' Employment and Training Service****20 CFR Part 1010**

RIN 1293-AA15

**Priority of Service for Covered Persons****AGENCY:** Veterans' Employment and Training Service, Labor.**ACTION:** Notice of Proposed Rulemaking; request for comments.

**SUMMARY:** The Veterans' Employment and Training Service (VETS) of the Department of Labor (Department or DOL) is proposing a rule to implement priority of service in qualified job training programs prescribed in section 2(a)(1) of the Jobs for Veterans Act (JVA). The Department undertakes this rulemaking in accordance with section 605 of the Veterans' Benefits, Health Care, and Information Technology Act of 2006, which requires the Department to implement priority of service via regulation. The Department seeks comments on this proposed rule.

**DATES:** To ensure consideration, comments must be received on or before October 14, 2008. Comments received after that date will be considered to the extent possible.

**ADDRESSES:** You may submit comments, identified by Regulatory Information Number (RIN) 1293-AA15, by either one of the two following methods:

- *Federal e-Rulemaking Portal:* [www.regulations.gov](http://www.regulations.gov). Follow the Web site instructions for submitting comments.

- *Mail/Hand Delivery/Courier:* Written comments, disk, and CD-ROM submissions may be mailed or delivered by hand delivery/courier to Gordon Burke, Director, Office of Grants and Transition Programs, U.S. Department of Labor, 200 Constitution Avenue, NW., Room S-1312, Washington, DC 20210.

*Instructions:* Please submit one copy of your comments by only one method. All submissions received must include the agency name, as well as RIN 1293-AA15.

Please be advised that the Department will post all comments received on [www.regulations.gov](http://www.regulations.gov) without making any change to the comments, including any personal information provided. The [www.regulations.gov](http://www.regulations.gov) Web site is the Federal e-rulemaking portal and all comments posted there are available and accessible to the public. Therefore, the Department recommends that commenters safeguard their personal information such as Social Security

Numbers, personal addresses, telephone numbers, and e-mail addresses included in their comments. It is the responsibility of the commenter to safeguard his or her information.

Also, please note that due to security concerns, postal mail delivery in Washington, DC, may be delayed. Therefore, in order to ensure that comments receive full consideration, the Department encourages the public to submit comments via the Internet as indicated above.

*Docket:* The Department will make all the comments it receives available for public inspection during normal business hours at the above address. If you need assistance to review the comments, the Department will provide you with appropriate aids such as readers or print magnifiers. The Department will make copies of the proposed rule available, upon request, in large print or electronic file on computer disk. The Department will consider providing the proposed rule in other formats upon request. To schedule an appointment to review the comments and/or obtain the proposed rule in an alternate format, contact the office of Gordon Burke at (202) 693-4740 (VOICE) (this is not a toll-free number) or (202) 693-4760 (TTY/TDD). You may also contact Mr. Burke's office at the address listed above.

**FOR FURTHER INFORMATION CONTACT:** Pamela Langley, Chief, Division of Grant Programs, Veterans' Employment and Training Service, U.S. Department of Labor, 200 Constitution Avenue, NW., Room S-1312, Washington, DC 20210, [Langley.Pamela@dol.gov](mailto:Langley.Pamela@dol.gov), (202) 693-4708 (this is not a toll-free number).

**SUPPLEMENTARY INFORMATION:** The preamble to this proposed rule is organized as follows:

- I. Background—provides a brief description of the development of the proposed rule.
- II. Section-by-Section Review of the Proposed Rule—summarizes and discusses proposed regulations.
- III. Administrative Information—sets forth the applicable regulatory requirements.

**I. Background**

On November 7, 2002, President Bush signed the Jobs for Veterans Act, Public Law 107-288 (Nov. 7, 2002). One provision of the JVA, codified at 38 U.S.C. Section 4215, creates a priority of service requirement for covered persons in Department qualified job training programs. Since the passage of the Act, the Department has provided policy guidance to the workforce investment system regarding the implementation of priority of service, including the Department's Employment and Training Administration (ETA) issuance of

Training and Employment Guidance Letter (TEGL) No. 05-03 in September 2003. TEGL No. 05-03 applies to a large majority of the job training programs impacted by priority of service. In December 2006, President Bush signed the Veterans' Benefits, Health Care, and Information Technology Act of 2006 (Pub. L. 109-461). That law requires the Department to issue regulations regarding the implementation of priority of service. The purpose of this notice is to propose those regulations.

The JVA provides that veterans and eligible spouses of veterans (as defined in § 1010.110) are identified as covered persons and are entitled to priority over non-covered persons for the receipt of employment, training, and placement services provided under new or existing qualified job training programs, notwithstanding any other provision of the law. At 38 U.S.C. 4215(a)(2), qualified job training programs are defined as "any workforce preparation, development or delivery program or service that is directly funded, in whole or in part, by the Department." Currently, such programs are offered by many agencies within the Department, including, but not limited to, ETA, VETS, the Women's Bureau, and the Office of Disability Employment Policy (ODEP).

JVA, and the priority of service it requires, is an important acknowledgment of the sacrifices of the men and women who have served in the U.S. armed forces. The Department's strategic vision for priority of service to covered persons honors veterans and eligible spouses of veterans as our "heroes at home" and envisions that DOL-funded employment and training programs, including the publicly-funded workforce investment system, will identify, inform and deliver comprehensive services to covered persons as part of strategic workforce development activities across the country. Veterans possess unique attributes and contribute greatly in the workplace. They are an important source of highly skilled and experienced talent and play an important role in regional workforce development strategies. They are highly sought after by employers and they make excellent employees. Implementation of priority of service is designed to provide covered persons with clear entry points into high-growth, high wage civilian jobs and easily accessible post-secondary education and training to support veterans' advancement along career pathways which will benefit regional economies.

One-Stop Career Centers are the delivery point for a significant

percentage of qualified job training programs and services covered by the JVA and are required to implement priority of service. All One-Stop Career Centers should have clear strategies for providing veterans and eligible spouses of veterans with the highest quality of service at every phase of services offered. This can range from basic functions of the One-Stop System, such as assistance with job search and identification of needed skills to more customized initiatives such as creating career pathways, with corresponding competency assessments and training opportunities, which allow covered persons to advance their careers in high growth sectors of the economy. The Department expects that the One-Stop System will draw on all available resources to support the reemployment needs of covered persons.

Veterans and their spouses have specific needs and concerns that can be addressed as DOL-funded employment and training programs develop strategies for serving them. When military service has ended, a major concern for many veterans is getting a good job. Combat veterans may experience difficulties both in finding employment and in readjusting to civilian work environments. DOL-funded employment and training programs should work with employers to ensure that the value a veteran brings to the table is understood and to address any concerns that employers may have about hiring veterans. Those veterans who have sustained injuries or illnesses as a result of their military service may require additional support in developing skills and securing employment. DOL, the Department of Defense and the Department of Veterans Affairs are collaborating in closely monitoring the rehabilitation of wounded and injured veterans so that their readiness for employment can be assessed and appropriate preparations for civilian employment can be made. Upon achieving job-ready status, these "heroes at home" should be immediately provided the full array of employment and training services to ensure that they make a successful transition into a civilian career.

Priority of service ensures that covered persons receive priority employment and job training services that will effectively integrate them into the economy. It does not change a program's intended functions; covered persons still need to meet all statutory eligibility and program requirements for participation. Some DOL-funded employment and training programs have only general program eligibility requirements and do not statutorily

target specific groups. These programs require only a straightforward implementation of priority of service. However, some DOL-funded employment and training programs do carry existing statutory targeting provisions that must be taken into account when applying priority of service. The purpose of this proposed rule is to articulate how priority of service is to be applied across all existing and new qualified job training programs.

## II. Section-by-Section Review of the Proposed Rule

### *Subpart A—Purpose and Definitions*

What is the purpose and scope of this part? (§ 1010.100)

Section 1010.100 briefly describes and supplies the statutory context for these regulations. The purpose of the regulations is to implement priority of service for veterans and eligible spouses of veterans, collectively identified as covered persons. These regulations apply to all workforce preparation, development or delivery programs funded in whole or in part by the Department. These regulations implement the priority of service provision of the JVA (38 U.S.C. 4215) as required by the Veterans' Benefits, Health Care, and Information Technology Act of 2006, Public Law 109-461 (Dec. 22, 2006).

What definitions apply to this part? (§ 1010.110)

The definitions in this section are provided to assist in understanding priority of service, its implementation and corresponding requirements. For the most part, these terms incorporate definitions contained in the Jobs for Veterans Act. The term "veteran" is based on the definition in 38 U.S.C. 101(2) and is defined as "a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable." As provided in § 1010.330(c)(2)(i), this will result in uniformity in the application of and in the reporting on priority of service for veterans.

### *Subpart B—Understanding Priority of Service*

What is priority of service? (§ 1010.200)

Priority of service entitles covered persons, including veterans and eligible spouses of veterans who are otherwise eligible for DOL qualified job training programs, to receive priority access to programs or services over non-covered persons. It is important to emphasize

that covered persons must meet a program's statutory eligibility requirements in order to obtain priority of service in the program.

To carry out these objectives, priority of service requires that covered persons take precedence over non-covered persons in obtaining DOL-funded services. Section 1010.200 provides that covered persons receive access to the service or resource earlier in time than non-covered persons; or if the service or resource is limited, covered persons receive access to the service or resource instead of or before non-covered persons.

In which Department job training programs do covered persons receive priority of service (§ 1010.210)?

This section stipulates that priority of service applies to every workforce preparation, development, or delivery program or service that is directly funded in whole or in part by the Department. Priority of service is intended to apply to all such programs currently in operation, as well as all new such programs that come into existence in the future. The implementation of priority of service is not meant to change the intended function of a program or service.

The Department funds a broad range of programs and services that are affected by priority of service, including, but not limited to: Wagner-Peyser funded employment services; the Trade Adjustment Assistance Program; Adult and Dislocated Worker Programs funded under the Workforce Investment Act of 1998 (Pub. L. 105-220, Aug. 7, 1998) (WIA); WIA Youth Formula Funded Programs, WIA national programs; Community Based Job Training Grants; Job Corps; the Veterans' Workforce Investment Program; Office of Disability Employment Programs; Pilot and Demonstration Grants; discretionary grants such as those using H-1B funds; and future grant formula or discretionary grants. As new workforce preparation, development, or delivery programs or services funded in whole or in part by the Department are developed, they will also be covered by priority of service.

How are recipients required to implement priority of service? (§ 1010.220)

Under paragraph (a) of this section, all recipients of DOL funding for the administration and delivery of qualified job training programs are required to agree to implement priority of service as a condition for receipt of any Department funds for existing and new

programs. As part of this agreement, funding recipients must provide the Department with information on how priority of service will be implemented. The agreement may be executed in a variety of ways, depending on the program. For example, the Department may require the agreement as part of the terms of formal grant award documents and/or through program governance documents, such as strategic plans and State workforce investment plans submitted under the Workforce Investment Act of 1998.

Under paragraph (b) of this section, it is the responsibility of the funding recipient to ensure that any sub-recipients of funds implement priority of service. As such, funding recipients should include priority of service and its associated data collection and reporting requirements in all requests for proposals, solicitations for grant awards, sub-grants, sub-contracts, or other mechanisms utilized to define service delivery strategies using DOL funding, including (where feasible) memoranda of understanding or other service delivery agreements.

Do States and political subdivisions of States have any additional responsibilities in implementing priority of service that go beyond what is expected of recipients? (§ 1010.230)

Because of the importance of their role in ensuring that priority of service for covered persons is carried out throughout the One-Stop Delivery System, both States and local workforce investment areas have particular responsibilities for planning and establishing policies for the delivery of priority of service throughout the workforce investment system. States are required to address priority of service in their comprehensive strategic plans, and they are also required to ensure that Local Workforce Investment Boards address priority of service in their strategic plans. These plans should identify the processes that a State's workforce system will follow to identify covered persons at the point of entry so that covered persons can take full advantage of priority of service. State entities and political subdivisions of states are required to ensure that covered persons are made aware of the programs and the benefits conveyed by priority of service and that covered persons understand: (a) Their entitlement to priority of service; (b) the full array of employment, training, and placement services available under priority service, and (c) any applicable eligibility requirements for those programs or services. It is the responsibility of states to ensure that

state and local policies are in place to fulfill these requirements.

Will the Department be monitoring for compliance with priority of service? (§ 1010.240)

The Department is committed to ensuring full and proper implementation of priority of service across the nation. Therefore, the Department will monitor and evaluate recipients of funds for qualified job and training programs to ensure that covered persons are made aware of and are afforded priority of service. The responsibility for monitoring priority of service will be shared jointly between VETS and the DOL agency responsible for administration and oversight of the program. At the regional level, VETS staff will coordinate monitoring reviews and validation visits with the appropriate federal official with comparable responsibility for the qualified job training program. Monitoring and evaluation will include collecting information indicating that covered persons are afforded priority of service in qualified job training programs, and ensuring that covered persons are made aware of priority of service at the point of entry and are afforded its benefits. The processes to address the inability of grantees to perform programmatic requirements, such as the application of priority of service, vary by program. At a minimum, if a recipient is found to not be in compliance with the requirement to provide priority of service to covered persons, the recipient will be required to submit a corrective action plan.

Can priority of service be waived? (§ 1010.250)

In accordance with 38 U.S.C. 4215(a)(3), priority of service will be applied for covered persons in all qualified programs and services "notwithstanding any other provision of law" and cannot be waived.

*Subpart C—Applying Priority of Service for Covered Persons*

What processes are to be implemented to identify covered persons? (§ 1010.300)

To ensure complete implementation of priority of service, recipients of funds for qualified job training programs must have procedures in place to identify covered persons as quickly as possible in order to promptly inform them about their priority of service benefits, regardless of whether those benefits are being delivered in person or over the Web. As described in greater detail in conjunction with the review of

§ 1010.330, DOL has identified "point of entry" as the point at which customers first come into contact with DOL-funded employment and training programs. Points of entry may include reception through a One-Stop Career Center established pursuant to the Workforce Investment Act of 1998, as part of an application process for a specific program, or through any other method by which covered persons express an interest in receiving services, either in-person or virtually. These processes are to ensure that:

(1) Covered persons are identified at the point of entry to allow them to take the fullest advantage of priority of service; and

(2) To ensure covered persons understand:

(a) Their entitlement to priority of service,

(b) The full array of employment and training services available under priority of service, and

(c) Any eligibility requirements the covered person must meet in order to gain entry into the program or to be provided services by the program.

These procedures must ensure that covered persons are identified at the point of entry so that they have the opportunity to take advantage of priority of service. For example, a program with intake procedures must ascertain during intake whether the applicant is a covered person so that the covered person can be afforded priority during the receipt of all applicable subsequent services.

Because of the broad scope of qualified job training programs, a single procedure for all programs is not feasible and will not be specified. Instead, each program will need to develop those procedures that best fit within that program's context and current client flow process.

How will priority of service be applied? (§ 1010.310)

As mentioned above, veterans must meet program eligibility requirements in order to obtain priority. This section discusses the different ways that programs may target groups of eligible individuals and how such targeting interacts with the priority of service. Some DOL-funded qualified job training programs have only general program eligibility requirements and do not statutorily target specific groups. For these programs, implementing priority of service for covered persons is relatively straightforward. However, DOL also administers a number of programs that have existing federal statutory or discretionary targeting provisions that prioritize certain

population groups. The Department is using this rule-making opportunity to clarify and codify how such priorities should be balanced when implementing priority of service in those programs with federal statutory priorities. The veterans' priority of service will always take precedence over state- or locally-imposed priorities and preferences.

Many qualified job training programs also provide more than one phase of service. For example, within the One-Stop Career Center, a continuum of services may be available, ranging from self-service and information to career counseling and training, depending upon the needs of the customer. It is important to note that covered persons must be given priority of service throughout this continuum of services. Identifying covered persons at the point of entry is a means of ensuring that covered persons have access to and are afforded priority in receiving the full array of services available throughout the different phases of service delivery.

For the purposes of implementing priority of service, all DOL-funded qualified job training programs fall into one of three broad categories: (1) Programs whose eligibility requirements do not target specific groups (universal access); (2) programs with discretionary targeting of specific groups pursuant to a federal statute or regulation; (3) programs with statutory targeting of specific groups pursuant to a federal statute or regulation. For each of these three categories, instructions for applying priority of service are provided below:

*1. Programs whose eligibility requirements do not target specific groups (universal access):*

Some DOL-funded qualified programs, such as Wagner-Peyser employment services, are available to eligible individuals from the general population as a whole. For these programs, funding recipients must identify covered persons and give all covered persons priority of service over non-covered persons for program services.

*2. Programs with discretionary targeting of specific groups pursuant to a federal statute or regulation:*

Some DOL-funded qualified job training programs are designed by statute or regulation to focus on a particular group, or to make efforts to provide a certain level of service to such a group, but such focus is optional or discretionary. In that case, priority of service takes precedence over the discretionary priority. This means that funding recipients are required to provide covered persons the highest priority over non-covered persons. Non-

covered persons within the discretionary area of focus would then receive priority over non-covered persons outside the discretionary area of focus. The discretionary targeting will still remain consistent with the federal statutory and/or regulatory provision(s) governing the discretionary targeting.

*3. Programs with statutory targeting pursuant to a federal statute or regulation:*

Some qualified programs have mandatory priorities or priorities required by federal law. These targeting provisions mandate priority or preference for a particular group of individuals, such as the Workforce Investment Act (WIA) Adult Program (which requires, by statute, that priority for intensive and training services be given to recipients of public assistance and other low-income individuals, when funds allocated to a local area are limited) or require spending a certain portion of program funds on a particular group of persons receiving services, such as the WIA Youth Program (which requires that at least 30% of funds be spent on out-of-school youth). For these programs containing a federal statutory priority, funding recipients should implement priority of service in the following order: (1) Covered persons who meet the mandatory priorities or spending requirement or limitation would receive the highest priority for the program; (2) Non-covered persons within the program's mandatory priorities would receive preference before covered persons outside the program's mandatory priorities; and (3) Covered persons outside the program's mandatory priorities would receive priority over any non-covered persons outside the program's mandatory priorities.

Will recipients be required to collect information and report on priority of service? (§ 1010.320)

Yes, recipients of funds will be required to collect information and report on priority of service. JVA requires the Department to evaluate: (1) Whether covered persons are receiving priority of service; (2) whether covered persons are being fully served by qualified job training programs; and (3) whether the representation of covered persons in such programs is in proportion to the incidence of representation of covered persons in the labor market. The data to be collected and maintained, as described in § 1010.330, will play a direct role in enabling the Department to fulfill the statutory responsibilities of evaluating whether covered persons are receiving priority of service and are being fully

served by qualified job training programs, and whether the representation of covered persons in such programs is in proportion to the incidence of representation of covered persons in the labor market. In addition, by calling covered persons to the attention of program staff at the point of entry, the requirement to collect data on covered persons is expected to reinforce the provision of timely information to covered persons about their right to priority, about available services and about applicable eligibility requirements, as required by § 1010.300.

What are the responsibilities of recipients to collect and maintain data on covered and non-covered persons? (§ 1010.330)

Each recipient of funds must collect data and maintain records that indicate covered person status to determine whether the funding recipient is providing priority of service as required by the Secretary. This regulation is accompanied by an Information Collection Request (ICR) that identifies the initial set of requirements. Those requirements are to be implemented for selected qualified job training programs in coordination with the approval of the ICR, with the expectation of implementing those requirements on July 1 of the subsequent program year. Some qualified job training programs are not included in the ICR that accompanies this Notice of Proposed Rulemaking (NPRM). For each of those programs, the reporting requirements related to priority of service will be identified as part of that program's periodic renewal of approval for an existing information collection or as part of that program's request for a new information collection, whichever first follows the approval of the ICR that accompanies this NPRM. VETS will review information collection requirements for programs not included in the initial ICR to ensure they meet the reporting requirements for priority of service.

In developing information collection and reporting requirements, the Department has taken into consideration the broad scope of programs to which these reporting requirements will apply. The Department also considered the fact that priority of service addresses processes experienced by customers, both covered and non-covered, before they receive services. In designing its approach to data collection and reporting on priority of service, DOL identified "point of entry" as the point at which customers first come into contact with DOL-funded employment and training programs. Since customers

can make initial contact with these programs in a wide variety of ways, point of entry embraces a variety of situations. For example, some customers first contact One-Stop Career Centers, while others apply directly for specific DOL-funded employment and training programs. In either of those cases, customers also may make their initial contacts at physical locations or by remotely accessing electronic resources. In conjunction with the identification of point of entry, DOL also designated customers at this stage as “entrants,” who can be either covered or non-covered.

In assessing the available options for measuring priority of service, the Department carefully considered the benefits that would be derived and the burdens that would be imposed if data were collected and reported on both covered and non-covered entrants. While that would have allowed DOL to compare the rates of entry to services for both groups, DOL concluded that requiring data collection and reporting for non-covered entrants would be disproportionately burdensome to both workforce professionals and their customers, the overwhelming majority of whom are not covered persons. Specifically, historical data on veteran participation suggest that non-covered entrants will represent over four-fifths of all entrants. Therefore, the Department has determined that entrant data collection and reporting will be restricted to covered entrants.

Similarly, DOL considered requiring entrant data collection for all qualified job training programs. In that case also, an assessment of the trade-offs between the benefits and the burdens for programs of different sizes indicated that data collection and reporting on covered entrants should be restricted to six major workforce programs that historically surpassed a “threshold” level of veteran participation. The threshold level identified is participation of 1,000 or more veteran participants per year, on average over the prior three years. Of the nine major workforce programs included in the Annual Report on veterans’ employment, the six programs above the threshold level accounted for 99.9% of the veteran participants. In light of the expected concentration of covered entrants in those six programs, DOL has determined that data collection and reporting on covered entrants will be restricted to those six programs (Wagner-Peyser, WIA Adult, WIA Dislocated Worker, WIA National Emergency Grant, Senior Community Service Employment, and Trade Adjustment Assistance Programs).

All funding recipients also must collect and maintain data on covered and non-covered persons who receive services (also known as ‘participants’). The information to be collected may include, but is not limited to: (1) The covered and non-covered person status of all persons receiving services; (2) the types of services provided to covered and non-covered persons; (3) the dates in which services were received by covered and non-covered persons; and (4) the employment outcomes experienced by covered and non-covered persons receiving services. In collecting data on the services provided to and the outcomes experiences by persons receiving services, funding recipients must apply the definitions set forth in § 1010.110 to distinguish covered from non-covered persons receiving services and, within covered persons, to distinguish veterans from eligible spouses.

### III. Administrative Information

#### *Regulatory Flexibility Analysis, Executive Order 13272, and Small Business Regulatory Enforcement Fairness Act*

The Regulatory Flexibility Act (RFA), 5 U.S.C. Chapter 6, requires the Department to evaluate the economic impact of this proposed rule with regard to small entities. The RFA defines small entities to include small businesses, small organizations including not-for-profit organizations, and small governmental jurisdictions. The Department must determine whether the proposed rule imposes a significant economic impact on a substantial number of such small entities.

The Department has determined that there is no significant economic impact resulting from this NPRM. The JVA mandates that veterans receive priority of service in all qualified job training programs. The purpose of this NPRM is to implement the JVA’s priority of service requirement. It defines the program and reporting requirements for ongoing programs funded by the Department (and any new programs created in the future) and administered by funding recipients. The priority of service provisions in the JVA do not create any new job training programs; rather, the programs affected by the priority of service are ongoing. The proposed rule requires funding recipients to do certain things, such as implement processes to identify covered persons at the point of entry and report on priority of service. However, the Department funds these programs and the funds are meant to include such activities as administration and

reporting. Although certain funding recipients that operate qualified job training programs may be small entities, the Department certifies that this NPRM does not have a significant economic impact on a substantial number of small entities under the provisions of the RFA and also under the provisions of Executive Order 13272.

Finally, the Department has also determined that this rule is not a “major rule” for purposes of The Small Business Regulatory Enforcement Fairness Act (SBREFA), 5 U.S.C. Chapter 8, requires agencies to take certain actions when a “major rule” is promulgated. SBREFA defines a “major rule” as one that has or will likely to result in an annual effect on the economy of \$100,000,000 or more; a major increase in costs or prices for, among other things, state or local government agencies; or in significant and adverse effects on the U.S. business climate. For the reasons already discussed, this proposed rule will not have any significant financial impact. Accordingly, none of the definitions of “major rule” apply in this instance.

#### *Executive Order 12866*

Executive Order 12866 requires that for each “significant regulatory action” proposed by the Department, the Department conduct an assessment of the proposed regulatory action and provide the Office of Management and Budget (OMB) with the proposed regulation and the requisite assessment prior to publishing the regulation. A significant regulatory action is defined to include an action that will have an annual effect on the economy of \$100 million or more, as well as an action that raises a novel legal or policy issue.

The priority of service implemented by this proposed rule will not have an annual effect on the economy of \$100 million or more, for the reasons outlined above. While much of the proposed rule is consistent with current DOL policy, certain portions may raise novel policy issues. Accordingly, OMB has reviewed this proposed rule.

#### *Paperwork Reduction Act*

The purposes of the Paperwork Reduction Act of 1995 (PRA), 44 U.S.C. 3501 *et seq.*, include minimizing the paperwork burden on affected entities. The PRA requires certain actions before an agency can adopt or revise the collection of information, including publishing a summary of the collection of information and a brief description of the need for and proposed use of the information.

The Department hereby announces that the collections of information

contained in this proposed rule, and identified as such, have been submitted to the Office of Management and Budget (OMB) for review and approval in accordance with section 3507(d) of the PRA. A copy of this submission, with applicable supporting documentation, a description of the likely respondents, proposed frequency of response, and estimated total burden, may be obtained at <http://www.doleta.gov/OMB/OMBControlNumber.cfm> or from the RegInfo.gov Web site at <http://www.reginfo.gov/public/do/PRAMain> or by contacting Darrin A. King, Acting Departmental Clearance Officer, on 202-693-4129 (this is not a toll-free number); e-mail: [king.darrin@dol.gov](mailto:king.darrin@dol.gov).

The Department invites comments on the collections of information contained in this proposed rule. Comments may be submitted by e-mail to [OIRA\\_submission@omb.eop.gov](mailto:OIRA_submission@omb.eop.gov). Comments also may be sent to the Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10235, New Executive Office Building, Washington, DC 20503; Attention: Desk Officer for the Employment and Training Administration. Although comments may be submitted through October 14, 2008, OMB requests that comments be received within 30 days of publication of the Notice of Proposed Rulemaking to ensure their consideration. In order to ensure the appropriate consideration, comments should reference the OMB Control Number: 1205-0NEW. The OMB is particularly interested in comments that:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

*Type of Review:* Request for New Collection.

*Title of the Collection:* Application for Priority of Service Data Collection.

*OMB Control Number:* 1205-0NEW.

*Total Estimated Annual Respondents:* (a) 1,586,815 covered entrants; and (b) 151,530 covered Wagner-Peyser/VETS persons receiving services to be tracked through individual data records.

*Estimated Time for Response:* 3.5 minutes per record.

*Total Estimated Burden Hours:* 155,539.

*Total Estimated Cost Burden:* \$0.

*Description:* The primary data collection and reporting requirements related to this proposed rule are set forth in § 1010.330(b) and call for minimal data collection for covered persons to be initiated at the point of entry by those qualified job training programs above a certain size threshold, as specified in § 1010.330(a)(2). These new data collection and reporting requirements are specified in the ICR that accompanies this NPRM and will impact the four approved information collections identified below. The effective date(s) for the new reporting requirements will be determined by the application of criteria identified in the ICR, in conjunction with the point in time at which OMB approval of the ICR is received. It is possible that the effective date for application of the new data collection and reporting requirements for covered persons at the point of entry will coincide with the effective date for implementation of the Workforce Investment Streamlined Performance Reporting (WISPR) System. In that case, only the WISPR System and the SCSEP Performance Measurement System will be impacted, because WISPR will replace the other three systems identified below.

§ 1010.330(b)—What are the responsibilities of recipients to collect and maintain data on covered and non-covered persons?

- *1205-0040:* SCSEP Performance Measurement System.
- *1205-0240:* Labor Exchange Reporting System (LERS).
- *1205-0392:* Trade Act Participant Report (TAPR).
- *1205-0420:* WIA Management Information and Reporting System.

A second data collection and reporting requirement relates to this proposed rule. It is based on the provisions of § 1010.220, which require funding recipients to agree to implement priority of service as a condition for the receipt of funds. It is anticipated that this requirement will impact the six approved information collections identified below.

§ 1010.220—How are recipients required to implement priority of service?

- *1205-0219:* Standard Job Corps Request for Proposal and Related Contractor Information Gathering.
- *1205-0275:* Trade Adjustment Assistance/NAFTA Financial Status/Request for Funds Report.
- *1205-0398:* TITLE: Planning Guidance and Instructions for Submission of the Strategic State Plan and Plan Modifications for Title I of the Workforce Investment Act of 1998 (WIA).
- *1205-0407:* State Unified Plan Planning Guidance for State Unified Plans and Unified Plan Modifications Submitted Under Section 501 of the Workforce Investment Act of 1998 (WIA).
- *1205-0439:* Workforce Investment Act: National Emergency Grant (NEG) Assistance—Application and Reporting Procedures.
- *1205-0458:* Generic Solicitation for Grant Applications (SGA).

The Department intends that the required revisions to the six information collections listed above will take effect when these information collections are next approved, whether that approval responds to a request for renewed approval of an existing information collection, or to a request for initial approval of a new information collection.

The third data collection and reporting requirement that relates to this proposed rule is based on the provisions of § 1010.330(c), which require funding recipients to collect data and report on covered and non-covered persons receiving services. It is anticipated that this requirement will impact the 14 approved information collections identified below. In most cases, the only impact will be to insert new specifications for existing data fields for veterans and eligible spouses in these reporting systems.

Section 1010.330(c)—What are the responsibilities of recipients to collect and maintain data on covered and non-covered persons?

- *1205-0025:* Job Corps Application Data.
- *1205-0353:* Worker Profiling and Reemployment Services Activities and Worker Profiling and Reemployment Outcomes.
- *1205-0371:* Work Opportunity Tax Credit (WOTC) and Welfare-to-Work (WtW) Tax Credit.
- *1205-0417:* One-Stop Workforce Information Grant Plan and Annual Performance Report.

- 1205-0422: Financial and Program Reporting and Performance Standards System for Indian and Native American Programs Under Title I, Section 166 of the Workforce Investment Act (WIA).
- 1205-0425: Reporting and Performance Standards System for Migrant and Seasonal Farmworker Programs Under Title I, Section 167 of the Workforce Investment Act (WIA).
- 1205-0436: Quick Turnaround Surveys on Workforce Investment Act Implementation.
- 1205-0448: Employment and Training Data Validation Requirement.
- 1205-0455: Prisoner Reentry Initiative (PRI) Reporting System.
- 1205-0464: YouthBuild Reporting System.
- 1205-0465: High Growth and Community-Based Job Training Grants.
- 1225-0059: Job Accommodation Network (JAN) Customer Satisfaction Survey.
- 1230-0003: Employment Assistance & Recruiting Network (EARN) Employer and Provider Enrollment Form, and Surveys.
- 1293-0009: VETS Manager's Report and SF-269A.

The Department intends that the required revisions to the 14 information collections listed above will take effect when these information collections are next approved, whether that approval responds to a request for renewed approval of an existing information collection, or to a request for initial approval of a new information collection.

The Department notes that a Federal agency cannot conduct or sponsor a collection of information unless it is approved by OMB under the PRA, and displays a currently valid OMB control number, and the public is not required to respond to a collection of information unless it displays a currently valid OMB control number. Also, notwithstanding any other provisions of law, no person shall be subject to penalty for failing to comply with a collection of information if the collection of information does not display a currently valid OMB control number. Comments submitted in response to this notice will become a matter of public record. Those wishing to submit comments on the collections of information contained in this proposed rule are reminded that: (a) the relevant documents can be obtained for review from any one of the three sources cited above; and, (b) comments should be submitted to the e-mail address or to the postal address for OMB's Office of Information and Regulatory Affairs (OIRA), also cited above.

#### *Executive Order 13132*

The Department has reviewed this proposed rule in accordance with Executive Order 13132 regarding federalism and has determined that it does not have "federalism implications." The rule does not "have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government." This proposed rule implements the priority of services for qualified job training programs. Although States are recipients of funds for many qualified job training programs, this proposed rule does not have a substantial direct effect on the States; it merely establishes certain conditions on the receipt of program funds. This proposed rule does nothing to alter either the relationship between the national government and the States, or the distribution of power and responsibilities among the various levels of government. Accordingly, this proposed rule does not have "federalism implications."

#### *Unfunded Mandates Reform Act of 1995*

For purposes of the Unfunded Mandates Reform Act (UMRA) of 1995, this rule does not include any Federal mandate that may result in increased expenditures by State, local and tribal governments, or by the private sector. This proposed rule merely establishes that recipients of qualified job training funds must use some of those funds to satisfy priority of service requirements. As this proposed rule does not impose any unfunded Federal mandate, the UMRA is not implicated.

#### *Executive Order 13045*

Executive Order 13045 concerns the protection of children from environmental health risks and safety risks. This proposed rule implements the priority of service provisions for qualified job training programs funded by the Department. This proposed rule has no impact on safety or health risks to children.

#### *Executive Order 13175*

Executive Order 13175 addresses the unique relationship between the Federal Government and Indian tribal governments. The order requires Federal agencies to take certain actions when regulations have "tribal implications." Required actions include consulting with Tribal Governments prior to promulgating a regulation with tribal implications and preparing a tribal impact statement. The order defines regulations as having "tribal

implications" when they have substantial direct effects on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

The Department has reviewed this proposed rule and concludes that it does not have tribal implications. Although tribal governments are recipients of some qualified job training program funds, this proposed rule merely establishes certain conditions on the receipt of program funds. Indian tribes will not even be required to perform the new reporting duties described in this proposed rule because the programs they administer do not serve an average of 1,000 covered persons per year. The proposed rule does nothing to affect either the relationship or the distribution of power and responsibilities between the Federal Government and Indian tribes. Therefore, this proposed rule does not have tribal implications for purposes of Executive Order 13175.

#### *Environmental Impact Assessment*

The Department has reviewed this proposed rule in accordance with the requirements of the National Environmental Policy Act (NEPA) of 1969 (42 U.S.C. 4321 *et seq.*), the regulations of the Council on Environmental Quality (40 CFR part 1500), and the Department's NEPA procedures (29 CFR part 11). The proposed rule will not have a significant impact on the quality of the human environment, and thus the Department has not prepared an environmental assessment or an environmental impact statement.

#### *Assessment of Federal Regulations and Policies on Families*

Section 654 of the Treasury and General Government Appropriations Act, enacted as part of the Omnibus Consolidated and Emergency Supplemental Appropriations Act of 1999 (Pub. L. 105-277, 112 Stat. 2681), requires the Department to assess the impact of this rule on family well-being. A rule that is determined to have a negative affect on families must be supported with an adequate rationale. The Department has assessed this proposed rule and has determined that it will not have a negative effect on families.

#### *Privacy Act*

The Privacy Act of 1974 (5 U.S.C. 552a) provides safeguards to individuals concerning their personal information which the Government collects. The Act



requires certain actions by an agency that collects information on individuals when that information contains personally identifying information such as Social Security Numbers or names. Because this proposed rule does not require a new collection of personally identifiable information, the privacy act does not apply in this instance.

#### *Executive Order 12630*

This proposed rule is not subject to Executive Order 12630, Governmental Actions and Interference with Constitutionally Protected Property Rights, because it does not involve implementation of a policy with takings implications.

#### *Executive Order 12988*

This proposed rule has been drafted and reviewed in accordance with Executive Order 12988, Civil Justice Reform, and will not unduly burden the Federal court system. The proposed regulation has been written so as to minimize litigation and provide a clear legal standard for affected conduct, and has been reviewed carefully to eliminate drafting errors and ambiguities.

#### *Executive Order 13211*

This proposed rule is not subject to Executive Order 13211, because it will not have a significant adverse effect on the supply, distribution, or use of energy.

#### **Plain Language**

The Department drafted this proposed rule in plain language.

#### **Catalogue of Federal Domestic Assistance Number**

This proposed rule is not program-specific; rather it applies across a broad spectrum of qualified job training programs. Therefore, designation of a listing in the Catalog of Federal Domestic Assistance would not be appropriate.

#### **List of Subjects in 20 CFR Part 1010**

Employment, Grant programs—Labor, Veterans.

Signed at Washington, DC this 7th day of August 2008.

**Charles S. Ciccolella,**

*Assistant Secretary, Veterans Employment and Training Service.*

For reasons stated in the preamble, the Department proposes to amend 20 CFR chapter V by adding part 1010 to read as follows:

### **PART 1010—APPLICATION OF PRIORITY OF SERVICE FOR COVERED PERSONS**

#### **Subpart A—Purpose and Definitions**

Sec.

- 1010.100 What is the purpose and scope of this part?  
1010.110 What definitions apply to this part?

#### **Subpart B—Understanding Priority of Service**

- 1010.200 What is priority of service?  
1010.210 In which Department job training programs do covered persons receive priority of service?  
1010.220 How are recipients required to implement priority of service?  
1010.230 In addition to the responsibilities of all recipients, do States and political subdivisions of States have any particular responsibilities in implementing priority of service?  
1010.240 Will the Department be monitoring for compliance with priority of service?  
1010.250 Can priority of service be waived?

#### **Subpart C—Applying Priority of Service**

- 1010.300 What processes are to be implemented to identify covered persons?  
1010.310 How will priority of service be applied?  
1010.320 Will recipients be required to collect information and report on priority of service?  
1010.330 What are the responsibilities of recipients to collect and maintain data on covered and non-covered persons?

**Authority:** Public Law 109–461 (Dec. 22, 2006), section 605 [38 U.S.C. 4215 Note]; 38 U.S.C. 4215.

#### **Subpart A—Purpose and Definitions**

##### **§ 1010.100 What is the purpose and scope of this part?**

(a) Part 1010 contains the Department regulations implementing priority of service for covered persons. Priority of service for covered persons is authorized by section 2(a)(1) of JVA (38 U.S.C. 4215). These regulations fulfill section 605 of the Veterans Benefits, Health Care, and Information Technology Act of 2006, Public Law 109–461 (Dec. 22, 2006), which requires the Department to implement priority of service via regulation.

(b) As provided in § 1010.210, this part applies to all qualified job training programs.

##### **§ 1010.110 What definitions apply to this part?**

The following definitions apply to this part:

*Covered person* as defined in section 2(a) of the JVA (38 U.S.C. 4215(a)) means a veteran or eligible spouse.

*Department or DOL* means the United States Department of Labor, including

its agencies and organizational units and their representatives.

*Eligible spouse* as defined in section 2(a) of the JVA (38 U.S.C. 4215(a)) means the spouse of any of the following:

- (1) Any veteran who died of a service-connected disability;
- (2) Any member of the Armed Forces serving on active duty who, at the time of application for the priority, is listed in one or more of the following categories and has been so listed for a total of more than 90 days:
  - (i) Missing in action;
  - (ii) Captured in line of duty by a hostile force; or
  - (iii) Forcibly detained or interned in line of duty by a foreign government or power;
- (3) Any veteran who has a total disability resulting from a service-connected disability, as evaluated by the Department of Veterans Affairs;
- (4) Any veteran who died while a disability, as indicated in paragraph (3) of this definition, was in existence.

*Grant* means an award of Federal financial assistance by the Department of Labor to an eligible recipient.

*Jobs for Veterans Act (JVA)* means Public Law 107–288 (2002). Section 2(a) of the JVA, codified at 38 U.S.C. 4215(a), provides priority of service for covered persons.

*Non-covered person* means any individual who meets neither the definition of “veteran,” as defined below, nor the definition of “eligible spouse” as defined above.

*Qualified job training program* means any program or service for workforce preparation, development, or delivery that is directly funded, in whole or in part, by the Department of Labor.

*Recipient* means an entity to which federal financial assistance, in whole or in part, is awarded directly from the Department or through a sub-award for any qualified job training program.

*Secretary* means the Secretary of the Department of Labor.

*Veteran* means a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable, as specified in 38 U.S.C. 101(2).

#### **Subpart B—Understanding Priority of Service**

##### **§ 1010.200 What is priority of service?**

(a) As defined in section 2(a) of the JVA (38 U.S.C. 4215(a)) “priority of service” means, with respect to any qualified job training program, that a covered person shall be given priority over a non-covered person for the

receipt of employment, training, and placement services provided under that program, notwithstanding any other provision of the law.

(b) Priority in the context of providing priority of service to veterans and other covered persons in qualified job training programs covered by this regulation means the right to take precedence over non-covered persons in obtaining services. Depending on the type of service or resource being provided, taking precedence may mean:

(1) The covered person receives access to the service or resource earlier in time than the non-covered person; or

(2) If the service or resource is limited, the covered person receives access to the service or resource instead of or before the non-covered person.

**§ 1010.210 In which Department job training programs do covered persons receive priority of service?**

(a) Priority of service applies to every qualified job training program funded, in whole or in part, by the Department, including:

(1) Any such program or service that uses technology to assist individuals to access workforce development programs (such as job and training opportunities, labor market information, career assessment tools, and related support services); and

(2) Any such program or service under the public employment service system, One-Stop Career Centers, the Workforce Investment Act of 1998, a demonstration or other temporary program; any workforce development program targeted to specific groups; and those programs implemented by States or local service providers based on Federal block grants administered by the Department.

(b) The implementation of priority of service does not change the intended function of a program or service. Covered persons must meet all statutory eligibility and program requirements for participation in order to receive priority for a program or service.

**§ 1010.220 How are recipients required to implement priority of service?**

(a) An agreement to implement priority of service, as described in these regulations and in any departmental guidance, is a condition for receipt of all Department job training program funds.

(b) All recipients are required to ensure that priority of service is applied by all sub-recipients of Department funds. All program activities, including those obtained through requests for proposals, solicitations for grant awards, sub-grants, contracts, sub-contracts, and (where feasible) memoranda of

understanding or other service provision agreements, issued or executed by qualified job training program operators, must be administered in compliance with priority of service.

**§ 1010.230 In addition to the responsibilities of all recipients, do States and political subdivisions of States have any particular responsibilities in implementing priority of service?**

(a) Pursuant to their responsibility under the Workforce Investment Act of 1998, States are required to address priority of service in their comprehensive strategic plan for the State's workforce investment system. Specifically, States must develop policies for the delivery of priority of service by the State Workforce Agency or Agencies, Local Workforce Investment Boards, and One-Stop Career Centers for all qualified job training programs delivered through the State's workforce system. The policy or policies must require that processes are in place to ensure that covered persons are identified at the point of entry and given an opportunity to take full advantage of priority of service. These processes shall be undertaken to ensure that covered persons are aware of:

(1) Their entitlement to priority of service;

(2) The full array of employment, training, and placement services available under priority of service; and

(3) Any applicable eligibility requirements for those programs and/or services.

(b) The State's policy or policies must require Local Workforce Investment Boards to develop and include in their strategic local plan, policies implementing priority of service for the local One-Stop Career Centers and for service delivery by local workforce preparation and training providers. These policies must establish processes to ensure that covered persons are identified at the point of entry so that covered persons are able to take full advantage of priority of service. These processes shall ensure that covered persons are aware of:

(1) Their entitlement to priority of service;

(2) The full array of employment, training, and placement services available under priority of service; and

(3) Any applicable eligibility requirements for those programs and/or services.

**§ 1010.240 Will the Department be monitoring for compliance with priority of service?**

(a) The Department will monitor recipients of funds for qualified job

training programs to ensure that covered persons are made aware of and afforded priority of service.

(b) Monitoring priority of service will be performed jointly between the Veterans' Employment and Training Service (VETS) and the DOL agency responsible for the program's administration and oversight.

(c) A recipient's failure to provide priority of service to covered persons will be handled in accordance with the program's established compliance review processes. In addition to the remedies available under the program's compliance review processes, a recipient may be required to submit a corrective action plan to correct such failure.

**§ 1010.250 Can priority of service be waived?**

No, priority of service cannot be waived.

**Subpart C—Applying Priority of Service**

**§ 1010.300 What processes are to be implemented to identify covered persons?**

(a) Recipients of funds for qualified job training programs must implement processes to identify covered persons who physically access service delivery points or who access virtual service delivery programs or Web sites in order to provide covered persons with timely and useful information on priority of service at the point of entry. Point of entry may include reception through a One-Stop Career Center established pursuant to the Workforce Investment Act of 1998, as part of an application process for a specific program, or through any other method by which covered persons express an interest in receiving services, either in-person or virtually.

(b) These processes must ensure that:

(1) Covered persons are identified at the point of entry to allow covered persons to take full advantage of priority of service; and

(2) Covered persons are to be made aware of:

(i) Their entitlement to priority of service;

(ii) The full array of employment, training, and placement services available under priority of service; and

(iii) Any applicable eligibility requirements for those programs and/or services.

**§ 1010.310 How will priority of service be applied?**

(a) Recipients of funds for qualified job training programs must implement processes in accordance with § 1010.300 to identify covered persons at the point

of entry, whether in person or virtual, so the covered person can be notified of their eligibility for priority of service. Since qualified job training programs may offer various types of services including staff-assisted services as well as self-services or informational activities, recipients also must ensure that priority of service is implemented throughout the full array of services provided to covered persons by the qualified job training program.

(b) Three categories of qualified job training programs affect the application of priority of service: universal access, discretionary targeting and statutory targeting. To obtain priority, a covered person must meet the statutory eligibility requirement(s) applicable to the specific program from which services are sought. For those programs that also have discretionary or statutory priorities or preferences pursuant to a federal statute or regulation, recipients must coordinate providing priority of service with applying those other priorities, as prescribed in paragraphs (b)(2) and (b)(3) of this section.

(1) *Universal access programs* operate or deliver services to the public as a whole; they do not target specific groups. These programs are required to provide priority of service to covered persons.

(2) *Discretionary targeting programs* focus on a particular group, or make efforts to provide a certain level of service to such a group, but do not specifically mandate that the favored group be served before other eligible individuals. Whether these provisions are found in a federal statute or regulation, priority of service will apply. Covered persons must receive the highest priority for the program or service, and non-covered persons within the discretionary targeting will receive priority over non-covered persons outside the discretionary targeting.

(3) *Statutory targeting programs* are programs derived from a federal statutory mandate that requires a priority or preference for a particular group of individuals or requires spending a certain portion of program funds on a particular group of persons receiving services. These are mandatory priorities. Recipients must determine each individual's covered person status and apply priority of service as described below:

(i) Covered persons who meet the mandatory priorities or spending requirement or limitation must receive the highest priority for the program or service;

(ii) Non-covered persons within the program's mandatory priority or spending requirement or limitation,

must receive priority for the program or service over covered persons outside the program-specific mandatory priority or spending requirement or limitation; and,

(iii) Covered persons outside the program-specific mandatory priority or spending requirement or limitation must receive priority for the program or service over non-covered persons outside the program-specific mandatory priority or spending requirement or limitation.

**§ 1010.320 Will recipients be required to collect information and report on priority of service?**

Yes. Every recipient of funds for qualified job training programs must collect such information, maintain such records, and submit reports containing such information and in such formats as the Secretary may require related to the provision of priority of service.

**§ 1010.330 What are the responsibilities of recipients to collect and maintain data on covered and non-covered persons?**

(a) *General requirements.* Recipients must collect information in accordance with instructions issued by the Department.

(1) Recipients must collect two broad categories of information:

(i) For the qualified job training programs specified in paragraph (a)(2) of this section, information must be collected on covered persons from the point of entry, as defined in § 1010.300(a), and as provided in paragraph (b) of this section; and,

(ii) For all qualified job training programs, including the programs specified in paragraph (a)(2) of this section, information must be collected on covered and non-covered persons who receive services, as prescribed by the respective qualified job training programs, as provided in paragraph (c) of this section.

(2) For purposes of paragraph (a)(1) of this section, qualified job training programs that served, at the national level, 1,000 or more veterans per year for the three most recent years of program operations (currently the Wagner-Peyser, WIA Adult, WIA Dislocated Worker, WIA National Emergency Grant, and Senior Community Service Employment Programs) must collect information and report on covered entrants. The Trade Adjustment Assistance Program must collect information and report on covered entrants on the effective date of the next information collection requirement applicable to that program, whether that is for a renewal of an existing approved information

collection or for approval of a new information collection.

(3) For purposes of this section, covered persons at the point of entry are referred to as "covered entrants." This group includes two further subgroups: Veterans and eligible spouses as defined in § 1010.110.

(b) *Collection and maintenance of data on covered entrants.* In accordance with instructions issued by the Department, recipients of assistance for the programs specified in paragraph (a)(2) of this section must collect and report individual record data for all covered entrants from the point of entry.

(c) *Collection and maintenance of data on covered and non-covered persons who receive services.* In accordance with instructions issued for individual qualified job training programs, all recipients must collect and maintain data on covered and non-covered persons who receive services, including individual record data for those programs that require establishment and submission of individual records for persons receiving services.

(1) The information to be collected shall include, but is not limited to:

(i) The covered and non-covered person status of all persons receiving services;

(ii) The types of services provided to covered and non-covered persons;

(iii) The dates that services were received by covered and non-covered persons; and

(iv) The employment outcomes experienced by covered and non-covered persons receiving services.

(2)(i) Except as provided in paragraph (c)(2)(ii) of this section, for persons receiving services, recipients must apply the definitions set forth in § 1010.110 to distinguish covered from non-covered persons receiving services and, within covered persons, to distinguish veterans from eligible spouses.

(ii) Until qualified job training programs adopt the definitions for covered and non-covered persons set forth at § 1010.110 through the publication of requirements pursuant to the Paperwork Reduction Act, recipients must collect data on the services provided to and the outcomes experienced by veterans (however defined) and non-veterans receiving services in accord with regulations, policies and currently approved information collections.

(d) All information must be stored and managed in a manner that ensures confidentiality.

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