

ESTABLISHMENT OF WORK STUDY

SEC. 302. In order to carry out the purposes of this part, there is hereby established in the Office of Education a work-study program for secondary school students to be administered by the Commissioner of Education (hereinafter referred to as the Commissioner).

ALLOTMENTS TO STATES

SEC. 303. (a) From the sums appropriated to carry out this part for a fiscal year, the Commissioner shall reserve such amount, not in excess of 2 per centum, as he may determine, and shall allot the amount so reserved among Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands, according to their respective needs for assistance under this title. The remainder of such sums shall be allotted among the other States so that the allotment to each such State will be an amount which bears the same ratio to such remainder as the number of related children aged fourteen to twenty-one, both inclusive, living in families with annual incomes of less than \$3,000 in such State bears to the number of related children of such ages living in such families in all such States.

(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the State plan (if any) approved under this part shall be available for reallocation from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under such subsection for such year, but with such proportionate amounts for any of such States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year for carrying out the State plan; and the total of such reductions shall be similarly reallocated among the States whose proportionate amounts were not so reduced. Any amount reallocated to a State under this subsection during a year from funds appropriated pursuant to section 321 shall be deemed part of its allotment under subsection (a) for such year.

STATE PLANS

SEC. 304. (a) Any State which desires to receive grants under this part shall submit to the Commissioner a State plan, in such detail as the Commissioner deems necessary, which—

(1) designates the State educational agency as the agency which shall, either directly or through arrangements with other State or local public agencies, act as the sole agency for the administration of the plan;

(2) sets forth a plan under which funds paid to the State from its allotment under section 303 will be expended for work-study programs meeting the requirements set forth in section 305, and such funds will be held apart from general State funds;

(3) sets forth principles for determining the priority to be accorded applications from local educational agencies for work-study programs, which principles shall give preference to applications submitted by local educational agencies serving large numbers of children from low-income families;

(4) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including any such funds paid by the State to any other public agency) under this title;

(5) provides for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this title, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports; and

(6) provides a standard of income of participants and their families that takes due account of the number of children, dependents, and other special circumstances substantially affecting the ability of individuals and families to be self-sustaining, subject to the Commissioner's approval.

(b) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).