

U. S. Department of Labor  
Employment and Training Administration

**FOR USE IN SUB-STATE ALLOCATION FORMULAS**

**Workforce Innovation and Opportunity Act (WIOA) Statutory and Discretionary Formulas for Sub State Allocations**

---

**Sub-State Allocations Statutory Formula Descriptions**

---

**WIOA Youth Activities**

**Formula:**

- 1/3: Local area relative share of total unemployed in areas of substantial unemployment (ASU) (average 12 months ending 6/30)  
 1/3: Local area relative share of excess unemployed (average 12 months ending 6/30)  
 1/3: Local area relative share of disadvantaged youth (American Community Survey 2016-2020)

**Minimums:**

A local area may not receive an allocation percentage that is less than 90 percent of the average allocation percentage of the past 2 years.

**Maximum:** Not allowed

**WIOA Adult Activities**

Same as Youth Activities, except

Formula uses disadvantaged ADULTS instead of YOUTH

**WIOA Dislocated Workers**

**Formula:**

Funds to local areas must be allocated based on a formula created by the Governor using the following 6 data factors:

- Insured unemployment data
- Unemployment concentrations
- Plant closing and mass layoff data
- Declining industries data
- Farmer-rancher economic hardship data
- Long-term unemployment data

The formula will use the most appropriate data available

Weighting a factor zero is not permitted unless a rational is presented in an approved State Plan.

**Minimum:**

A local area may not receive an allocation percentage that is less than 90 percent of the average allocation percentage of the past 2 years.

**Maximum:** Not required, but allowed

---

**Sub-State Allocations Discretionary Formula Descriptions for Youth and Adult Activities**

---

**WIOA Youth Activities**

**Formula:**

No less than 70 percent of the funds will be distributed as stated in the statutory formula;

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

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

1/3: Local area relative share of disadvantaged youth (American Community Survey 2016-2020)

No more than 30 percent of the remaining funds will be distributed using additional data related to **both**:

- (1) Excess youth poverty in urban, rural, and suburban local areas; **and**
- (2) Excess unemployment above the State average in urban, rural, and suburban local areas

**Minimums:**

Statutory formula minimum must be applied to 70 percent or greater funds, or to the entire allocation.

**Maximum:** Not allowed

**WIOA Adult Activities**

Same as Youth Activities, except Formula uses disadvantaged ADULTS instead of YOUTH **and** EXCESS POVERTY instead of excess YOUTH poverty

---

**Formula Data Factor Definitions**

---

**WIOA Youth and Adults Programs**

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

Excess unemployed: higher of:

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

Disadvantaged adults: individuals, age 22-72, meeting (or member of family meeting):

Census poverty level or 70 percent of lower living standard income level (LLSIL).

Disadvantaged youth: individuals, age 16-21, meeting (or member of family meeting):

Census poverty level or 70 percent of lower living standard income level (LLSIL).

**WIOA Youth and Adult Sub-State Allocations:**  
*Must be allocated to local areas per  
 Formula or Discretionary rules*

States must choose one of  
 these allocation methods

**Formula Allocation:**  
 Must be equally split

$\frac{1}{3}$

ASU

$\frac{1}{3}$

Excess  
Unemployment

$\frac{1}{3}$

Disadvantaged  
Adult/Youth

Minimum percentage (stop loss) applies

**Discretionary Allocation:**  
 Ratio Split

$\geq 70\%$

$\leq 30\%$

Must be split in equal parts and must  
 total no less than 70% of total funding

$\frac{1}{3}$

ASU

$\frac{1}{3}$

Excess  
Unemployment

$\frac{1}{3}$

Disadvantaged  
Adult/Youth

Minimum percentage (stop loss) applies

+

May be split at any ratio  
 using both factors but  
 no more than 30% of  
 total funding

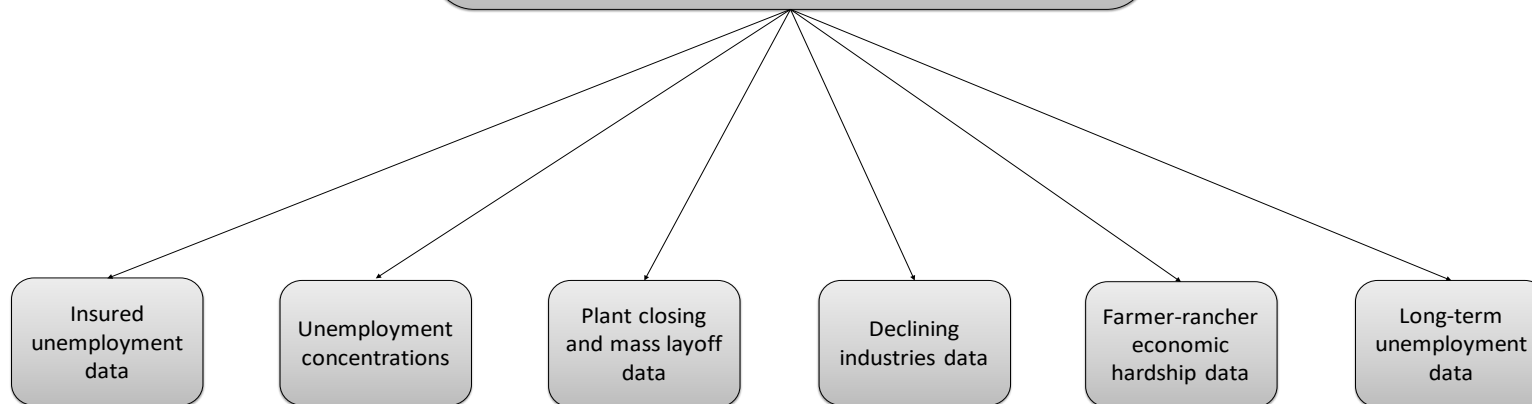
Excess  
Unemployment  
above state average

Excess  
Youth/Poverty

Minimum percentage (stop loss) may apply

**WIOA Dislocated Worker Sub-State Allocations:**  
*Must be allocated to local areas per  
Formula created by the Governor*

States must use the following  
six data factors using the most  
appropriate data available



Sum of the weights of the six data factors must add up to 100 percent

Minimum percentage (stop loss) applies

Maximum percentage (stop gain) not required but may apply

Weighting a factor zero is not permitted unless a rationale is presented in an approved State Plan