

"(b) Participants shall not be deemed Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employment benefits.

"GENERAL CONDITIONS FOR PROGRAM APPROVAL

"SEC. 126. The Director shall not provide financial assistance for any program under this part unless he determines, in accordance with such regulations as he may prescribe, that—

"(1) no participant will be employed on projects involving political parties, or the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

"(2) the program will not result in the displacement of employed workers or impair existing contracts for services, or result in the substitution of Federal for other funds in connection with work that would otherwise be performed;

"(3) the rates of pay for time spent in work-training and education, and other conditions of employment, will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant;

"(4) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants.

"EQUITABLE DISTRIBUTION OF ASSISTANCE

"SEC. 127. (a) The Director shall establish criteria designed to achieve an equitable distribution of assistance under sections 121 and 122 among the States. In developing those criteria, he shall consider, among other relevant factors, the ratios of population, unemployment, and family income levels.

"(b) Of the sums appropriated or allocated for any fiscal year for programs authorized under this title, the Director shall reserve not to exceed 25 per centum for the purpose of carrying out section 123; but not more than 12½ per centum of the funds so reserved for any fiscal year shall be used within any one State.

"TECHNICAL ASSISTANCE AND TRAINING

"SEC. 128. The Director may provide (directly, through contracts or other appropriate arrangements) such technical assistance or training for personnel as he determines is necessary to assist in the initiation or effective operation of programs under this part. He shall, in exercising this authority, give special consideration to the problems of rural areas, with a view to simplifying procedures and other technical requirements wherever feasible; developing model programs or projects; assisting rural areas to secure or better use resources under other programs relating to increasing or restoring employability and to combine those with projects or programs under this part; and generally assisting agencies in rural areas to develop and carry on the most effective programs consistent with local conditions.

"LIMITATIONS ON FEDERAL ASSISTANCE

"SEC. 129. (a) Federal financial assistance to any program or activity carried out pursuant to sections 121, 122, and 123 of this part shall not exceed 90 per centum of the cost of such program or activity, including costs of administration. The Director may, however, approve assistance in excess of that percentage if he determines, pursuant to regulations establishing objective criteria for such determinations, that this is necessary in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

"(b) In the case of on-the-job training projects with other than public or private nonprofit organizations, the Director may authorize or enter into agreements to pay reasonable training costs, but not wages paid to participants for services performed.

"(c) The Director shall prescribe regulations to assure that programs under this part are carried on subject to adequate internal controls, accounting requirements, and rules governing personnel standards and policies as may be necessary or appropriate to promote efficiency and the effective use of funds.