

(i) Provide for effective employment placement activities or transfer of students to four-year baccalaureate degree programs;

(ii) Are developed in consultation with business, industry, labor unions, and institutions of higher education that award baccalaureate degrees; and

(iii) Address effectively the issues of dropout prevention and re-entry and the needs of minority youth of limited English proficiency, youth with disabilities, and disadvantaged youth;

(3) Ensure an equitable distribution of assistance between urban and rural consortium participants;

(c) How the State board will ensure that local recipients meet the requirements of this program; and

(d) How activities under this program will be coordinated with other tech-prep education programs, services, and activities provided under the State plan.

(Approved by the Office of Management and Budget under Control No. 1830-0029)

(Authority: 20 U.S.C. 2394c (b)-(e))

[57 FR 36763, Aug. 14, 1992, as amended at 59 FR 38514, July 28, 1994]

**Subpart C—How Does the Secretary Make a Grant to a State?**

**§ 406.20 How does the Secretary make allotments?**

The Secretary determines the amount of each State's allotment according to a formula in section 101(a)(2) of the Act.

(Authority: 20 U.S.C. 2394a(b)(1))

**§ 406.21 How does the Secretary make reallocations?**

(a)(1) If the Secretary determines that any amount of a State's allotment under § 406.20 will not be required for any fiscal year for carrying out the program under this part, the Secretary reallocates those funds to one or more States that demonstrate a current need for additional funds and the ability to use them promptly and effectively upon reallocation.

(2) The Secretary announces in the FEDERAL REGISTER the dates on which funds will be reallocated.

(b)(1) No funds reallocated under paragraph (a) of this section may be used for any purpose other than the purposes for which they were appropriated.

(2) Any amount reallocated to a State under paragraph (a) of this section remains available for obligation during the succeeding fiscal year and is deemed to be part of the State's allotment for the fiscal year in which the reallocated funds are obligated.

(Authority: 20 U.S.C. 2311(a) and (d) and 2394a(b)(1))

**Subpart D—What Conditions Must Be Met After a State Receives an Award?**

**§ 406.30 Who is eligible to apply to a State for an award?**

(a) A State board shall provide subgrants or contracts to consortia between—

(1) A local educational agency, intermediate educational agency, area vocational education school serving secondary school students, or secondary school funded by the Bureau of Indian Affairs; and

(2) A nonprofit institution of higher education that—

(i) Is qualified as an institution of higher education as defined in § 406.5, including institutions receiving assistance under the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801 *et seq.*);

(ii) Is not prohibited from receiving assistance under part B of the Higher Education Act of 1965 pursuant to the provisions of section 435(a)(3) of that Act; and

(iii) Offers a two-year associate degree program, a two-year certificate program, or a two-year apprenticeship training program that follows secondary instruction; or

(3) A proprietary institution of higher education that—

(i) Is qualified as an institution of higher education as defined in § 406.5;

(ii) Is not subject to a default management plan required by the Secretary; and

(iii) Offers a two-year associate degree program.

(b) A consortia must include at least one entity from paragraph (a)(1) of this