

U. S. Department of Labor
Employment and Training Administration

Workforce Investment Act (WIA) and Wagner-Peyser Act Statutory Formulas for State Allotments

Formula Descriptions

WIA Adult Activities

Formula:

1/3: State relative share of total unemployed in areas of substantial unemployment (ASU) (average 12 months ending 6/30)

1/3: State relative share of excess unemployed (average 12 months ending 6/30)

1/3: State relative share of economically disadvantaged youth (Census 2000)

Minimums:

- (a) If total amount available for States is \$960 million or less:
State allotment cannot be less than
 - (1) 90% of State relative share of prior year funding
 - (2) 0.25% of total available funds for States
- (b) If total amount available for States exceeds \$960 million:
State allotment cannot be less than
 - (1) 90% of State relative share of prior year funding
 - (2) 1998 allotment amount
 - (3) 0.3% of first \$960 million plus 0.4% of amount over \$960 million

Maximum:

130% of State relative share of prior year funding

WIA Youth Activities

Same as Adult Activities, except

- (a) Formula uses economically disadvantaged YOUTH instead of ADULT
- (b) Threshold for selecting minimum provisions is \$1 billion instead of \$960 million, and was allotted as if the amount available did not exceed 1 billion per legislative language.

WIA Dislocated Workers

Formula:

1/3: State relative share of total unemployed (average 12 months ending 12/31)

1/3: State relative share of excess unemployed (average 12 months ending 12/31)

1/3: State relative share of long-term unemployed (average previous published calendar year)

Minimum: none

Maximum: none

Employment Service (Wagner-Peyser Act)

Formula for 97% of funds:

2/3: State relative share of civilian labor force (average 12 months ending 12/31)

1/3: State relative share of total unemployment (average 12 months ending 12/31)

Minimums:

- (a) 90% of State relative share of prior year funding
- (b) 0.28% of total available funds for States

Maximum:

Distribution of 3% of funds:

- (1) States with civilian labor force below 1 million and under the national median civilian labor force density receive an amount which when added to their share of the 97% portion will result in an amount equal to 100% of their relative share of the prior year funding
- (2) Remaining States losing in relative share receive a share of the remaining funds prorated based on the amount needed to achieve 100% of their relative share of prior year funding.

Formula Data Factor Definitions

WIA Youth and Adults Programs

ASU: contiguous areas with unemployment rate of 6.5% or more

Excess unemployed: higher of:

- (1) excess unemployed (unemployment in excess of 4.5%) in ASU's; or
- (2) excess unemployed (unemployment in excess of 4.5%) in all areas

Economically disadvantaged adults: individuals age 22-72 meeting (or member of family meeting):

OMB poverty level or
70% of lower living standard income level (LLSIL).

Economically disadvantaged youth: individuals age 16-21 meeting (or member of family meeting):

OMB poverty level or
70% of lower living standard income level (LLSIL).

WIA Dislocated Workers Program

Excess unemployed: unemployment in excess of 4.5%

Long-term unemployed: number unemployed 15 or more weeks

Employment Service (Wagner-Peyser):

Self-explanatory