**Section 2625.40 Title III Substate Area**

a) Designation of Substate Area

 The Department on behalf of the Governor may initiate an application process for Private Industry Councils and local chief elected officials to request designation as a substate area under the Act to take effect at the start of Program Year 1989. The process for designation and redesignation of substate areas shall conform with the requirements of Section 312(a) of the Act and 54 FR 39144 (codified at 20 CFR 631.34 (April 1, 1990)) (September 22, 1989). Redesignation of substate areas shall not take place more frequently than once every two years and shall not be made later than four months before the beginning of a program year. In considering whether to initiate an application process for designation, the Department shall ensure that each Service Delivery Area (SDA) within the State is included within a substate area and that no SDA is divided among two or more substate areas; ensure the recommendations of the IJTCC are forwarded to the Governor's office; consider the availability of administrative funds to support the existing SDA administrative structure; and, consider the capacity available in the substate areas to achieve or exceed performance standards. The IJTCC shall recommend to the Governor a map of the State identifying the geographical area to be included in each substate area. Pursuant to Section 4(c) of the Illinois Job Training Coordinating Council Act (Ill. Rev. Stat. 1989, ch. 48, par. 2104), these recommendations shall be forwarded to the President of the Senate and Speaker of the House of Representatives, or their designees, for review and comment by the Illinois General Assembly. In addition to criteria which may be identified by the IJTCC, the IJTCC shall consider the following criteria prior to making recommendations to the Governor on designation and redesignation:

1) the availability of services throughout the State;

2) the capability to coordinate the delivery of services with other human service and economic development programs;

3) the geographic boundaries of labor market areas within the State;

4) the adequacy of estimated available funds to support the administrative expenses of proposed substate areas;

5) the potential impact of designation and redesignation decisions on the ability to maintain existing effective local relationships established for the provision of employment and training services (e.g., agreements among local chief elected officials).

b) Petition for Redesignation **–** Pursuant to Section 312(a)(6) of the Act, the Department shall initiate an application process for redesignation as described in subsection (a), if a petition is filed with the Department by an entity specified in Section 312(a)(4) of the Act. Petitions shall be accepted only if filed at least eighteen months before the start of the program year for which the redesignation is proposed. Petitions for redesignation shall include a Consortium Membership Agreement for petitioners pursuant to Section 312(a)(4)(B) of the Act.

(Source: Amended at 15 Ill. Reg. 10368, effective July 1, 1991)