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Thursday, February 17, 2000

# Part II

# **Department of Labor**

Employment and Training Administration

Workforce Enforcement Act Allotments and Wagner-Peyser Act Preliminary Planning Estimates for Program Year (PY) 2000; Notice

## DEPARTMENT OF LABOR

#### Employment and Training Administration

#### Workforce Investment Act Allotments and Wagner-Peyser Act Preliminary Planning Estimates for Program Year (PY) 2000

**AGENCY:** Employment and Training Administration, Labor. **ACTION:** Notice.

SUMMARY: This notice announces States' Workforce Investment Act (WIA) allotments for Program Year (PY) 2000 (July 1, 2000–June 30, 2001) for WIA title I Youth, Adults and Dislocated Worker programs; and preliminary planning estimates for public employment service activities under the Wagner-Peyser Act for PY 2000. This is the first year in which allotments are made to States and outlying areas under WIA. The allotments for States are based on formulas defined in the Act. The allotments for the outlying areas are based on a discretionary formula as authorized under WIA Title I. Comments are invited upon the formula used to allot funds to the outlying areas, only. This formula is described in detail in the section on Youth allotments. DATES: Comments must be received by March 20, 2000.

ADDRESSES: Submit written comments to the Employment and Training Administration, Office of Financial and Administrative Management, 200 Constitution Ave, NW, Room N–4702, Washington, DC 20210, Attention: Ms. Sherryl Bailey, 202–219–7979, 202– 219–6564 (fax), e-mail: sbailey@doleta.gov.

FOR FURTHER INFORMATION CONTACT: For WIA Title I allotments, contact: Youth Activities Allotments: Lorenzo Harrison at 202–219–6236; Adult and Dislocated Worker Employment and Training Activities Allotments: John Beverly at 202–219–7694; and Wagner-Peyser preliminary planning estimates: Timothy Sullivan at 202–219–5257. (These are not toll-free numbers.) Information may also be found at the website—http://usworkforce.org.

**SUPPLEMENTARY INFORMATION:** The Department of Labor (DOL or Department) is announcing Workforce Investment Act (WIA) allotments for Program Year (PY) 2000 (July 1, 2000– June 30, 2001) for WIA title I Youth Activities, Adults and Dislocated Workers Activities; and, in accordance with Section 6(b)(5) of the Wagner-Peyser Act, preliminary planning estimates for public employment service (ES) activities under the Wagner-Peyser Act for PY 2000. This document provides information on the amount of funds available during PY 2000 to States with an approved WIA title I and Wagner-Peyser 5-Year Strategic Plan and information regarding allotments to the outlying areas. The allotments and estimates are based on the appropriations for DOL for Fiscal Year (FY) 2000.

Attached is a listing of the allotments for PY 2000 for programs under WIA title I Youth Activities, Adults and Dislocated Workers Employment and Training Activities; and preliminary planning estimates for public employment service activities under the Wagner-Peyser Act. The PY 2000 allotments for Youth. Adults and **Dislocated Workers Employment and** Training Programs, and the Wagner-Peyser Act preliminary planning estimates, are based on the funds appropriated by the Omnibus Consolidated Appropriations Act of 2000, Public Law 106–113, for FY 2000.

The Wagner-Peyser preliminary estimates are based on averages for the most current 12 months ending September 1999 for each State's share of the civilian labor force and unemployment. Final Wagner-Peyser Act planning estimates will be published in the **Federal Register**.

#### Youth Activities Allotments

PY 2000 Youth Activities funds under WIA total \$1,250,965,000 (including \$250 million for Youth Opportunity grants). Attachment I contains a breakdown of the \$1,000,965,000 in WIA title I Youth Activities program allotments by State for PY 2000 and provides a comparison of these allotments to the sum of the PY 1999 JTPA Title II-B Summer Youth and JTPA Title II-C Youth Training allotments for all States, outlying areas, Puerto Rico and the District of Columbia. Before determining the amount available for States, the total available for the outlying areas was reserved at 0.25 percent of the full amount appropriated for Youth Activities, in accordance with WIA provisions, resulting in \$3,127,413, an increase of \$1,332,752 or 74 percent increase over PY 1999 JTPA Title II-B Summer Youth and JTPA Title II–C Youth Training amounts. From the total funds for outlying areas for the WIA Youth Activities program, WIA section 127(b)(1)(B) requires that competitive grants be awarded to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Freely Associated States, and further provides that the amount for such grants

is not to exceed the amount reserved for the Freely Associated States for the JTPA II–B Summer Youth and the JTPA II-C Youth Training for PY 1997. WIA has corresponding requirements for competitive grants for the Adult Activities and Dislocated Worker Activities programs. To ensure that all outlying areas, those listed above as well as the Virgin Islands, would not lose funds from PY 1999 in total for the Youth Activities, Adult Activities, and Dislocated Worker Activities programs combined, the Secretary determined that a total of one million dollars would be reserved for the required competitive grants for all three programs for PY 2000. For the WIA Youth Activities program, the amount of competitive grants was set at \$222,535, the maximum allowed by WIA which is the amount of JTPA PY 1997 total Youth allotments for the Freely Associated States. The distribution of the remaining WIA Youth Activities non-competitive funds to all outlying areas, including the Virgin Islands, is not specified by WIA, but is at the Secretary's discretion. In order to be consistent with the spirit of WIA, the methodology used is similar to that used in JTPA for the outlying areas allotments, which generally followed the concepts used for the State formula. Based on this principle, the remaining non-competitive funds were distributed among the areas by formula based on relative share of number of unemployed, a 90 percent hold-harmless of the prior year share, a \$75,000 minimum (all similar to the JTPA methodology), and the addition of a 130 percent stop gain of the prior year share (new addition by WIA for the State formula). The prior vear share was based on the sum of the PY 1999 JTPA II-B Summer Youth and JTPA II–C Youth Training programs for each area. Data for all outlying areas was updated to 1995 data. This data was obtained from the Bureau of the Census for American Samoa, Commonwealth of the Northern Mariana Islands, Federated States of Micronesia, Republic of Palau, and the U. S. Virgin Islands, based on mid-decade surveys for those areas conducted with the assistance of the Bureau. For Guam, data from a similar survey was not available from the Bureau, so data from the Guam June 1995 labor force survey was used. For the Republic of the Marshall Islands, where 1995 unemployment data was not available, 1988 survey data in combination with 1995 population estimates were used as the basis of the formula.

The total amount available for Native Americans is 1.5 percent of the total amount for Youth Activities excluding Youth Opportunity Grants, in accordance with WIA section 127. This total is \$15,014,475, down \$825,367, or 5.2 percent from the PY 1999 JTPA Summer Youth level for Native Americans.

After determining the amount for the outlying areas and Native Americans, the amount available for allotment to the States for PY 2000 is \$982,823,112, less than PY 1999 by \$507,385, or a decrease of 0.05 percent. Since this amount was below the required \$1 billion threshold specified in Section 127(b)(1)(C)(iv)(IV), the WIA funding minimum provisions were not triggered in, and, instead, as required by WIA, the minimum allotments were calculated using the JTPA Section 262(a)(3) (as amended by section 701 of the Job Training Reform Amendments of 1992) minimums of 90 percent hold-harmless of the prior year allotment percentage and 0.25 percent State minimum floor were used. Also, as required by WIA, a new provision applying a 130 percent stop-gain of the prior year allotment percentage was used. The three formula factors required in WIA are the same as in JTPA and use the following data for the PY 2000 allotments:

(1) The number of unemployed for areas of substantial unemployment (ASU's) are averages for the 12-month period, July 1998 through preliminary June 1999;

(2) The number of excess unemployed individuals or the ASU excess (depending on which is higher) are averages for the same 12-month period used for ASU unemployed data; and

(3) The number of economically disadvantaged youth (age 16 to 21, excluding college students and military) are from the 1990 Census.

#### Adult Employment and Training Activities Allotments

The total Adult Employment and Training Activities appropriation is \$950,000,000, a reduction of \$5 million, or 0.5 percent from PY 1999. Attachment II shows the PY 2000 Adult Employment and Training Activities allotments and comparison to PY 1999 JTPA Adult allotments by State.

Similarly to the Youth Activities program, the total available for the outlying areas was reserved at 0.25 percent of the full amount appropriated for Adults, or \$2,375,000, a decrease of \$156,611 and 6 percent from PY 1999. The Adult Activities program portion of the one million dollar total for competitive grants for all three programs (described above in Youth Activities) required for the outlying areas (Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the

Freely Associated States) was set at \$290,896. This amount is less than the maximum allowed by WIA (PY 1997 Adult allotments for the Freely Associated States). The amount represents a 12.25 percent share of the total Adult Activities program funds for all outlying areas and is calculated to be the same share as for the Dislocated Worker Activities program, after subtracting the Youth Activities program portion from the one million dollar total described above. The remaining non-competitive WIA title I Adult Activities funds for grants to all outlying areas, including the Virgin Islands, for which the methodology is at the Secretary's discretion (described in the Youth Activities section), were distributed among the areas by the same principles, formula and data as used for outlying areas for Youth Activities.

After determining the amount for the outlying areas, the amount available for allotments to the States is \$947,625,000, less than PY 1999 by \$4.8 million, or 0.5 percent. Like the Youth Activities program, the WIA minimum provisions were not triggered in for the PY 2000 allotments because the total amount available for the States was below the \$960 million threshold required for Adults in section 132(b)(1)(B)(iv)(IV). Instead, as required by WIA, the minimum allotments were calculated using the JTPA section 262(a)(3) (as amended by section 701 of the Job Training Reform Amendments of 1992) minimums of 90 percent hold-harmless of the prior year allotment percentage and 0.25 percent State minimum floor. Also, similarly to the Youth Activities program, a new provision applying a 130 percent stop-gain of the prior year allotment percentage was used. The three formula factors use the same data as used for the Youth Activities formula, except that data for the number of economically disadvantaged adults (age 22 to 72, excluding college students and military) from the 1990 Census was used.

#### **Dislocated Worker Employment and Training Activities Allotments**

The total Dislocated Worker appropriation is \$1,589,025,000, an increase of \$185.5 million, or 13.2 percent from the PY 1999 level. The total appropriation includes 80 percent allotted by formula to the States, while 20 percent is retained for National Emergency Grants, technical assistance and training, demonstration projects, and for the outlying areas Dislocated Worker allotments. Attachment III shows the PY 2000 Dislocated Worker Activities fund allotments by State.

Similarly to the Youth and Adults programs, the total available for the outlying areas was reserved at 0.25 percent of the full amount appropriated for Dislocated Workers Activities, resulting in an increase of \$983,946, or 32.9 percent, for the areas from PY 1999. The Dislocated Worker Activities program portion of the one million dollar total for competitive grants for all three programs (described above in Youth Activities) required for the outlying areas (Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Freely Associated States) was set at \$486,569. This amount is less than the maximum allowed by WIA (PY 1997 Dislocated Worker allotments for the Freely Associated States). The amount represents a 12.25 percent share of the total Dislocated Worker Activities program funds for all outlying areas and is calculated to be the same share as for the Adult Activities program, after subtracting the Youth Activities program portion from the one million dollar total described above. The remaining non-competitive WIA Title I Dislocated Worker Activities funds for grants to all outlying areas, including the Virgin Islands, for which the methodology is at the Secretary's discretion (described in the Youth Activities section), were distributed among the areas by the same principles and methodology used in JTPA, i.e., based on the same pro rata share as the areas received for the PY 2000 WIA Adult Activities program.

The amount available for allotments to the States is eighty percent of the Dislocated Workers appropriation, or \$1,271,220,000, a gain of 13.1 percent over PY 1999. Since the Dislocated Worker Activities formula has no floor amount or hold-harmless provisions, funding changes for States directly reflect the impact of changes in number of unemployed. The three formula factors required in WIA are the same as in the JTPA Dislocated Workers formula and use the following data for the PY 2000 allotments:

(1) The number of unemployed are averages for the 12-month period, October 1998 through September 1999;

(2) The number of excess unemployed are averages for the 12-month period, October 1998 through September 1999; and

(3) The number of long-term unemployed are averages for calendar year 1998.

#### Wagner-Peyser Act Preliminary Planning Estimates

The public employment service program involves a Federal-State

partnership between the U.S. Employment Service and the State Employment Security Agencies, Under the Wagner-Peyser Act, funds are allotted to each State to administer a labor exchange program responding to the needs of the State's employers and workers through a system of local employment services offices. State funding for the Employment Service remains at the same level as for PY 1999. Attachment IV shows the Wagner-Peyser Act preliminary planning estimates for PY 2000. These preliminary planning estimates have been produced using the formula set forth at Section 6 of the Wagner-Peyser Act, 29 U.S.C. 49e. They are based on monthly averages for each State's share of the civilian labor force (CLF) and unemployment for the 12 months ending September 1999. Final planning estimates will be published in the Federal Register, based on Calendar Year 1999 data, as required by the Wagner-Peyser Act.

State planning estimates reflect \$18,000,000 or 2.363 percent of the total amount appropriated which is being withheld from distribution to States to finance postage costs associated with the conduct of Wagner-Peyser Act labor exchange services for PY 2000.

The Secretary of Labor is required to set-aside up to three percent of the total available funds to assure that each State will have sufficient resources to maintain statewide employment service (ES) activities, as required under Section 6(b)(4) of the Wagner-Peyser Act. In accordance with this provision, \$22,312,050, the three percent set-aside funds are included in the total planning estimate. The set-aside funds are distributed in two steps to States which have lost in relative share of resources from the previous year. In Step 1, States which have a CLF below one million and are also below the median CLF density are maintained at 100 percent of their relative share of prior year resources. All remaining set-aside funds are distributed on a pro-rata basis in

Step 2 to all other States losing in relative share from the prior year but did not meet the size and density criteria for Step 1.

Under Wagner-Peyser Act section 7, ten percent of the total sums allotted to each State shall be reserved for use by the Governor to provide performance incentives for public ES offices; services for groups with special needs; and for the extra costs of exemplary models for delivering job services.

#### **Additional Resources**

For those States with remaining funds in their One-Stop Career Center implementation grants, those funds may be used for WIA implementation activities including the development of labor market information tools such as America's Job Bank.

Signed at Washington, DC, this 11th day of February, 2000.

### Raymond L. Bramucci,

Assistant Secretary of Labor for Employment and Training.

BILLING CODE 4510-30-P

Attachment I

#### U. S. Department of Labor Employment and Training Administration Comparison of State Allotments JTPA PY 1999 Summer Youth/Youth Training vs WIA PY 2000 Youth Activities

JTPA <u>PY 1999</u>	WIA <u>PY 2000</u>	Difference	<u>% Change</u>
Total \$1,000,965,000	\$1,000,965,000	\$0	0.00%
Alabama 13,743,905			
Alaska	3,215,719		
Arizona 15,627,353			6.08%
Arkansas			5.34%
California	171,424,027		
Connecticut			
Delaware			
District of Columbia			
Florida			5.53%
Georgia 20,192,229	20,496,219		
Hawaii 5,422,065	6,045,743		
Idaho			
Illinois			
Indiana			
Kansas			
Kentucky			
Louisiana			
Maine		(415,513)	10.05%
Maryland 15,327,453	13,787,590	(1,539,863)	10.05%
Massachusetts			10.05%
Michigan 26,915,731			
Minnesota 8,947,656			
Mississippi 13,203,331			··················-4.85%
Missouri	4,149,252		
Nebraska			
Nevada			
New Hampshire 2,458,326			
New Jersey 26,346,299			10.05%
New Mexico	10,430,066		
New York			
North Carolina  15,160,408    North Dakota  2,458,326	14,391,704		
Ohio			
Oklahoma			
Oregon			
Pennsylvania			10.05%
Puerto Rico 54,464,419			0.17%
Rhode Island	2,490,640		
South Carolina 13,441,965	12,091,526		
South Dakota	2,457,058		
Texas		4,504,359	
Utah			
Vermont			
Virginia	13,385,882	(1,494,998)	10.05%
Washington 19,668,344			8.66%
West Virginia 9,920,584			
Wisconsin			
Wyoming 2,458,326			
State Total  983,330,497    American Samoa  89,123			
Guam			
Marshall Islands			
Micronesia			
Northern Marianas	106,153	55,705	
Palau 24,217			
Virgin Islands 557,974			
Outlying Areas Competitive			
Outlying Areas Total  1,794,661    Native Americans  15,839,842			
Maure Americans			

Attachment II

# U. S. Department of Labor Employment and Training Administration Comparison of State Allotments JTPA PY 1999 Adult Training vs WIA PY 2000 Adult Activities

	JTPA PY 1999	WIA <u>PY 2000</u>	Difference	<u>% Change</u>
Total	\$955,000,000		(\$5,000,000)	
Alabama				2.02%
Alaska			(283,080)	
Arizona				5.50% 4.90%
Arkansas	9,598,305	10,068,804		
Colorado				
Connecticut				
Delaware				
District of Columbia	4,409,902			
Florida				5.64%
Georgia			'	1.09%
Hawaii		6,049,854		
Idaho			(170,471)	
Illinois				
Indiana			(1,233,023)	
Iowa				
Kansas		15,516,224		
Louisiana				
Maine				
Maryland				10.46%
Massachusetts		12,483,536	(1,457,953)	
Michigan				7.34%
Minnesota				
Mississippi		11,341,654		
Missouri				
Montana		4,193,064		
Nebraska				
New Hampshire				
New Jersey		23,265,426	(2.717.171)	
New Mexico			923,412	10.21%
New York	. 87,772,524		(6,214,348)	
North Carolina	. 14,997,078	14,198,520		
North Dakota		2,369,063	(12,108)	
Ohio		40,353,010		
Oklahoma		10,261,832		
Oregon		14,237,385		
Pennsylvania				······································
Puerto Rico				
South Carolina				
South Dakota			(12,108)	0.51%
Tennessee				
Texas	. 78,467,213	82,451,236		5.08%
Utah	2,381,171			
Vermont				
Virginia	. 14,509,964	12,992,562		
Washington	. 18,909,263		567 462	
West Virginia				
Wyoming				
State Total				
American Samoa				
Guam				
Marshall Islands	358,998		5 (93,013)	
Micronesia	535,238		3 (138,675)	25.91%
Northern Marianas	143,413			
Palau	109,422			
Virgin Islands				
Outlying Areas Competitive Outlying Areas Total	0	290,896	0	
Outlying Areas Total	2,331,011			

Attachment III

# U.S. Department of Labor **Employment and Training Administration Comparison of State Allotments** JTPA PY 1999 Dislocated Workers vs WIA PY 2000 Dislocated Workers Activities

JTPA <u>PY 1999</u>	WIA <u>PY 2000</u>	Difference	<u>% Change</u>
Total \$1,403,510,000	\$1,589,025,000	\$185,515,000	13.22%
Alabama 11,310,449		1,027,345	
Alaska	11,542,782		
Arkansas 10,872,540	<b>.</b>	1,502,820	13.82%
California			
Connecticut			
Delaware 1,730,57	1,664,457		3.82%
District of Columbia			
Georgia			
Hawaii 9,203,634	12,921,697		40.40%
Idaho			
Indiana			
Iowa	3 4,984,236		8.27%
Kansas			
Louisiana			
Maine 4,094,61	3,854,255		
Maryland			· · · · · · · · · · · · · · · · · · ·
Massachusetts			
Minnesota 8,482,964		(459,874)	
Mississippi 14,148,98	13,390,794		
Missouri			
Nebraska	5 2,388,261	391,166	19.59%
Nevada	3 5,076,189		
New Hampshire			· · · · · · · · · · · · · 41.93%
New Mexico	3		
New York 141,469,82	7		
North Carolina			
Ohio			
Oklahoma 6,881,20			
Oregon			
Puerto Rico	2 108,278,443		
Rhode Island			
South Carolina			
Tennessee			
Texas 74,819,22	7		0.08%
Utah			
Virginia	4		
Washington			102.95%
West Virginia			· · · · · · · · · · · · · 45.28%
Wyoming			
State Total 1,124,408,00	0 1,271,220,000		13.06%
American Samoa	4		
Guam  561,22    Marshall Islands  423,80			
Micronesia			
Northern Marianas	2		51.63%
Palau  129,17    Virgin Islands  873,71			
Outlying Area Competitive	0		
Outlying Area Total			
National Reserve 276,113,38	3	37,719,054	13.66%

Attachment IV

# U. S. Department of Labor Employment and Training Administration Employment Service (Wagner-Peyser) PY 2000 Preliminary vs PY 1999 Final Allotments

	Final <u>PY 1999</u>	Preliminary <u>PY 2000</u>	Difference	<u>% Change</u>
Total		\$761,735,000		
Alabama		10,784,633 8,084,754		
Alaska		8,084,734		
Arizona				
California		88,858,811	(42.822)	-0.05%
Colorado				
Connecticut	8,736,524			1.99%
Delaware				
District of Columbia		3,493,068		
Florida				1.51%
Georgia				
Idaho	6 726 020	3,299,736 6,736,039		
Illinois	30 933 009			
Indiana				
Iowa	7,116,348			
Kansas				
Kentucky				
Louisiana				
Maine		4,005,859		
Maryland		13,830,676		
Massachusetts				· · · · · · · · · · · · · · · · · · ·
Minnesota	11 837 882			
Mississippi				
Missouri				
Montana				
Nebraska	6,615,599		0	0.00%
Nevada		5,351,173		
New Hampshire	2,995,629	2,973,582		
New Jersey		21,423,712		
New Mexico		6,177,271		
New York				
North Dakota				
Ohio				
Oklahoma				
Oregon	9,355,503			
Pennsylvania			(169,505)	0.56%
Puerto Rico	, ,	10,559,140		
Rhode Island				
South Carolina	9,506,604			
South Dakota		5,180,731		
Tennessee				······································
Utah				
Vermont				
Virginia				
Washington				
West Virginia	5,929,859			0.00%
Wisconsin			(3,049)	
Wyoming				0.00%
State Total				
Guam		-		
Virgin Islands				
Postage	10,000,000			

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