

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION WIOA/Wagner-Peyser
	CORRESPONDENCE SYMBOL OWI
	DATE May 6, 2022

ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 9-21

TO: STATE WORKFORCE AGENCIES
ALL STATE WORKFORCE LIAISONS

FROM: ANGELA HANKS /s/
Acting Assistant Secretary

SUBJECT: Workforce Innovation and Opportunity Act (WIOA) Adult, Dislocated Worker and Youth Activities Program Allotments for Program Year (PY) 2022; PY 2022 Allotments for the Wagner-Peyser Act Employment Service (ES) Program; and PY 2022 Allotments of Workforce Information Grants to States

1. **Purpose.** To provide information to states and outlying areas on WIOA Title I Adult, Dislocated Worker and Youth Activities program allotments for PY 2022; final PY 2022 allotments for the Wagner-Peyser Act ES Program, as required by section 6(b)(5) of the Wagner-Peyser Act, as amended; and the allotments of Workforce Information Grants to states for PY 2022.
2. **Action Requested.** States must follow the requirements in this guidance to obtain the federal funds needed to manage their programs.
3. **Summary and Background.**
 - a. Summary - This document provides grantees with guidance and information including:
 - How to obtain the federal funds covered by the TEGL and financial reporting requirements;
 - The potential for reallocation of PY 2022 funds based on unobligated balances of PY 2021 funds in excess of 20 percent of their allotment at the end of PY 2021 (6/30/22);
 - Requirements when calculating sub-state allocations to local areas;
 - Funds set aside for evaluations and program integrity;
 - Salary caps at the Executive Level II; and
 - Waivers of the competition requirement for outlying areas.
 - b. Background - On March 15, 2022, the *Consolidated Appropriations Act, 2022*, Pub. L. 117-103 was signed into law (from this point forward, referred to as “the Act”). The Act makes PY 2022 Youth Activities funds available for obligation on April 1, 2022, and funds the WIOA Adult and Dislocated Worker programs in two separate appropriations. The first appropriations for the Adult and Dislocated Worker programs become available

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for obligation on July 1, 2022; this portion is commonly referred to as “base” funds. The second appropriations for the Adult and Dislocated Worker programs become available for obligation on October 1, 2022; this portion is commonly referred to as “advance” funds because they are provided in the appropriations act passed during the fiscal year immediately before the fiscal year when the funds are available. For example, funds for PY 2022 that will be made available on October 1, 2022 were appropriated during FY 2022, but not made available until FY 2023, and are called the FY 2023 “advance” funds. See Attachment A for details.

The Act, Division H, Title I, secs. 106(b) and 107, allows the Secretary of Labor (Secretary) to set aside up to 0.5 percent of each discretionary appropriation for activities related to program integrity and 0.75 percent of most operating funds for evaluations. For 2022, as authorized by the Act, the Department has set aside \$11,489,000 of the Training and Employment Services (TES) and \$2,819,000 of the State Unemployment Insurance and Employment Services Operations (SUIESO) appropriations impacted in this TEGL for these activities. ETA reserved these funds from the WIOA Adult, Youth, Dislocated Worker, Wagner-Peyser Act Employment Service, and Workforce Information Grant program budgets. Any funds not utilized for these reserve activities will be provided to the states.

ETA applied the reductions for evaluations and program integrity from the WIOA Adult and Dislocated Worker programs only to the FY 2023 “advance” funding levels; “base” funding is disseminated at the full amount appropriated in the Act.

The Act also specifies that the Secretary may reserve no more than 10 percent of the Dislocated Worker National Reserve funds to provide technical assistance and carry out additional activities related to the transition to WIOA. Lastly, salary caps are imposed under the Act, Division H, Title I, sec. 105. The funds provided to grantees in these allotments must not be used by a recipient or sub-recipient to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of Executive Level II. The rates of basic pay for the Executive Schedule are found at <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/>. States also may establish lower salary caps. See TEGL No. 5-06, “Implementing the Salary and Bonus Limitations in Public Law 109-234.”

WIOA allotments for states are based on formula provisions contained in WIOA (see Attachment B for WIOA and Wagner-Peyser Act formula descriptions). The Act waives the competition requirement regarding funding to outlying areas (i.e., American Samoa, Guam, Commonwealth of the Northern Mariana Islands, the Republic of Palau, and the United States Virgin Islands). For PY 2022, outlying area grant amounts are based on the administrative formula determined by the Secretary that was used under WIA.

WIOA specifically included the Republic of Palau as an outlying area, except during any period for which the Secretary of Labor and the Secretary of Education determine that a Compact of Free Association is in effect and contains provisions for training and education assistance prohibiting the assistance provided under WIOA. No such

determinations prohibiting assistance have been made (WIOA sec. 3(45)(B)). WIOA updated the Compact of Free Association Amendments of 2003, Pub. L. 108-188 (December 17, 2003) so that the Republic of Palau remained eligible for WIOA Title I funding. See 48 U.S.C. 1921d(f)(1)(B)(ix). The National Defense Authorization Act for Fiscal Year 2018, Pub. L. 115-91 (December 12, 2017), Division A, Title XII, Subtitle F, sec. 1259C(c) authorized WIOA Title I funding to Palau through FY 2024.

In addition to this TEGl, ETA will publish the allotments and descriptions of the allotment formulas in the <https://www.federalregister.gov/>.

In this Federal Register notice, ETA will invite comments on the allotment formula for outlying areas.

4. **WIOA PY 2022 Allotments.** Please see Appendices I through V for guidance and Attachments A through J for formula descriptions and allotment tables.
5. **Inquiries.** Questions regarding these allotments may be directed to the appropriate Regional Office. Information on allotments and planning requirements may also be found on the ETA Web site at <https://www.dol.gov/agencies/eta>.

6. **References.**

- Consolidated Appropriations Act, 2022 (Pub. L. 117-103);
- The National Defense Authorization Act for Fiscal Year 2018, Pub. L. 115-91 (December 12, 2017), Division A, Title XII, Subtitle F, sec. 1259C(c);
- Balanced Budget and Emergency Deficit Control Act of 1985, as amended (Title II of Pub. L. 99-177);
- Bipartisan Budget Act of 2018 (Pub. L. 115-123);
- Budget Control Act of 2011 (Pub. L. 112-25);
- Training and Employment Guidance Letter (TEGL) No. 14-17, *Updated Disadvantaged Youth and Adult Data for use in Program Year (PY) 2018 and future Workforce Innovation and Opportunity Act (WIOA) Youth and Adult Within-State Allocation Formulas*;
- Workforce Innovation and Opportunity Act (Pub. L. 113-128);
- Wagner-Peyser Act, as amended (29 U.S.C. 49 et seq.);
- Compact of Free Association Amendments of 2003 (Pub. L. 108-188);
- TEGl No. 5-06, *Implementing the Salary and Bonus Limitations in Public Law 109-234*;
- TEGl No. 20-19, *Revised ETA-9130 Financial Report, Instructions, and Additional Guidance*; and
- *Local Area Unemployment Statistics (LAUS) Technical Memorandum No. S-21-12, Program Year 2022 Areas of Substantial Unemployment under the Workforce Innovation and Opportunity Act, dated July 29, 2021.*

7. **Attachments.**

- Appendix I – WIOA Youth Allotment Activities
- Appendix II – WIOA Adult Allotment Activities

- Appendix III – WIOA Dislocated Worker Allotment Activities
- Appendix IV – Wagner-Peyser Act ES Allotment Activities
- Appendix V – Workforce Information Grants Allotment Activities
- Appendix VI – Submission Requirements and Reporting
- Attachment A - Program Year 2022 Funding
- Attachment B - WIOA and Wagner-Peyser Statutory Formula Descriptions for State Allotments
- Attachment C - WIOA Statutory and Discretionary Formulas for Sub-State Allocations
- Attachment D - WIOA Youth Activities Allotments, PY 2022 vs PY 2021
- Attachment E - WIOA Adult Activities Allotments, PY 2022 vs PY 2021
- Attachment F - WIOA Adult Activities PY 2022 Allotments, July 1 and October 1 Funding
- Attachment G - WIOA Dislocated Worker Activities Allotments, PY 2022 vs PY 2021
- Attachment H - WIOA Dislocated Worker Activities PY 2022 Allotments, July 1 and October 1 Funding
- Attachment I - Employment Service (Wagner-Peyser) Allotments, PY 2022 vs PY 2021
- Attachment J - Workforce Information Grants Allotments, PY 2022 vs PY 2021