**Section 2665.70 Cost Limitations**

Pursuant to the requirements of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as amended by the Balanced Budget Act of 1997, the following cost limitations shall apply:

a) At least 70 percent of the WtW funds allotted to or awarded to a Welfare-to-Work Administrative Agency must be spent to benefit hard-to-employ individuals, as described in Section 2665.60(a)(1) of this Part.

b) Not more than 30% of the WtW funds allotted to or awarded to a Welfare-to-Work Administrative Agency may be spent to assist individuals with long-term welfare dependency characteristics, as described in Section 2665.60(a)(2) of this Part.

c) If less than 30% of the funds are spent to assist individuals with long-term welfare dependency characteristics, the remaining funds shall be spent to benefit hard-to-employ individuals pursuant to subsection (a) of this Section.

d) The limitation of expenditures for administrative purposes will in no case be more than 15% of the grant award.