commenter recommended that the case management authority of the voluntary agencies should be respected as refugees move through the service system.

*Response:* Seamless services means that there is a relationship and a continuum between R & P services and State-funded services and an absence of service gaps or service duplication. This works because avoidance of service duplication results in a more efficient use of resources, and an absence of service gaps results in better service to refugees.

We will forward to the Department of State the commenter's recommendation to add a requirement on seamless services in the R & P agreement.

We do not believe it is necessary to require States to address the coordination required in this provision in State plans. Section 400.11(b)(2), as revised, requires States to develop annual social services plans on the basis of a local consultative process. This would be the logical vehicle for carrying out the coordination required under § 400.156(b).

We believe the case management authority of voluntary agencies should be respected in those cases where the voluntary agency continues to be a refugee family's principal provider as it moves through the service system. In cases where a refugee family's principal provider is another agency, such as an MAA or other organization, the case management authority of that agency should be respected regarding that particular family.

Section 400.156(c): Comment: Seven commenters indicated support for the provision of ESL concurrent with employment-related services. Another commenter emphasized that ESL concurrent with employment-related services is not appropriate for all populations. Another commenter wondered in the case of an ESL program where job readiness activities are part of the curriculum and/or the ESL student is also looking for job training, whether these activities constitute employment services. Another commenter wondered whether a student enrolled in an ESL program, who is employed, may attend another ESL program after he/she completes the current ESL program. One commenter recommended that this provision should be expanded to allow for worksite ESL and literacy as desirable services.

*Response:* We do not believe there is any refugee population that would not benefit, in most cases, from participation in ESL concurrent with participation in other employmentrelated services. We believe this is an appropriate arrangement for all

employable refugees, regardless of ethnic background. The purpose of requiring that ESL be provided concurrently, instead of sequentially, with other employment-related services is to ensure that refugees receive a comprehensive set of services needed to maximize a refugee's chance of becoming employed and self-sufficient in a timely manner. Therefore, the example of enrollment in an ESL class only, even though job readiness activities are a part of the curriculum, as well as the example of an ESL student who happens also to be looking for job training, would not, in our view, constitute ESL concurrent with other services and would not meet the requirement under § 400.156(c).

It is perfectly allowable for an ESL student, who is employed, to enroll in another ESL program after he/she completes the current ESL program. Worksite ESL and literacy are currently allowable under § 400.154.

§400.156(d): Comment: Ten commenters indicated support for providing services through refugeespecific service systems, while 6 commenters opposed making this a requirement. One commenter recommended making this provision an option instead of a requirement. One commenter noted that the proposed rule would preclude funding to a refugee service unit in a JTPA agency, a refugee mutual assistance association (MAA) that serves refugees along with immigrants and citizens, or a school that provides ESL. Several commenters felt that their current service system effectively provides services tailored to refugees while ensuring refugee access to suitable mainstream programs. They felt that such combined programs have resulted in the leveraging of mainstream program dollars and services in a beneficial way for refugees. One commenter argued that States that can demonstrate effective use of mainstream resources to provide culturally compatible services focused on early employment should be allowed to continue to use these systems. Another commenter felt that as Federal resources diminish, it is particularly incumbent upon States to utilize other resources and to mainstream refugees where possible and where appropriate for the client. One commenter stressed the importance of making clear that this provision is not intended to relieve mainstream providers of their obligation to serve refugees seeking other than employment services or those refugees who have been in the U.S. beyond the 36-month time period.

*Response*: We concur with the commenters concerns and have revised

§400.156(d) to require the provision of refugee-specific services and have eliminated the requirement that services must be provided through a separate refugee-specific service system in which refugees are the only client group served. We believe this change will address all of the commenters' concerns. The revised provision will allow funding to a refugee service unit in a mainstream agency such as a JTPA agency; it will allow funding to an MAA that serves refugees along with immigrants and citizens, or to a school that provides ESL; and it will not preclude the leveraging of mainstream funds for refugees or the use of mainstream systems that have demonstrated the ability to provide refugee-specific services.

Specifically, § 400.156(d), as revised, requires the provision of refugeespecific services which must be designed to meet the needs of refugees and must be in keeping with the rules and objectives of the refugee program. There are, however, some exceptions to which this requirement does not apply; the following services are exempt from this rule: Vocational or job skills training and on-the-job training (OJT) which involves the purchase of slots for refugees in mainstream programs; and English language training. We do not believe it would be cost-efficient or necessary to require refugee-specific vocational training or OJT. Nor do we feel it is as essential for ESL to be designed specifically for refugees as long as the ESL is effectively designed for non-English speaking populations in general and is provided concurrently with other employment services to refugees.

§ 400.156(e): Comment: Five commenters wrote in support of the proposed rule to require culturally and linguistically compatible services. Two commenters cautioned that while culturally and linguistically compatible services can be provided for large groups, it is not possible to do for all groups; it would be too expensive and impractical to provide for just a few refugees of a particular background. One commenter recommended adding language to this provision that would permit the use of "qualified" volunteers. Another commenter asked how providers can be expected to lay off staff with 15 years' experience just because the ethnic groups they represent no longer need services. One commenter felt that the expertise of existing ethnic staff should not be discarded as new refugee populations arrive. The commenter felt that volunteers can often support the cultural and linguistic needs of new populations in concert