United States General Accounting Office

GAO

Report to Congressional Requesters

August 2003

WORKFORCE INVESTMENT ACT

Potential Effects of Alternative Formulas on State Allocations

GAO-03-1043

Contents

Abbreviations

AFCARS	Adoption and Foster Care Analysis and Reporting System
ASU	Area of Substantial Unemployment
CPS	Current Population Survey
JTPA	Job Training Partnership Act
LAUS	Local Area Unemployment Statistics
MLS	Mass Layoff Statistics
NVSS	National Vital Statistics System
SAIPE	Small Area Income and Poverty Estimates
TANF	Temporary Assistance for Needy Families
UI	Unemployment Insurance
WIA	Workforce Investment Act

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United States General Accounting Office
Washington, DC 20548

August 28, 2003

The Honorable Judd Gregg
Chairman
The Honorable Edward M. Kennedy
Ranking Minority Member
Committee on Health, Education,
Labor, and Pensions
United States Senate

About $3.3 billion in funds were allocated to states in fiscal year 2003 for Youth, Adult, and Dislocated Worker employment and training programs under the Workforce Investment Act (WIA) of 1998. The formulas used to distribute these funds are generally the same as those used to distribute funds under the Job Training Partnership Act (JTPA) of 1982, although WIA target populations and program goals differ from those of JTPA. In anticipation of the reauthorization of WIA, you asked us to assess current and proposed formulas for allocating funds to states for these programs and identify potential alternative allocation formulas. We identified various issues with the current funding formulas in our April 2003 report.[1]

For this review, we focused on three questions: (1) Are there alternative formula factors that are better aligned with current programs and are based on reliable and more current data? (2) How might changes to the current formulas affect the distribution of WIA funds among the states? (3) What are the implications of proposed program and formula changes in the House's WIA reauthorization bill (H.R. 1261) for state allocations and what are some alternatives to these formulas? Our review was limited to assessing the formulas for allocating funds to the states and did not include an assessment of formulas used by states to allocate funds to local areas.

To identify alternatives to the current formulas, we interviewed experts and reviewed relevant literature and data sources. To determine how formula changes might affect the distribution of WIA funds, we calculated

[1]U.S. General Accounting Office, *Workforce Investment Act: Issues Related to Allocation Formulas for Youth, Adults, and Dislocated Workers*, GAO-03-636 (Washington, D.C.: Apr. 25, 2003).

how various alternative formulas might have affected states' allocations and funding volatility over the last 5 program years[2] (program years 1999 – 2003). Finally, we analyzed the provisions of H.R. 1261[3] and interviewed Department of Labor officials to obtain further information about these provisions. We conducted our field work from December 2002 to July 2003. Our work was conducted in accordance with generally accepted government auditing standards.

On July 9, 2003, we briefed your offices on the results of our work. This report conveys the information provided in that briefing.

We identified a set of formula factors that are more clearly aligned with WIA target populations and are based on reliable and more timely data than those in the current and proposed formulas. We used these factors to develop potential alternative formulas that would better target funds to eligible populations.[4] In general, these alternatives would result in some redistribution of funds due to the elimination of two factors that measure concentrated unemployment,[5] which tend to skew allocations, and less year-to-year funding volatility than the current formulas. Finally, we found that the formulas proposed in H.R. 1261 would not address most of the issues we identified; in fact, most program funds would continue to be allocated according to the current rather than the proposed formulas, because of provisions that limit the use of the proposed formulas.

In our assessment of the current and proposed formulas, we identified several formula factors that were not well aligned with WIA Youth, Adult and Dislocated Worker program target populations or were based on data with long time lags. We then identified several potential formula factors that would be better aligned with current WIA target populations and for which more timely and reliable data are available. Specifically, the relative numbers of low-income youth and adults (key target populations for the Youth and Adult programs) could be better measured with more timely

[2]A program year runs from July 1 to June 30. For example, program year 2003 began on July 1, 2003.

[3]The Workforce Reinvestment and Adult Education Act of 2003 (H.R. 1261) was passed by the House of Representatives on May 8, 2003.

[4]Some of the data sources suggested as alternatives for use in national to state allocations might not be available at the local level for use in state to local allocations.

[5]These factors are excess unemployment and unemployment in Areas of Substantial Unemployment.

data from the Census Bureau's Small Area Income and Poverty Estimates (SAIPE).[6] Other potential factors for the Youth Program formula—jobless out-of-school youth, high school dropouts, births to teens,[7] and youth in foster care—would be more direct measures of specific target groups for that program, although the first two of these potential factors would require averaging over several years to meet a reasonable level of reliability for some small states. Additional potential factors for the Adult Program formula that we identified include measures of the civilian labor force, which would reflect the broader group of adults eligible for core services; total unemployment, which would reflect the majority of those actually served; and public assistance recipients, who may receive priority for intensive and training services. The alternative Dislocated Worker factors that we identified—"insured unemployment,"[8] "permanent job losers,"[9] and "workers affected by mass layoffs"—are more direct measures of dislocated workers than the currently used total unemployment and excess unemployment factors.

Using these factors, we developed several alternative formulas for each of the three WIA programs and assigned relative weights to these factors that reflect, to a limited extent, what is known about the relative costs of serving different target groups and their likely participation rates. In general, we found that these alternatives would have resulted in a reduction in year-to-year funding volatility for all three programs and a redistribution of funds from several states that have unemployment that is more concentrated in Areas of Substantial Unemployment (ASUs), to a higher number of states where unemployment is not concentrated in ASUs. States are allowed to define ASUs, which they do in a way that maximizes the number of unemployed who are counted as being in ASUs,

[6]The SAIPE provides estimates of the number of children under age 18 in poverty but does not provide estimates for the specific target group of the current WIA Youth Program—youth ages 14 to 21. We relied on the estimated number of children under age 18 in poverty as a proxy for the number of youth in poverty. Labor officials told us that the Census Bureau would have to develop new estimation models for the SAIPE to estimate the number of low-income youth in the age group targeted for the WIA Youth Program.

[7]We used data on the number of births to teens ages 14 to 19 as a proxy for the WIA target group of parenting youth. These data do not directly measure the number of parenting youth, but rather, the number of teen births in a given year.

[8]Insured unemployment measures individuals who successfully applied for Unemployment Insurance benefits in the past year, remain unemployed, and have not exhausted benefits.

[9]Permanent job losers are defined as unemployed individuals who have some attachment to the workforce, are not on temporary layoff, and did not leave their jobs voluntarily.

which then enables them to receive more funds based on the concentrated unemployment factors. The redistribution of funds is due primarily to the exclusion of these factors, which rely to a great extent on how ASUs are defined and which are now used to distribute two-thirds of Youth and Adult funds and one-third of Dislocated Worker funds.[10] However, because our calculations of the effects of alternative funding formulas are based on historical employment and demographic data, these outcomes are examples of potential outcomes rather than definitive predictions. If the distribution of unemployment or poverty were to change in the future, the actual outcomes for states under these alternatives could be very different from the potential outcomes reported here.

H.R. 1261 would significantly change the structure of current WIA programs and the formulas used to allocate program funds to the states, although these changes will probably not result in large shifts in the distribution of funds among states. Generally, the proposed formulas are better aligned with the proposed target populations. However, provisions that limit the amount of funds subject to the proposed formulas and instead allow some states to have their allocations determined by the old formulas would limit the impact of the new formulas.

For the Youth Program, H.R. 1261 proposes that a majority of program funds, no less than 70 percent, be spent on out-of-school youth with barriers to employment and the remaining percentage spent on low-income, in-school youth. The proposed formula includes three, equally weighted factors: total unemployment, disadvantaged youth, and youth civilian labor force. Overall, the proposed formula is better aligned with the program's target population because two of the proposed formula factors would specifically reflect the youth population, and it eliminates the two concentrated unemployment factors. However, the total unemployment factor does not specifically measure youth unemployment, and none of the proposed factors would directly measure the primary target group: out-of-school youth. Also, the disadvantaged youth factor continues to rely on infrequently updated decennial census data.[11]

[10]One of these factors, excess unemployment, may or may not rely on how ASUs are defined, depending on the program. For the Dislocated Worker Program, excess unemployment is calculated based on statewide unemployment; for Youth and Adult programs, excess unemployment may be based on either statewide or ASU unemployment.

[11]The Census Bureau has proposed that beginning in 2010 the decennial census long-form questionnaire, which collects unemployment and income data, would be replaced by the American Community Survey. If approved, this new survey would provide state-level unemployment and poverty data annually.

However, even with the proposed changes, most program funds would continue to be allocated based on the current Youth Program formula, because the new formula would only apply to funds in excess of fiscal year 2003 state allocations.[12] We identified several potential alternative formulas for the proposed Youth Program that address the issues cited above.

H.R. 1261 would consolidate the WIA Adult, WIA Dislocated Worker, and Wagner-Peyser[13] programs into a single Comprehensive Program for Adults. Dislocated workers would no longer be a designated target group, although unemployed individuals, including those who are unemployed due to dislocations, would have priority for some services. The bill proposes a two-part formula for the Comprehensive Program for Adults that generally simplifies and consolidates the current formulas and is better targeted to the proposed target populations. The first part of the formula essentially replaces the current Wagner-Peyser formula, whereas the second part of the formula consolidates the formulas for the Adult and Dislocated Worker programs into a single, combined formula. The first part of the proposed formula would distribute 26 percent of program funds to states according to their share of fiscal year 2003 Wagner-Peyser funds; amounts in excess of the fiscal year 2003 level would be distributed based on their relative shares of the civilian labor force.[14] The second part of the formula would distribute 74 percent of funds based on states' relative shares of total unemployment (60 percent), excess unemployment (25 percent), and disadvantaged adults (15 percent). Three of the proposed factors—civilian labor force, total unemployment, and economically disadvantaged adults—measure groups that would be eligible for basic services or prioritized for intensive and training services. However, the formula retains the statewide excess unemployment factor that is most problematic in the current Dislocated Worker formula, and the disadvantaged adults factor would continue to rely on decennial census data, which are updated only once a decade.

[12]The amount of funds allocated to states by formula in fiscal year 2003 is $976,945,172.

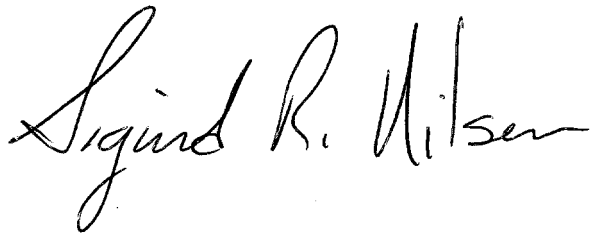
[13]The Wagner-Peyser program funds a variety of labor exchange services, including vocational assessments, job search assistance, and job referrals and is an integral part of the one-stop service delivery system established by WIA.

[14]This partly reflects the current Wagner-Peyser formula, which allocates two-thirds of program funds based on states' relative shares of the total civilian labor force and one-third based on states' relative shares of unemployment.

As with the proposed Youth formula, the bill limits the impact of the proposed formulas. The phase-in provision for the Adult program would ensure that no state would receive a smaller allocation than it would under the current WIA Adult, WIA Dislocated Worker, and Wagner-Peyser formulas. The provision also provides that any state that would receive more under the proposed formulas than it would under the current formulas will receive the new formula amount, but only up to 3 percent over what it would have received under the current formulas. We identified several potential alternative formulas for the Comprehensive Program for Adults that do not include the phase-in provision or the excess unemployment factor.

We provided a draft of this report to the Department of Labor for technical review and made changes as appropriate.

We are sending copies of the report to the Secretary of Labor and other interested parties. We will also make copies available to others upon request. The report is also available at no charge on GAO's Web site at www.gao.gov. If you or your offices have any questions about this report, please contact me or Andrew Sherrill at (202) 512-7215. Regina Santucci, Lorin Obler, and Jerry Fastrup also made key contributions to this report.



Sigurd R. Nilsen
Director, Education, Workforce,
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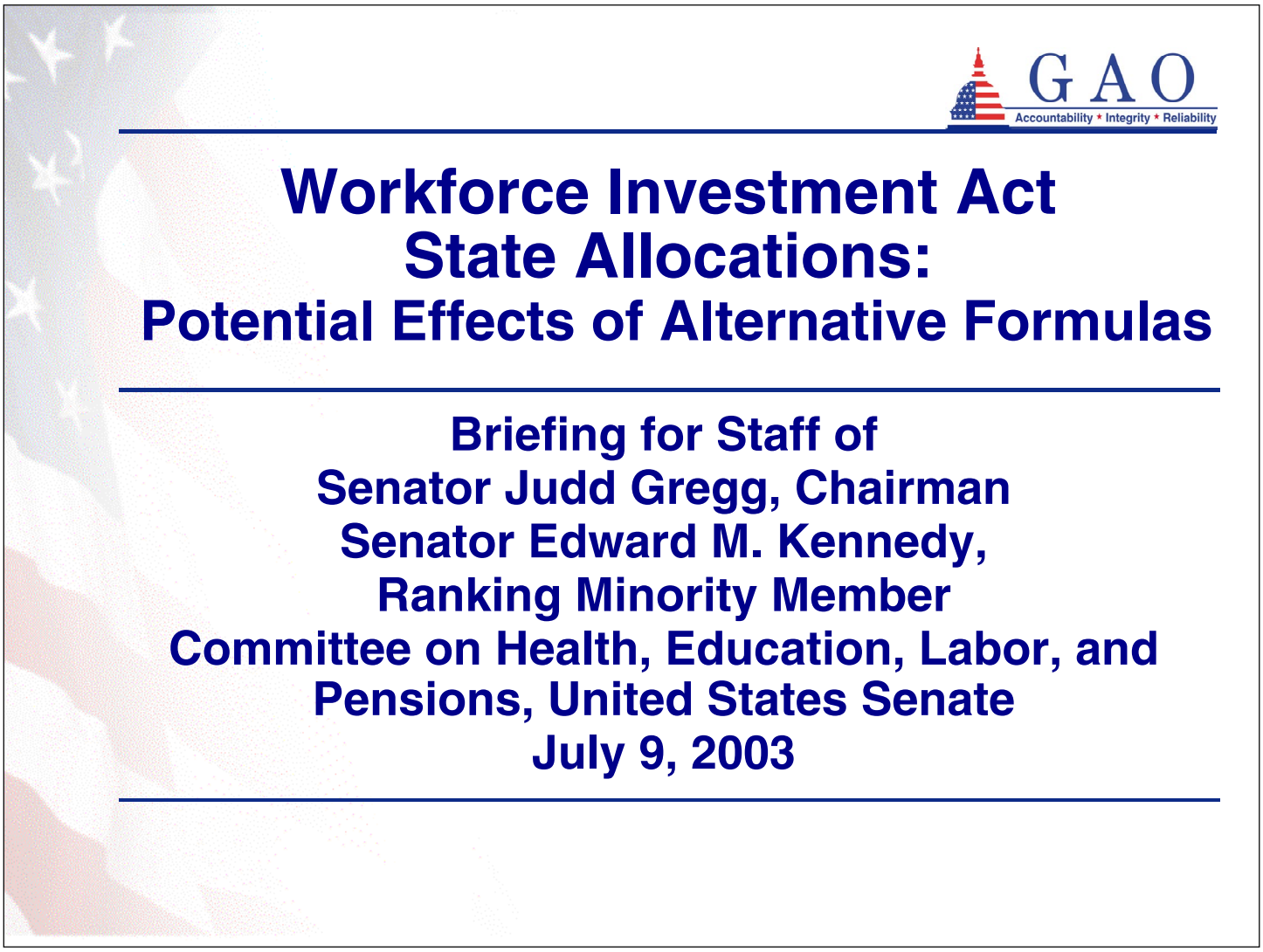
Appendix I: Briefing Slides



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Objectives

In February we briefed your staff on issues related to Workforce Investment Act (WIA) allocation formulas for Youth, Adult, and Dislocated Worker Programs. You then asked us to identify alternative approaches to allocating WIA funds.

We focused on three questions:

- Are there alternative formula factors that are better aligned with current programs and are based on reliable and more current data?
- How might changes to the current formulas affect the distribution of WIA funds among states?
- What are the implications of the program and formula changes proposed by the House in H.R. 1261 for WIA state allocations and what are some alternatives to these formulas?

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Methodology

To conduct our analysis, we:

- Assessed the allocation formulas in WIA and in H.R. 1261 according to several criteria: alignment with target populations, data reliability, and time lags in the data. (Our review focused on formulas for allocating funds to states, not formulas used by states to allocate funds to local areas.)
- Identified alternative factors and data sources through interviews with experts and literature review.
- Calculated how various combinations of alternative factors might have affected states' average allocations over the last 5 program years (program years 1999 – 2003).

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Summary of Findings

- A limited number of potential alternative factors are available that may be used to revise the current formulas to better reflect current programs because of the limited availability of reliable data sources.
- Alternative formulas that we have identified may result in additional funds to most states and fewer funds to several states with high levels of concentrated unemployment and would reduce funding volatility because they exclude concentrated unemployment factors.
- Changes to target populations proposed in H.R. 1261 have significant implications for WIA formulas, but proposed formulas would have marginal effects on the distribution of funds among states.

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Background: Formulas Should Include Factors That Satisfy Three Key Criteria

To effectively distribute WIA funds, formulas should include factors that estimate states' workloads as well as possible.

- **Alignment**: Factors should measure, as directly as possible, the relative numbers of those eligible for services (target populations).
- **Timeliness**: Because funds for any given program year are allocated before actual workloads are known, factors should be based on data that are as current as possible.
- **Reliability**: Factors should be based on data that reflect changes in states' relative workloads and not on data that reflect changes resulting from problems with how the data are collected.

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Background: Issues with Current Funding Formulas That We Previously Identified

- Current WIA formulas reflect prior federal policies and do not directly measure the relative numbers of people eligible to receive services in each state, in part because the formula factors are poorly aligned with target populations.
- Time lags in the data used in the current formulas range from 9 months to more than 10 years and do not always reflect the current size of the target populations.
- The Dislocated Worker Program formula in particular has led to volatility in yearly funding levels that is unrelated to changing labor market conditions.

Note: U.S. General Accounting Office, *Workforce Investment Act: Issues Related to Allocation Formulas for Youth, Adults, and Dislocated Workers*, GAO-03-636 (Washington, D.C.: Apr. 25, 2003).

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Background: Current Formula Factors Are Not Clearly Aligned with Target Populations

Youth Program

- Unemployment factors do not isolate youth unemployment.
- Targets disadvantaged youth with barriers to employment, but factors do not measure the numbers of youth with these barriers.

Adult Program

- All adults are potentially eligible for services, but no factor captures relative numbers of adults in each state.
- No factor directly measures relative numbers of public assistance recipients, although they have priority for receiving certain services.

Dislocated Worker Program

- No factors directly measure any of the specified eligibility groups.

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Background: Overview of Youth Program Target Populations and Formula

Target populations

Low-income youth with barriers to employment *(95 percent of youth served must be low-income).*

Non low-income youth with barrier(s) to employment or to school completion *(up to 5 percent may be in this group).*

Out-of-school youth *(30 percent of funds must be spent on this group).*

[a]Unemployment of individuals 16 and older.

Formula factors

Economically disadvantaged youth.

Unemployment in Areas of Substantial Unemployment/(ASUs)[a] *(state-defined areas with populations of 10,000 or more and unemployment over 6.5 percent).*

Excess unemployment[a] *(over 4.5 percent).*

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Background: Overview of Adult Program Target Populations and Formula

Target populations	Formula factors
Adults 18 and older (for core services).	Unemployment in ASUs (*state-defined areas with populations of 10,000 or more and unemployment over 6.5 percent).*
	Excess unemployment *(over 4.5 percent).*
Public assistance recipients/ Low-income adults. (Have *priority* for intensive and training services where funds are limited.)	Economically disadvantaged adults.

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Background: Overview of Dislocated Worker Program Target Populations and Formula

Target populations

Terminated workers unlikely to return to previous jobs.

Workers affected by mass layoffs.

Self-employed workers who lose their jobs due to poor economy.

Displaced homemakers.

Formula factors

Total unemployment.

Excess unemployment *(over 4.5 percent).*

Long-term unemployment *(15 weeks or longer).*

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Background: Concentrated Unemployment Factors Are Weighted Heavily, but Are Problematic

- A minimum of one-third of the funds for each program is distributed based on some measure of concentrated unemployment (**ASU unemployment** and **excess unemployment**).
- These factors are not clearly aligned with target populations (e.g., do not reflect youth unemployment in the Youth formula).
- These factors have a "threshold effect" that contributes to unwarranted funding volatility that does not necessarily reflect changes in states' relative workloads.
- States may define ASUs, leading to inefficient use of resources:
  - States put different levels of effort into bringing as many areas as close to the 6.5 percent threshold as possible.
  - Each year Labor must determine if ASUs meet statutory criteria.

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Background: "Economically Disadvantaged" Factors Rely Solely on Data with Significant Time Lags

- **Economically disadvantaged youth** and **adult** factors make sense because these are major target populations.
- Nevertheless, data now used to measure poverty are based on the decennial census and have time lags of up to 13 years.
  - Census Bureau's Small Area Income and Poverty Estimates (SAIPE) generates annual estimates of low-income youth and adults that have much shorter time lags.
- Public assistance recipients are target group for Adult program that is not directly measured by **economically disadvantaged adults**.

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A Limited Number of Potential Factors Meet the Key Criteria of Alignment, Timeliness, and Reliability

Youth Factors	Adult Factors	Dislocated Worker Factors
Jobless out-of-school youth[a]	Civilian labor force	Total unemployment
Low-income youth[a] (*from SAIPE*)	Low-income adults[a] (*from SAIPE*)	Insured unemployment
Youth civilian labor force	Adult public assistance recipients	Workers affected by mass layoffs
High school dropouts[a]	Total unemployment	Permanent job losers[a]
Births to teens		
Youth in foster care		

[a]Data for this factor are not available for Puerto Rico.

Note: See appendix VII for more detailed discussion of the data sources and time lags for each potential factor.

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Potential Youth Program Factors Would Measure Target Populations More Directly

- **Jobless out-of-school youth** is a more direct measure of youth unemployment than total unemployment. *(Census recommends a 3-year moving average to address reliability concerns for small states.)*
- **High school dropouts** is a measurable target population under WIA that is not reflected in the current formula. *(Census recommends a 3-year moving average to address reliability concerns for small states.)*
- **Births to teens** would provide a proxy for the number of teen parents, another targeted group not factored into the current formula.
- **Teens in foster care** is another directly measurable WIA target population that is not reflected in the current formula.

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Potential Adult Program Factors Better Reflect Target Populations and Potential Workloads

- **Civilian labor force** could provide a measure of the base workload for core services.
- **Public assistance recipients** are to receive priority for more costly intensive and training services in some areas. A reasonable proxy for measuring this group would be the number of adults receiving Temporary Assistance for Needy Families (TANF) cash assistance.
- **Total unemployment** would provide a measure of unemployed individuals, who are the majority of those actually served by the WIA Adult Program.

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Potential Dislocated Worker Factors Measure Dislocations More Directly

- **Insured unemployment** measures individuals who successfully applied for Unemployment Insurance (UI) benefits in past year, remain unemployed, and have not exhausted benefits. The majority of those actually served under this WIA program are UI recipients.
- **Workers affected by mass layoffs** directly measures workers laid off as a result of major dislocations.
- **Permanent job losers** isolates those who lost nontemporary jobs. It excludes those who quit their jobs or are new to workforce and would be unlikely to qualify for program services. *(Census recommends using a using 3-year moving average to address reliability concerns for small states.)*

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Analysis of Potential Effects of Changes to Current Formulas: General Approach

- Developed several combinations of potential factors for each program, from single-factor formulas to more targeted, complex ones.
- Used judgment to assign relative weights to factors to reflect what is known about participation rates of, and costs of serving, different groups. (Weights may not reflect actual participation rates and costs.)
- Compared average potential allocations under alternative formulas to average actual allocations for program years 1999 - 2003.
  - ➢Our calculations do not necessarily reflect what will occur in future years, since future data trends may differ from historical ones.
- Applied statutory constraints (hold harmless, small state minimums, stop gain) when calculating states' allocations under alternative formulas and assessed the potential effect of removing them.

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Youth Program: Examples of Possible Alternatives to Current WIA Formulas

Alternative Y_1 *(Least Targeted)*

100% Low-income youth under 18 *(SAIPE)*

Alternative Y_2

66.7% Low-income youth under 18 *(SAIPE)*

33.3% Jobless out-of-school youth, 16-21[a]

Alternative Y_3 *(Most Targeted)*

50% Low-income youth under age 18 *(SAIPE)*
10% Births to teens, ages 14-19
10% Youth, ages 16-21, in foster care
30% High school dropouts,16-21[a]

[a]Moving 3-year average.

Formula constraints

90% Hold harmless
130% Stop gain
0.3% Small state minimum

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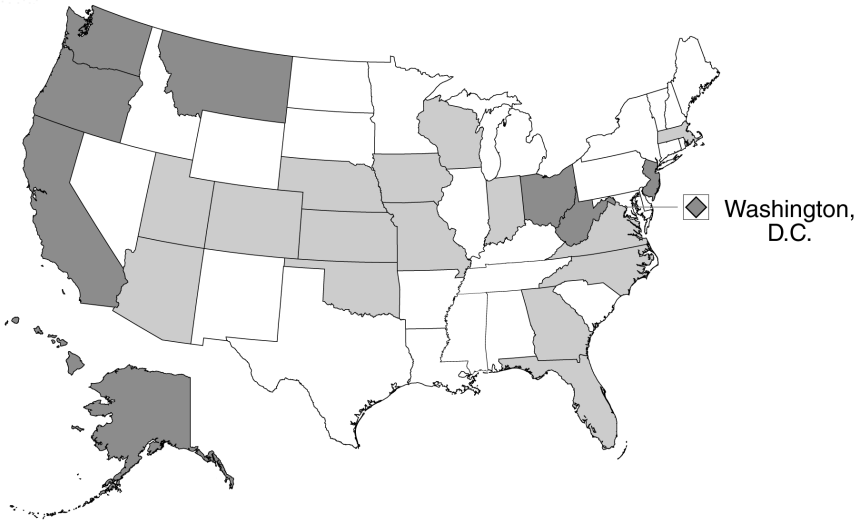
Youth Program: Potential Outcomes for States under Alternative Formulas, Based on Historical Data



States gaining 10% or more under all alternatives compared to actual PY 1999-2003 allocations

States losing 10% or more under all alternatives compared to actual PY 1999-2003 allocations

Source: GAO analysis.

Note: See app. III for details.

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Adult Program: Examples of Possible Alternatives to Current WIA Formulas

Alternative A_1 *(Least targeted)*

100% Civilian Labor Force

Alternative A_2

33.3% Civilian labor force
33.3% Total unemployment
33.3% Low-Income Adults

Alternative A_3 *(Most targeted)*

25% Civilian labor force
25% Total unemployment
25% Low-income adults
25% Public assistance recipients

Formula constraints

90% Hold harmless
130% Stop gain
0.3% Small state minimum

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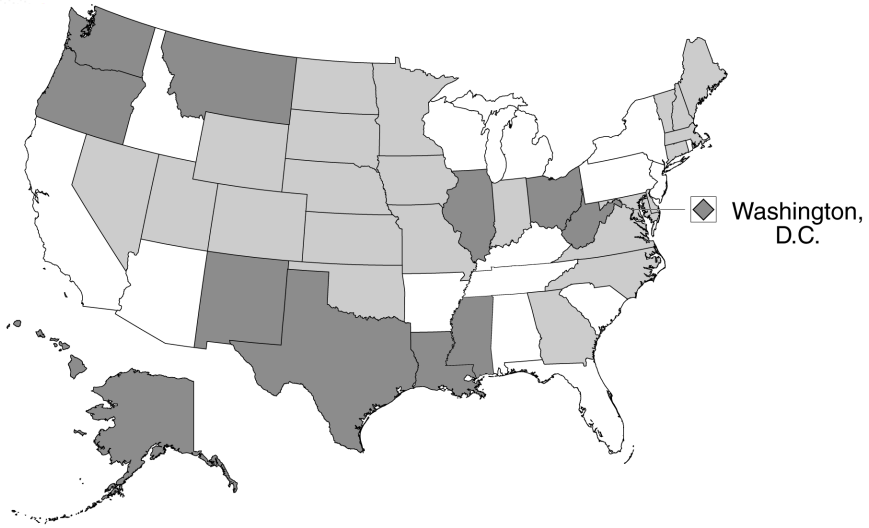
Adult Program: Potential Outcomes for States under Alternative Formulas, Based on Historical Data



States gaining 10% or more under all alternatives compared to actual PY 1999-2003 allocations

States losing 10% or more under all alternatives compared to actual PY 1999-2003 allocations

Source: GAO analysis.

Note: See app. III for details.

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Dislocated Worker Program: Examples of Alternatives to Current WIA Formulas

Alternative DW_1 *(Least targeted)*

100% Total unemployment

Alternative DW_2

33.3% Total unemployment
33.3% Permanent job losers
33.3% Insured unemployment

(As in the current law, additional formula constraints are not included.)

Alternative DW_3 *(Most targeted)*

25% Total unemployment
25% Insured unemployment
25% Workers affected by mass layoffs
25% Permanent job losers

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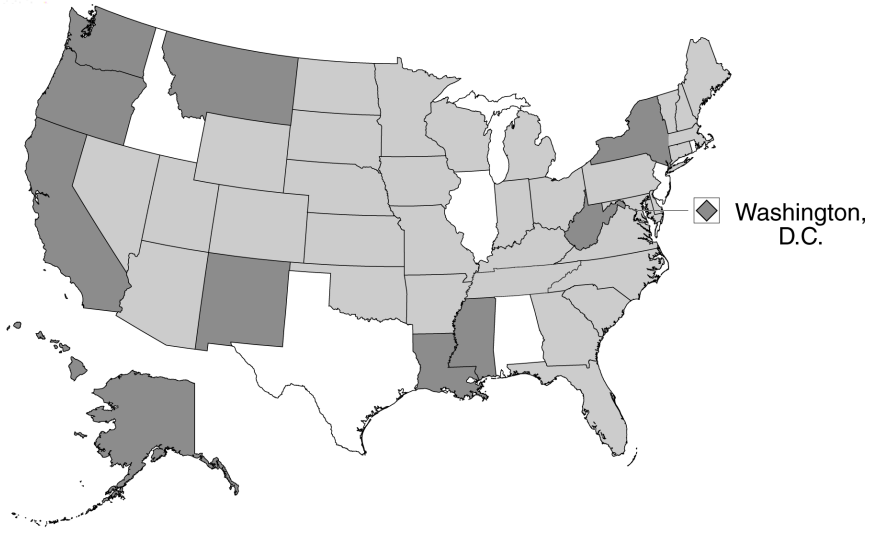
Dislocated Worker Program: Potential Outcomes for States under Alternative Formulas, Based on Historical Data



States gaining 10% or more under all alternatives compared to actual PY 1999-2003 allocations

States losing 10% or more under all alternatives compared to actual PY 1999-2003 allocations

Source: GAO analysis.

Note: See app. V for details.

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H.R. 1261 Proposes Significant Changes to WIA Programs and Funding Formulas

Youth Program

- Focuses the Youth Program more on out-of-school youth and does not specify a percentage of participants who must be low-income.
- Youth Program funds in excess of the fiscal year 2003 amount would be subject to a new formula.

Comprehensive Program for Adults

- Combines WIA Adult and Dislocated Worker programs and the Wagner-Peyser program into a Comprehensive Program for Adults.
- Each state would receive no less than under the current formulas for existing adult programs, but two new formulas would apply separately to **26 percent** ("Wagner-Peyser" portion), and **74 percent** (combined WIA Adult and Dislocated Worker portion) of adult funds.

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H.R. 1261 Youth Program: Proposal Would Shift Focus to Out-of-school Youth

- Increases proportion of funds to be spent on out-of-school youth to 70 percent *(current requirement is 30 percent).*
  - Out-of-school youth must have a barrier to employment.
  - High school dropouts have priority.
- Up to 30 percent of funds may be spent on low-income, in-school youth (*currently, 95 percent of youth served must be low-income).*
- Youth age 16–24 are eligible *(current law specifies ages 14-21).*

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H.R. 1261 Youth Program: Proposed Funding Formula

- Allocates funds up to the fiscal year 2003 level ($976,945,172) according to the current Youth formula.
- Allocates funds in excess of $976,945,172 according to a new formula, based equally on:
  - **Total unemployment** (individuals ages 16 and older).
  - **Disadvantaged (low-income) youth** (ages 16 – 21).
  - **Youth civilian labor force** (ages 16 – 19).
- Retains current statutory constraints (90 percent hold harmless, etc.), with minor changes.

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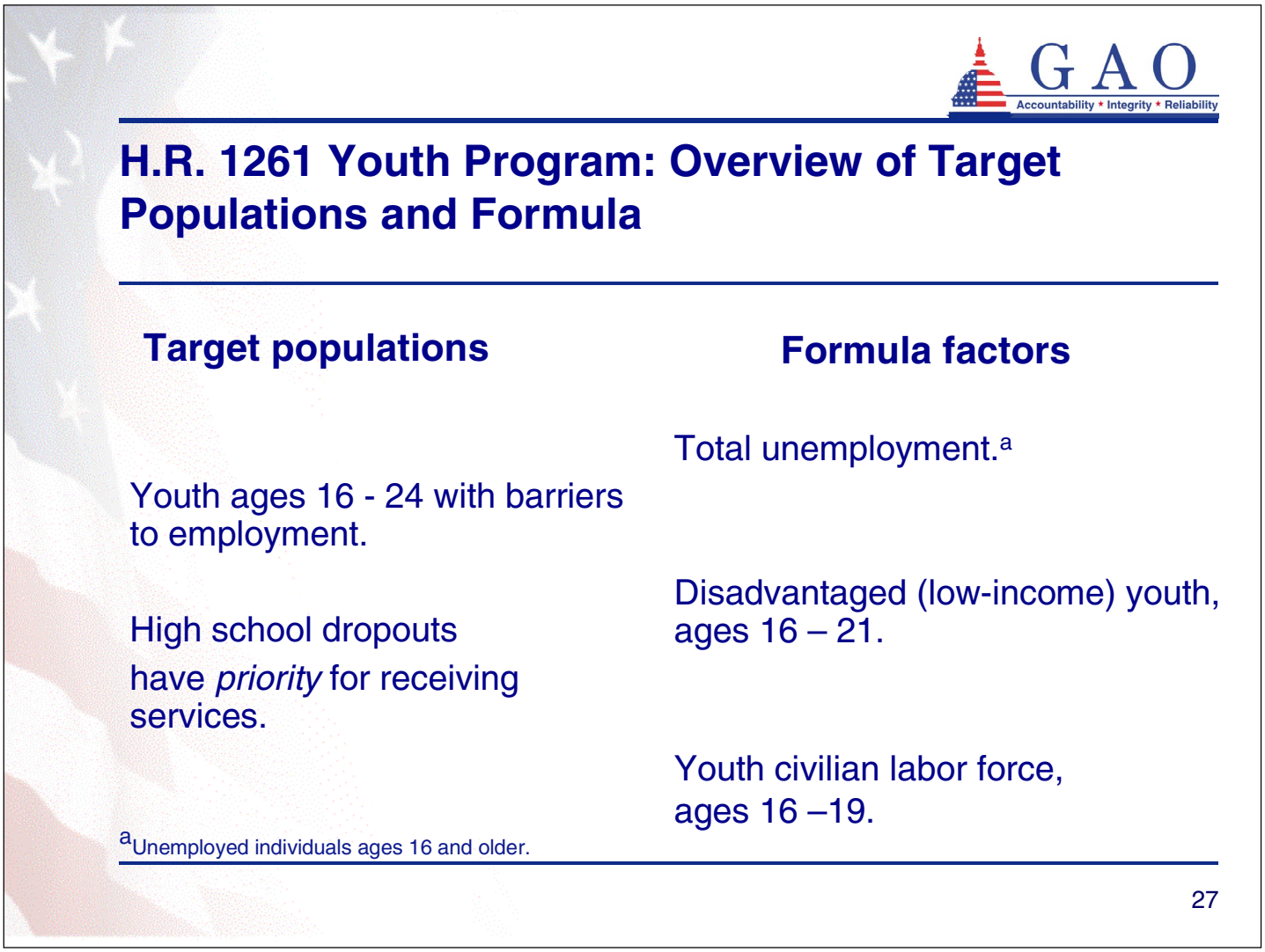
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H.R. 1261 Youth Program: Overview of Target Populations and Formula
Target populations
Youth ages 16 - 24 with barriers to employment.
High school dropouts have *priority* for receiving services.
Formula factors
Total unemployment.[a]
Disadvantaged (low-income) youth, ages 16 – 21.
Youth civilian labor force, ages 16 –19.
[a]Unemployed individuals ages 16 and older.
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H.R. 1261 Youth Program: Proposed Formula Largely Does Not Address Current Formula Issues

- New formula is not aligned with proposed target populations:
  - No factor specifically measures out-of-school youth.
  - Unemployment factor does not isolate youth unemployment.
- Disadvantaged youth factor would still have significant time lags because it would be based on Census data.
- Requiring that the current formula be used up to the fiscal year 2003 amount ("phase-in" provision) effectively prevents most program funds from being allocated based on the new formula.

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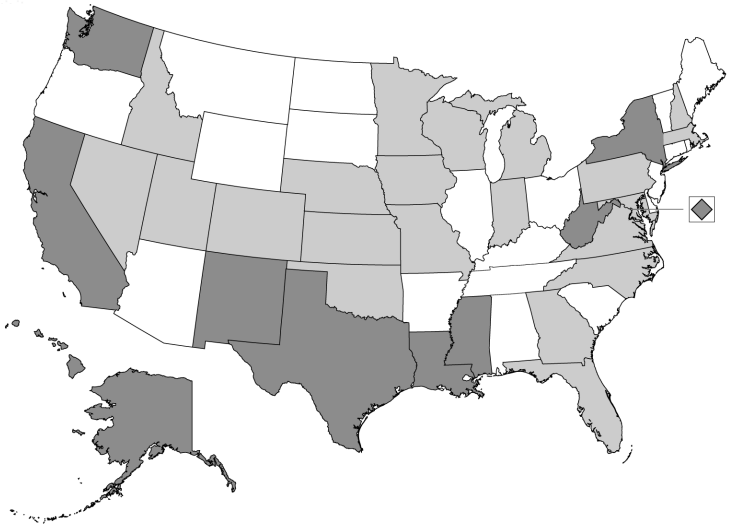
H.R. 1261 Youth Program: Hypothetical State Outcomes if Proposed New Formula Were to Be Applied to All Funds, Based on Historical Data



States gaining 10% or more under this scenario compared to actual PY 1999-2003 allocations
States losing 10% or more under this scenario compared to actual PY 1999-2003 allocations

Source: GAO analysis.

Note: See app. XI for details.

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H.R. 1261 Youth Program: Possible Alternative Formulas under Proposed Program Structure

Alternative HY_1 *(Least targeted)*

100% Jobless out-of-school youth, 16-24[a]

Alternative HY_2

33.3% High school dropouts, 16-24[a]
33.3% Low-income youth, under age 18 *(SAIPE)*
33.3% Jobless out-of-school youth, 16-24[a]

Alternative HY_3 *(Most targeted)*

25% High school dropouts
25% Low-income youth, under age 18 *(SAIPE)*
25% Youth in foster care
25% Jobless out-of-school youth, 16-24[a]

Formula constraints

90% Hold harmless
130% Stop gain
0.3% Small state minimum

[a] Moving 3-year average.

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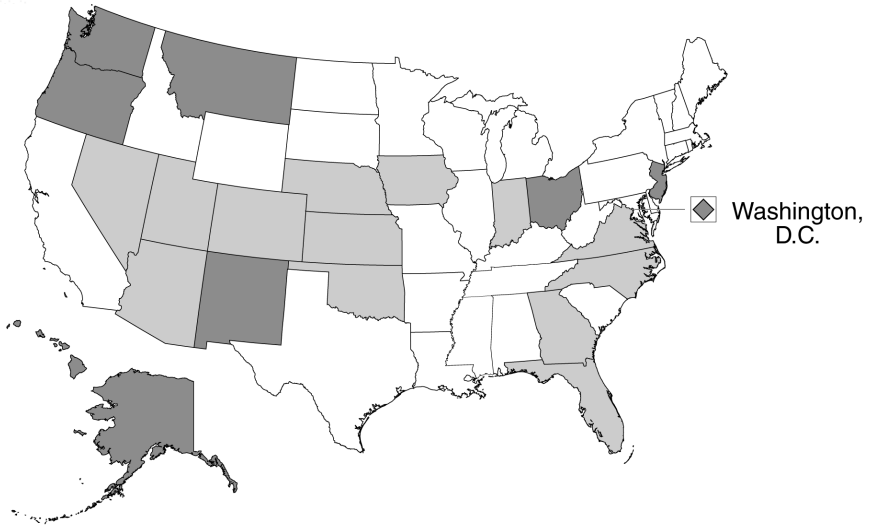
H.R. 1261 Youth Program: Potential Outcomes for States under Alternative Formulas, Based on Historical Data



States gaining 10% or more under all alternatives compared to actual PY 1999-2003 allocations

States losing 10% or more under all alternatives compared to actual PY 1999-2003 allocations

Source: GAO analysis.

Note: See app. VII for details.

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H.R. 1261 Comprehensive Adult Program: Consolidates Three Adult Programs

- Combines WIA Adult and Dislocated Worker programs and the Wagner-Peyser program into a Comprehensive Program for Adults.
- Eliminates dislocated workers as a target population.
- Adds unemployed individuals as a priority group for intensive and training services.
- Retains universal eligibility for core services.
- Retains low-income individuals and public assistance recipients as priority groups for intensive and training services if funds are limited.

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H.R. 1261 Comprehensive Adult Program: Proposed Funding Formula

26% of funds

- Allocates funds up to fiscal year 2003 Wagner-Peyser level according to each state's percentage of fiscal year 2003 Wagner-Peyser funds.
- Allocates funds in excess of the fiscal year 2003 Wagner-Peyser level based on **civilian labor force**.

74% of funds

- Allocated based on three factors:
  - 60% **Total unemployment**
  - 25% **Excess unemployment** *(over 4.5% statewide)*
  - 15% **Disadvantaged (low-income) adults** (ages 22-72)
- Retains current statutory constraints, with minor changes.

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H.R. 1261 Comprehensive Adult Program: Additional Proposed Requirements for State Allocations

Adjustments Based on "Allotment Differences"

- No state would receive a smaller proportion of funds than it would under current Adult, Dislocated Worker, and Wagner-Peyser formulas.
- Any state that would gain more funds under the new formulas than under the current formulas would be guaranteed to receive the new formula amount, but only up to 3 percent over what they would have received under the current formulas.

Sources of Funding

- Funds to ensure that no state would receive less than it would under the current formulas would come from the excess allotment differences (differences of more than 3 percent between what would be gained under the current formulas versus the new formula) of states, or from the Secretary's reserve, which is used to fund National Emergency grants.

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H.R. 1261 Comprehensive Adult Program: Overview of Target Populations and Formula

Target populations	Formula factors
Adults 18 and older (for core services).	Civilian labor force.
Unemployed individuals.	Total unemployment.
(Have *priority* for intensive and training services.)	Excess unemployment (*over 4.5 percent statewide).*
Public assistance recipients/ low-income adults.	Disadvantaged (low-income) adults.
(Have *priority* for intensive and training services.)	

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H.R. 1261 Comprehensive Adult Program: Formula Would Be Better Aligned, but Some Issues Remain

- Generally, new formula factors are better aligned with newly defined target populations.
- However, the excess unemployment factor—which we previously identified as problematic—is retained.
- In addition, the proposed phase-in provision that ensures that no state would receive a smaller share of total funds than it would under the current formula restricts the new formula's ability to redistribute funds.

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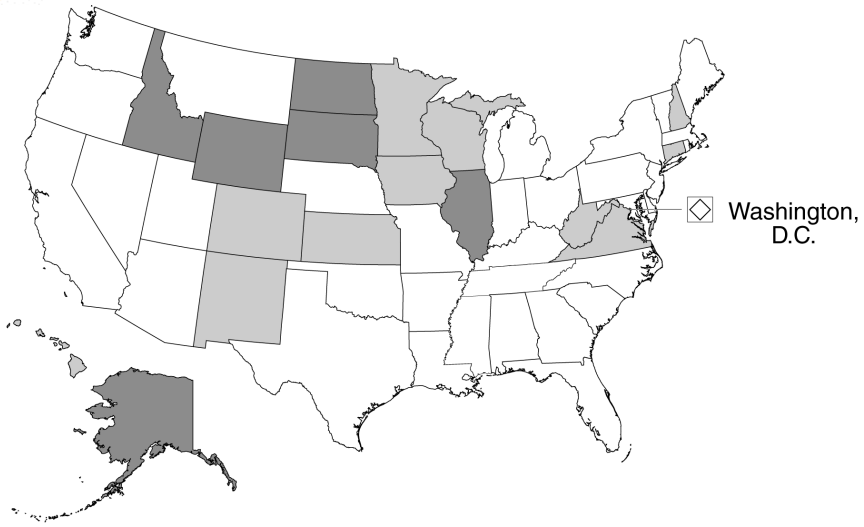
H.R. 1261 Comprehensive Adult Program: Hypothetical State Outcomes, without Adjustments for Allotment Differences, Based on Historical Data



States gaining 10% or more under this scenario compared to actual PY 1999-2003 allocations
States losing 10% or more under this scenario compared to actual PY 1999-2003 allocations

Source: GAO analysis.

Note: See app. XI for details.

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H.R. 1261 Comprehensive Adult Program: Alternative Formulas

Alternative HC_1 *(Least targeted)*

100% Total unemployment

Alternative HC_2

33.3% Total unemployment
33.3% Civilian labor force
33.3% Low-income adults

Alternative HC_3 *(Most targeted)*

25% Total unemployment
25% Civilian labor force
25% Low-Income adults
25% Public assistance recipients

Formula constraints

90% Hold harmless
130% Stop gain
0.3% Small state minimum

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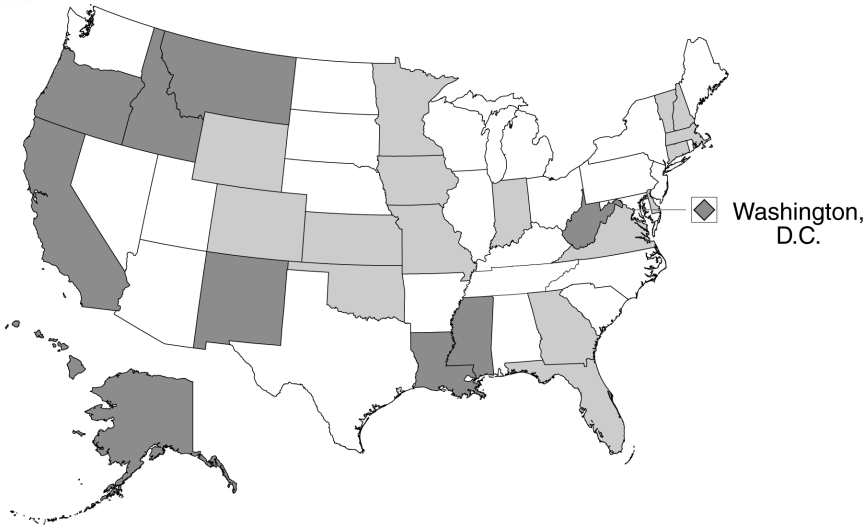
H.R. 1261 Comprehensive Adult Program: Potential Outcomes for States Under Alternative Formulas, Based on Historical Data



States gaining 10% or more under all alternatives compared to actual PY 1999-2003 allocations

States losing 10% or more under all alternatives compared to actual PY 1999-2003 allocations

Source: GAO analysis.

Note: See app. IX for details.

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Appendix I: Possible Average Allocations Under Alternative Youth Formulas, Program Years 1999 to 2003

State	Actual average allocation a	Y_1 Average allocation under Y_1 b	Y_1 Difference between actual and Y_1 (b-a)/a	Y_2 Average allocation under Y_2 c	Y_2 Difference between actual and Y_2 (c-a)/a	Y_3 Average allocation under Y_3 d	Y_3 Difference between actual and Y_3 (d-a)/a
Alabama	16,865,000	18,293,000	8.5%	18,675,000	10.7%	17,731,000	5.1%
Alaska	3,612,000	3,164,000	-12.4%	3,164,000	-12.4%	3,164,000	-12.4%
Arizona	17,611,000	20,427,000	16.0%	20,610,000	17.0%	21,029,000	19.4%
Arkansas	10,221,000	11,386,000	11.4%	11,685,000	14.3%	10,646,000	4.2%
California	165,782,000	149,423,000	-9.9%	143,680,000	-13.3%	143,885,000	-13.2%
Colorado	7,175,000	10,130,000	41.2%	10,975,000	53.0%	12,649,000	76.3%
Connecticut	8,567,000	8,005,000	-6.6%	7,702,000	-10.1%	8,138,000	-5.0%
Delaware	2,880,000	3,080,000	6.9%	3,080,000	6.9%	3,080,000	6.9%
District of Columbia	4,189,000	3,185,000	-24.0%	3,185,000	-24.0%	3,185,000	-24.0%
Florida	41,012,000	53,188,000	29.7%	51,108,000	24.6%	50,158,000	22.3%
Georgia	20,391,000	30,853,000	51.3%	30,453,000	49.3%	29,346,000	43.9%
Hawaii	5,473,000	3,833,000	-30.0%	3,993,000	-27.0%	3,793,000	-30.7%
Idaho	4,193,000	4,205,000	0.3%	4,677,000	11.5%	4,528,000	8.0%
Illinois	46,862,000	37,720,000	-19.5%	38,841,000	-17.1%	42,585,000	-9.1%
Indiana	13,214,000	14,566,000	10.2%	15,137,000	14.6%	15,569,000	17.8%
Iowa	3,745,000	6,473,000	72.8%	6,456,000	72.4%	7,437,000	98.6%
Kansas	4,727,000	7,045,000	49.0%	7,372,000	55.9%	8,007,000	69.4%
Kentucky	16,263,000	15,752,000	-3.1%	15,902,000	-2.2%	15,421,000	-5.2%
Louisiana	22,911,000	23,468,000	2.4%	24,496,000	6.9%	21,587,000	-5.8%
Maine	3,715,000	3,311,000	-10.9%	3,319,000	-10.6%	3,455,000	-7.0%
Maryland	13,637,000	11,972,000	-12.2%	12,817,000	-6.0%	14,270,000	4.6%
Massachusetts	14,415,000	15,793,000	9.6%	15,931,000	10.5%	16,299,000	13.1%
Michigan	33,003,000	31,264,000	-5.3%	32,083,000	-2.8%	33,367,000	1.1%
Minnesota	9,437,000	10,537,000	11.7%	10,306,000	9.2%	12,890,000	36.6%
Mississippi	14,817,000	14,524,000	-2.0%	14,490,000	-2.2%	12,870,000	-13.1%
Missouri	15,324,000	17,493,000	14.2%	17,216,000	12.3%	18,932,000	23.5%

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Appendix I: Possible Average Allocations Under Alternative Youth Formulas, Program Years 1999 to 2003 (continued)

State	Actual average allocation	Y_1 Average allocation under Y_1	Y_1 Difference between actual and Y_1	Y_2 Average allocation under Y_2	Y_2 Difference between actual and Y_2	Y_3 Average allocation under Y_3	Y_3 Difference between actual and Y_3
	a	b	(b-a)/a	c	(c-a)/a	d	(d-a)/a
Montana	3,818,000	3,400,000	-11.0%	3,451,000	-9.6%	3,372,000	-11.7%
Nebraska	2,880,000	3,963,000	37.6%	4,031,000	40.0%	5,137,000	78.4%
Nevada	4,591,000	4,931,000	7.4%	5,412,000	17.9%	5,808,000	26.5%
New Hampshire	2,880,000	3,080,000	6.9%	3,080,000	6.9%	3,080,000	6.9%
New Jersey	26,366,000	22,471,000	-14.8%	22,596,000	-14.3%	22,471,000	-14.8%
New Mexico	9,777,000	9,976,000	2.0%	9,508,000	-2.8%	8,757,000	-10.4%
New York	79,461,000	75,734,000	-4.7%	73,621,000	-7.3%	69,187,000	-12.9%
North Carolina	19,504,000	24,799,000	27.1%	24,425,000	25.2%	24,801,000	27.2%
North Dakota	2,880,000	3,080,000	6.9%	3,080,000	6.9%	3,080,000	6.9%
Ohio	43,311,000	34,484,000	-20.4%	35,309,000	-18.5%	35,835,000	-17.3%
Oklahoma	9,137,000	13,625,000	49.1%	13,031,000	42.6%	13,179,000	44.2%
Oregon	14,093,000	10,331,000	-26.7%	10,839,000	-23.1%	11,093,000	-21.3%
Pennsylvania	36,563,000	33,450,000	-8.5%	34,556,000	-5.5%	34,374,000	-6.0%
Rhode Island	2,949,000	3,092,000	4.9%	3,080,000	4.4%	3,206,000	8.7%
South Carolina	14,002,000	14,914,000	6.5%	15,076,000	7.7%	14,455,000	3.2%
South Dakota	2,880,000	3,080,000	6.9%	3,080,000	6.9%	3,080,000	6.9%
Tennessee	19,585,000	18,607,000	-5.0%	19,500,000	-0.4%	21,189,000	8.2%
Texas	89,107,000	94,595,000	6.2%	93,825,000	5.3%	88,745,000	-0.4%
Utah	3,508,000	5,627,000	60.4%	6,102,000	73.9%	6,186,000	76.3%
Vermont	2,880,000	3,080,000	6.9%	3,080,000	6.9%	3,080,000	6.9%
Virginia	15,122,000	17,673,000	16.9%	17,900,000	18.4%	17,483,000	15.6%
Washington	24,483,000	17,183,000	-29.8%	18,190,000	-25.7%	17,784,000	-27.4%
West Virginia	10,183,000	7,969,000	-21.7%	8,286,000	-18.6%	7,922,000	-22.2%
Wisconsin	10,832,000	12,399,000	14.5%	12,222,000	12.8%	13,312,000	22.9%
Wyoming	2,880,000	3,080,000	6.9%	3,080,000	6.9%	3,080,000	6.9%

Source: GAO analysis.

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Appendix II: Possible Largest and Smallest Year-to-Year Increases under Alternative Youth Formulas, Program Years 1999 to 2003

	Actual allocations		Alternative Y 1		Alternative Y 2		Alternative Y 3	
Overall volatility	0.186%		0.186%		0.177%		0.177%	
State	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase
Alabama	33.4%	-19.4%	13.3%	-5.2%	14.4%	-9.8%	12.4%	-8.7%
Alaska	26.4%	-20.6%	8.6%	-11.8%	8.6%	-11.8%	8.6%	-11.8%
Arizona	17.7%	-10.0%	13.0%	-20.5%	16.2%	-17.5%	14.3%	-16.0%
Arkansas	5.3%	-16.2%	14.3%	-9.1%	14.0%	-11.5%	13.2%	-11.5%
California	5.2%	-17.3%	10.5%	-12.7%	11.5%	-12.8%	10.1%	-12.8%
Colorado	14.7%	-10.0%	20.7%	-17.6%	30.0%	-13.2%	30.0%	-13.3%
Connecticut	23.5%	-20.6%	12.7%	-20.6%	2.7%	-19.9%	14.4%	-18.3%
Delaware	35.6%	-20.6%	20.0%	-11.8%	20.0%	-11.8%	20.0%	-11.8%
District of Columbia	20.0%	-20.6%	6.8%	-11.8%	6.8%	-11.8%	6.8%	-11.8%
Florida	9.5%	-5.5%	23.6%	-17.8%	17.4%	-16.4%	13.4%	-15.5%
Georgia	9.4%	-12.8%	30.0%	-16.1%	30.0%	-16.8%	30.0%	-15.6%
Hawaii	11.5%	-20.6%	-0.8%	-11.7%	0.8%	-10.3%	-0.8%	-17.3%
Idaho	12.9%	-20.6%	23.4%	-7.7%	21.0%	-10.0%	15.2%	-6.6%
Illinois	21.3%	-16.9%	8.9%	-10.0%	9.7%	-10.0%	10.3%	-9.6%
Indiana	23.5%	-10.0%	29.5%	-20.1%	24.2%	-17.6%	19.4%	-13.2%
Iowa	23.5%	-10.0%	30.0%	-20.6%	30.0%	-20.6%	30.7%	-19.9%
Kansas	35.0%	-10.5%	30.0%	-4.4%	30.0%	-5.2%	30.0%	-10.2%
Kentucky	10.4%	-8.1%	3.7%	-10.0%	3.9%	-10.0%	4.5%	-10.2%
Louisiana	21.3%	-20.6%	5.1%	-0.8%	6.7%	-7.0%	4.7%	-7.5%
Maine	7.8%	-20.6%	2.3%	-10.0%	3.2%	-10.0%	3.7%	-10.0%
Maryland	23.9%	-15.1%	18.3%	-20.5%	16.4%	-15.9%	17.1%	-11.8%
Massachusetts	23.5%	-20.6%	32.6%	-10.0%	30.4%	-10.0%	23.6%	-10.0%
Michigan	30.0%	-9.6%	9.1%	-18.3%	10.9%	-15.3%	10.4%	-17.3%
Minnesota	23.5%	-20.6%	29.3%	-20.6%	25.2%	-20.6%	24.0%	-18.4%
Mississippi	38.0%	-20.6%	14.1%	-1.7%	11.7%	-1.3%	4.0%	-3.0%
Missouri	6.8%	-10.0%	11.2%	-5.1%	8.8%	-6.1%	22.4%	-5.7%

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Appendix II: Possible Largest and Smallest Year-to-Year Increases under Alternative Youth Formulas, Program Years 1999 to 2003 (continued)

	Actual allocations		Alternative Y_1		Alternative Y_2		Alternative Y_3	
Overall volatility	0.186%		0.186%		0.177%		0.177%	
State	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase
Montana	16.6%	-20.6%	12.7%	-11.4%	12.4%	-14.1%	13.6%	-14.9%
Nebraska	35.6%	-20.6%	30.0%	-13.2%	30.0%	-11.4%	43.2%	-9.7%
Nevada	23.5%	-10.0%	36.9%	-10.0%	31.0%	-4.1%	22.3%	-5.3%
New Hampshire	35.6%	-20.6%	14.5%	-11.8%	14.5%	-11.8%	14.5%	-11.8%
New Jersey	23.5%	-20.6%	-0.8%	-20.6%	-0.8%	-17.7%	-0.8%	-20.6%
New Mexico	10.6%	-20.6%	5.5%	-6.4%	4.7%	-10.0%	3.7%	-10.0%
New York	11.4%	-15.5%	10.7%	-10.0%	8.0%	-11.1%	9.6%	-10.3%
North Carolina	33.6%	-5.1%	30.0%	-13.9%	30.0%	-11.6%	30.0%	-10.9%
North Dakota	35.6%	-20.6%	20.0%	-11.8%	20.0%	-11.8%	20.0%	-11.8%
Ohio	17.9%	-14.5%	10.1%	-10.0%	7.3%	-10.0%	7.6%	-10.0%
Oklahoma	29.9%	-17.9%	30.0%	-17.0%	30.0%	-13.1%	30.0%	-15.4%
Oregon	18.7%	-7.2%	11.5%	-10.0%	7.4%	-10.0%	7.5%	-11.6%
Pennsylvania	11.2%	-16.0%	11.8%	-17.3%	11.1%	-13.9%	12.2%	-12.2%
Rhode Island	33.8%	-20.6%	10.2%	-10.0%	10.2%	-11.8%	7.2%	-4.1%
South Carolina	23.5%	-10.0%	14.6%	-12.2%	10.7%	-11.2%	10.1%	-11.6%
South Dakota	35.6%	-20.6%	20.0%	-11.8%	20.0%	-11.8%	20.0%	-11.8%
Tennessee	8.3%	-13.2%	6.6%	-10.0%	5.2%	-2.8%	4.9%	-6.2%
Texas	11.1%	-9.1%	6.9%	-4.7%	7.7%	-7.8%	8.0%	-7.3%
Utah	20.3%	-9.2%	30.0%	-20.6%	42.7%	-19.2%	43.2%	-16.9%
Vermont	35.6%	-20.6%	20.0%	-11.8%	20.0%	-11.8%	20.0%	-11.8%
Virginia	23.5%	-13.7%	18.3%	-14.9%	15.3%	-9.0%	14.2%	-9.8%
Washington	32.3%	-10.0%	-0.8%	-10.0%	2.5%	-10.0%	0.5%	-10.0%
West Virginia	8.3%	-20.6%	-0.8%	-10.0%	4.7%	-10.0%	-0.8%	-11.3%
Wisconsin	33.4%	-5.9%	34.2%	-20.6%	25.6%	-17.5%	30.0%	-14.4%
Wyoming	35.6%	-20.6%	20.0%	-11.8%	20.0%	-11.8%	20.0%	-11.8%

Source: GAO analysis

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Appendix III: Possible Average Allocations under Alternative Adult Formulas, Program Years 1999 to 2003

State	Actual average allocation	A_1 Average allocation under A_1	A_1 Difference between actual and A_1	A_2 Average allocation under A_2	A_2 Difference between actual and A_2	A_3 Average allocation under A_3	A_3 Difference between actual and A_3
	a	b	(b-a)/a	c	(c-a)/a	d	(d-a)/a
Alabama	15,671,000	13,226,000	-15.6%	15,128,000	-3.5%	12,906,000	-17.6%
Alaska	3,382,000	2,892,000	-14.5%	2,892,000	-14.5%	2,892,000	-14.5%
Arizona	16,047,000	15,030,000	-6.3%	15,662,000	-2.4%	14,646,000	-8.7%
Arkansas	9,502,000	7,847,000	-17.4%	9,040,000	-4.9%	7,841,000	-17.5%
California	149,883,000	115,708,000	-22.8%	121,758,000	-18.8%	137,457,000	-8.3%
Colorado	6,031,000	12,860,000	113.2%	11,433,000	89.6%	9,982,000	65.5%
Connecticut	6,762,000	10,606,000	56.8%	8,457,000	25.1%	9,252,000	36.8%
Delaware	2,346,000	2,815,000	20.0%	2,815,000	20.0%	2,815,000	20.0%
District of Columbia	3,882,000	2,932,000	-24.5%	2,932,000	-24.5%	3,373,000	-13.1%
Florida	39,386,000	46,672,000	18.5%	48,770,000	23.8%	42,801,000	8.7%
Georgia	18,653,000	25,333,000	35.8%	25,107,000	34.6%	23,633,000	26.7%
Hawaii	5,207,000	3,876,000	-25.6%	3,840,000	-26.3%	4,334,000	-16.8%
Idaho	3,846,000	4,089,000	6.3%	4,175,000	8.6%	3,264,000	-15.1%
Illinois	43,201,000	38,249,000	-11.5%	37,920,000	-12.2%	38,939,000	-9.9%
Indiana	10,980,000	18,695,000	70.3%	16,226,000	47.8%	15,719,000	43.2%
Iowa	3,272,000	8,030,000	145.4%	7,031,000	114.9%	7,284,000	122.6%
Kansas	4,454,000	7,753,000	74.1%	7,205,000	61.8%	6,749,000	51.5%
Kentucky	15,187,000	13,116,000	-13.6%	13,986,000	-7.9%	13,921,000	-8.3%
Louisiana	21,177,000	15,363,000	-27.5%	16,654,000	-21.4%	15,872,000	-25.1%
Maine	3,313,000	4,157,000	25.5%	3,901,000	17.7%	4,080,000	23.2%
Maryland	12,908,000	17,144,000	32.8%	15,069,000	16.7%	14,297,000	10.8%
Massachusetts	11,384,000	20,393,000	79.1%	17,383,000	52.7%	17,356,000	52.5%
Michigan	29,317,000	31,255,000	6.6%	29,744,000	1.5%	30,755,000	4.9%
Minnesota	8,536,000	16,102,000	88.6%	13,174,000	54.3%	14,094,000	65.1%
Mississippi	12,984,000	8,665,000	-33.3%	10,233,000	-21.2%	9,183,000	-29.3%
Missouri	14,203,000	18,007,000	26.8%	16,826,000	18.5%	17,218,000	21.2%

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Appendix III: Possible Average Allocations under Alternative Adult Formulas, Program Years 1999 to 2003 (continued)

State	Actual average allocation a	A_1 Average allocation under A_1 b	A_1 Difference between actual and A_1 (b-a)/a	A_2 Average allocation under A_2 c	A_2 Difference between actual and A_2 (c-a)/a	A_3 Average allocation under A_3 d	A_3 Difference between actual and A_3 (d-a)/a
Montana	3,747,000	2,900,000	-22.6%	3,245,000	-13.4%	3,009,000	-19.7%
Nebraska	2,346,000	4,760,000	102.9%	4,233,000	80.4%	4,125,000	75.8%
Nevada	4,292,000	6,094,000	42.0%	5,592,000	30.3%	4,852,000	13.1%
New Hampshire	2,346,000	4,029,000	71.8%	3,130,000	33.4%	2,948,000	25.7%
New Jersey	21,899,000	26,069,000	19.0%	24,281,000	10.9%	23,460,000	7.1%
New Mexico	8,966,000	7,247,000	-19.2%	7,401,000	-17.5%	7,993,000	-10.9%
New York	77,472,000	60,598,000	-21.8%	64,860,000	-16.3%	74,834,000	-3.4%
North Carolina	18,436,000	23,581,000	27.9%	23,528,000	27.6%	21,780,000	18.1%
North Dakota	2,346,000	2,815,000	20.0%	2,815,000	20.0%	2,815,000	20.0%
Ohio	40,553,000	35,586,000	-12.2%	34,681,000	-14.5%	35,024,000	-13.6%
Oklahoma	8,602,000	10,142,000	17.9%	10,563,000	22.8%	9,533,000	10.8%
Oregon	13,357,000	10,985,000	-17.8%	11,885,000	-11.0%	10,441,000	-21.8%
Pennsylvania	34,263,000	36,576,000	6.8%	36,795,000	7.4%	37,030,000	8.1%
Rhode Island	2,445,000	3,108,000	27.1%	3,054,000	24.9%	3,885,000	58.9%
South Carolina	12,488,000	12,342,000	-1.2%	12,915,000	3.4%	11,662,000	-6.6%
South Dakota	2,346,000	2,815,000	20.0%	2,815,000	20.0%	2,815,000	20.0%
Tennessee	18,218,000	17,444,000	-4.3%	17,933,000	-1.6%	18,334,000	0.6%
Texas	79,979,000	65,167,000	-18.5%	70,597,000	-11.7%	65,811,000	-17.7%
Utah	2,803,000	5,372,000	91.6%	5,074,000	81.0%	4,745,000	69.3%
Vermont	2,346,000	2,815,000	20.0%	2,815,000	20.0%	2,815,000	20.0%
Virginia	12,903,000	22,129,000	71.5%	18,989,000	47.2%	17,024,000	31.9%
Washington	22,706,000	18,873,000	-16.9%	19,187,000	-15.5%	20,245,000	-10.8%
West Virginia	9,640,000	7,112,000	-26.2%	7,271,000	-24.6%	7,326,000	-24.0%
Wisconsin	10,063,000	16,231,000	61.3%	14,591,000	45.0%	12,435,000	23.6%
Wyoming	2,346,000	2,815,000	20.0%	2,815,000	20.0%	2,815,000	20.0%

Source: GAO analysis.

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Appendix IV: Possible Largest and Smallest Year-to-Year Increases under Alternative Adult Formulas, Program Years 1999 to 2003

	Actual allocations		Alternative A 1		Alternative A 2		Alternative A 3	
Overall volatility	0.176%		0.147%		0.128%		0.127%	
State	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase
Alabama	25.3%	-14.9%	1.6%	-10.0%	3.4%	-10.5%	3.5%	-10.0%
Alaska	20.7%	-14.9%	0.0%	-10.5%	0.0%	-10.5%	0.0%	-10.5%
Arizona	11.2%	-10.0%	3.4%	-10.0%	7.3%	-10.0%	5.4%	-10.0%
Arkansas	4.9%	-12.3%	1.1%	-10.0%	1.3%	-9.2%	0.5%	-10.0%
California	4.9%	-14.9%	-2.0%	-10.5%	-1.1%	-10.5%	3.3%	-9.6%
Colorado	23.0%	-10.0%	30.0%	-1.7%	30.0%	-2.7%	30.0%	-5.0%
Connecticut	-10.0%	-14.9%	14.8%	-3.8%	1.3%	-5.0%	6.8%	-9.4%
Delaware	0.0%	-5.4%	20.0%	-5.4%	20.0%	-5.4%	20.0%	-5.4%
District of Columbia	19.7%	-14.9%	0.0%	-10.5%	0.0%	-10.5%	5.0%	-10.0%
Florida	18.7%	-5.6%	11.3%	-1.7%	20.1%	-2.1%	14.5%	-6.7%
Georgia	2.5%	-10.0%	24.4%	-4.3%	25.6%	-3.6%	25.5%	-4.1%
Hawaii	10.7%	-14.9%	0.3%	-10.5%	-5.6%	-14.9%	6.5%	-12.2%
Idaho	12.2%	-14.9%	11.1%	-5.0%	13.4%	-8.6%	2.8%	-8.6%
Illinois	15.9%	-14.9%	11.1%	-10.0%	9.1%	-10.0%	8.2%	-13.9%
Indiana	23.0%	-10.5%	30.0%	-4.1%	19.9%	-2.9%	9.7%	0.9%
Iowa	10.8%	-10.5%	30.0%	-1.0%	30.0%	-1.4%	30.0%	1.7%
Kansas	30.0%	-10.0%	30.0%	-8.1%	30.0%	-7.1%	30.0%	-3.5%
Kentucky	4.7%	-7.9%	-0.1%	-10.5%	1.9%	-10.3%	4.9%	-10.5%
Louisiana	19.1%	-14.9%	-10.0%	-14.9%	3.8%	-11.6%	-4.0%	-11.4%
Maine	8.1%	-14.9%	7.2%	-6.6%	9.8%	-5.2%	10.3%	-4.7%
Maryland	23.2%	-11.0%	30.0%	-5.5%	29.4%	-10.9%	25.6%	-8.5%
Massachusetts	-9.5%	-10.5%	30.0%	-1.9%	10.8%	-2.7%	11.4%	-1.6%
Michigan	30.0%	-10.0%	10.7%	-10.4%	11.0%	-11.8%	10.9%	-9.4%
Minnesota	26.8%	-14.9%	30.0%	-2.8%	28.2%	-6.6%	29.9%	-3.0%
Mississippi	30.0%	-14.9%	-0.8%	-10.5%	3.6%	-10.0%	-0.2%	-10.0%
Missouri	15.9%	-10.5%	22.4%	-5.6%	19.2%	-5.8%	18.1%	-5.0%

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Appendix IV: Possible Largest and Smallest Year-to-Year Increases under Alternative Adult Formulas, Program Years 1999 to 2003 (continued)

	Actual allocations		Alternative A 1		Alternative A 2		Alternative A 3	
Overall volatility	0.176%		0.147%		0.128%		0.127%	
State	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase
Montana	15.3%	-14.9%	2.0%	-10.0%	2.9%	-14.9%	2.7%	-10.3%
Nebraska	0.0%	-5.4%	30.0%	-5.0%	30.0%	-7.2%	30.0%	-5.4%
Nevada	23.0%	-10.5%	28.5%	3.2%	17.0%	-1.4%	5.9%	1.0%
New Hampshire	0.0%	-6.3%	30.0%	-5.2%	17.3%	0.1%	12.4%	-0.5%
New Jersey	8.6%	-10.5%	1.0%	-10.0%	-1.5%	-10.0%	-2.6%	-10.0%
New Mexico	10.2%	-14.9%	-10.0%	-14.9%	-5.5%	-12.4%	8.3%	-14.9%
New York	10.8%	-10.7%	-2.0%	-10.5%	-2.5%	-10.0%	9.7%	-10.0%
North Carolina	30.0%	-5.3%	30.0%	-2.2%	30.0%	1.5%	30.0%	1.0%
North Dakota	0.0%	-5.4%	20.0%	-5.4%	20.0%	-5.4%	20.0%	-5.4%
Ohio	11.7%	-10.3%	3.2%	-10.0%	2.4%	-10.0%	0.1%	-7.5%
Oklahoma	29.3%	-12.6%	25.7%	-4.0%	30.0%	-6.0%	27.4%	-6.9%
Oregon	23.0%	-10.0%	3.3%	-10.0%	3.3%	-3.4%	1.6%	-10.0%
Pennsylvania	17.4%	-12.0%	7.5%	-10.0%	2.4%	-6.0%	2.4%	-6.5%
Rhode Island	0.0%	-10.5%	8.8%	-7.1%	2.7%	-3.4%	14.0%	-1.6%
South Carolina	19.2%	-10.5%	1.4%	-10.0%	3.7%	-10.0%	0.2%	-10.5%
South Dakota	0.0%	-5.4%	20.0%	-5.4%	20.0%	-5.4%	20.0%	-5.4%
Tennessee	17.0%	-10.5%	1.7%	-10.0%	1.8%	-6.8%	7.1%	-10.0%
Texas	5.1%	-10.0%	2.8%	-10.5%	2.2%	-10.0%	2.5%	-10.0%
Utah	23.0%	-10.0%	30.0%	-2.1%	30.0%	3.7%	30.0%	1.6%
Vermont	0.0%	-5.4%	20.0%	-5.4%	20.0%	-5.4%	20.0%	-5.4%
Virginia	18.5%	-10.5%	30.0%	-5.6%	19.0%	-4.8%	6.9%	-5.0%
Washington	29.7%	-10.0%	1.0%	-10.0%	5.7%	-10.0%	12.6%	-10.0%
West Virginia	5.8%	-14.9%	-10.0%	-14.9%	-5.4%	-12.0%	-2.1%	-10.5%
Wisconsin	30.0%	-6.2%	30.0%	-6.6%	30.0%	-3.9%	30.0%	-2.7%
Wyoming	0.0%	-5.4%	20.0%	-5.4%	20.0%	-5.4%	20.0%	-5.4%

Source: GAO analysis.

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Appendix V: Possible Average Allocations under Alternative Dislocated Worker Formulas, Program Years 1999 to 2003

State	Actual average allocation	DW_1 Average allocation under DW_1	DW_1 Difference Between actual and DW_1	DW_2 Average allocation under DW_2	DW_2 Difference between actual and DW_2	DW_3 Average allocation under DW_3	DW_3 Difference between actual and DW_3
	a	b	(b-a)/a	c	(c-a)/a	d	(d-a)/a
Alabama	16,270,000	17,780,000	9.3%	16,955,000	4.2%	15,846,000	-2.6%
Alaska	7,478,000	3,512,000	-53.0%	3,793,000	-49.3%	4,281,000	-42.7%
Arizona	13,146,000	18,482,000	40.6%	14,617,000	11.2%	15,852,000	20.6%
Arkansas	9,264,000	10,559,000	14.0%	11,008,000	18.8%	9,445,000	2.0%
California	244,855,000	164,569,000	-32.8%	168,908,000	-31.0%	197,105,000	-19.5%
Colorado	8,763,000	13,585,000	55.0%	11,690,000	33.4%	11,755,000	34.1%
Connecticut	7,597,000	9,479,000	24.8%	13,483,000	77.5%	12,500,000	64.5%
Delaware	1,952,000	2,542,000	30.2%	2,638,000	35.1%	2,011,000	3.0%
District of Columbia	8,030,000	3,226,000	-59.8%	2,975,000	-62.9%	2,475,000	-69.2%
Florida	42,924,000	57,649,000	34.3%	54,047,000	25.9%	54,668,000	27.4%
Georgia	19,845,000	28,625,000	44.2%	25,413,000	28.1%	22,381,000	12.8%
Hawaii	7,274,000	5,365,000	-26.2%	5,174,000	-28.9%	4,852,000	-33.3%
Idaho	5,215,000	5,766,000	10.6%	5,409,000	3.7%	5,321,000	2.0%
Illinois	54,010,000	53,890,000	-0.2%	55,595,000	2.9%	66,727,000	23.5%
Indiana	12,441,000	18,972,000	52.5%	17,839,000	43.4%	18,558,000	49.2%
Iowa	4,923,000	7,752,000	57.5%	8,148,000	65.5%	7,732,000	57.0%
Kansas	5,733,000	9,324,000	62.7%	8,674,000	51.3%	7,940,000	38.5%
Kentucky	11,967,000	15,626,000	30.6%	13,999,000	17.0%	12,715,000	6.2%
Louisiana	27,911,000	19,356,000	-30.7%	17,132,000	-38.6%	15,227,000	-45.4%
Maine	3,390,000	4,608,000	35.9%	4,444,000	31.1%	5,226,000	54.2%
Maryland	17,000,000	19,958,000	17.4%	19,075,000	12.2%	15,504,000	-8.8%
Massachusetts	14,172,000	19,716,000	39.1%	27,160,000	91.7%	27,643,000	95.1%
Michigan	28,471,000	38,681,000	35.9%	39,167,000	37.6%	42,195,000	48.2%
Minnesota	9,856,000	14,820,000	50.4%	14,583,000	48.0%	16,406,000	66.5%
Mississippi	18,601,000	12,303,000	-33.9%	11,186,000	-39.9%	10,063,000	-45.9%
Missouri	14,959,000	19,343,000	29.3%	20,022,000	33.8%	19,343,000	29.3%

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Appendix V: Possible Average Allocations under Alternative Dislocated Worker Formulas, Program Years 1999 to 2003 (continued)

State	Actual average allocation a	DW_1 Average allocation under DW_1 b	DW_1 Difference between actual and DW_1 (b-a)/a	DW_2 Average allocation under DW_2 c	DW_2 Difference between actual and DW_2 (c-a)/a	DW_3 Average allocation under DW_3 d	DW_3 Difference between actual and DW_3 (d-a)/a
Montana	4,750,000	4,131,000	-13.0%	3,474,000	-26.9%	3,094,000	-34.9%
Nebraska	2,609,000	4,496,000	72.3%	3,955,000	51.6%	3,058,000	17.2%
Nevada	6,069,000	7,696,000	26.8%	8,680,000	43.0%	8,595,000	41.6%
New Hampshire	2,094,000	3,561,000	70.0%	3,179,000	51.8%	2,996,000	43.1%
New Jersey	30,850,000	33,755,000	9.4%	42,694,000	38.4%	39,329,000	27.5%
New Mexico	16,411,000	8,813,000	-46.3%	6,679,000	-59.3%	6,161,000	-62.5%
New York	108,480,000	81,638,000	-24.7%	85,126,000	-21.5%	73,729,000	-32.0%
North Carolina	23,795,000	28,522,000	19.9%	29,133,000	22.4%	27,656,000	16.2%
North Dakota	1,128,000	1,622,000	43.8%	1,406,000	24.6%	1,250,000	10.7%
Ohio	33,359,000	45,503,000	36.4%	41,808,000	25.3%	45,152,000	35.4%
Oklahoma	6,872,000	10,572,000	53.8%	9,323,000	35.7%	8,246,000	20.0%
Oregon	26,475,000	17,899,000	-32.4%	19,184,000	-27.5%	17,798,000	-32.8%
Pennsylvania	40,018,000	48,505,000	21.2%	55,287,000	38.2%	52,218,000	30.5%
Rhode Island	2,985,000	3,839,000	28.6%	4,676,000	56.6%	4,070,000	36.3%
South Carolina	11,903,000	14,800,000	24.3%	14,468,000	21.6%	11,915,000	0.1%
South Dakota	1,202,000	1,888,000	57.1%	1,442,000	19.9%	1,110,000	-7.7%
Tennessee	14,553,000	21,064,000	44.7%	21,356,000	46.7%	18,054,000	24.1%
Texas	72,935,000	88,258,000	21.0%	78,436,000	7.5%	75,039,000	2.9%
Utah	4,561,000	7,095,000	55.6%	6,191,000	35.7%	6,293,000	38.0%
Vermont	1,292,000	1,906,000	47.6%	1,957,000	51.5%	1,679,000	30.0%
Virginia	12,760,000	19,545,000	53.2%	16,889,000	32.4%	16,614,000	30.2%
Washington	35,425,000	28,494,000	-19.6%	30,121,000	-15.0%	28,306,000	-20.1%
West Virginia	17,409,000	8,508,000	-51.1%	7,861,000	-54.8%	6,311,000	-63.8%
Wisconsin	13,810,000	19,636,000	42.2%	21,174,000	53.3%	25,582,000	85.2%
Wyoming	1,406,000	1,964,000	39.7%	1,567,000	11.4%	1,175,000	-16.4%

Source: GAO analysis.

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Appendix VI: Possible Largest and Smallest Year-to-Year Increases under Alternative Dislocated Worker Formulas, Program Years 1999 to 2003

	Actual allocations		Alternative DW 1		Alternative DW 2		Alternative DW 3	
Overall volatility	0.382%		0.271%		0.243%		0.292%	
State	Largest % increase	Smallest % Increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase
Alabama	52.0%	-13.8%	42.9%	-9.9%	42.4%	-8.6%	28.5%	-4.3%
Alaska	69.6%	-63.3%	9.6%	-38.8%	17.0%	-32.9%	49.1%	-50.4%
Arizona	53.3%	-30.4%	26.4%	-5.3%	17.4%	-8.9%	31.2%	-17.4%
Arkansas	16.5%	-42.6%	12.7%	-11.3%	16.0%	-11.2%	9.0%	-11.8%
California	17.8%	-20.1%	11.5%	-29.3%	12.1%	-27.2%	18.1%	-17.6%
Colorado	72.1%	-10.6%	71.5%	-11.2%	47.4%	-5.8%	46.3%	-5.5%
Connecticut	22.1%	-27.4%	15.3%	-17.6%	7.2%	-16.1%	14.5%	-20.0%
Delaware	31.3%	-36.3%	21.2%	-17.8%	29.9%	-7.9%	5.1%	-2.6%
District of Columbia	62.5%	-61.2%	0.4%	-34.6%	5.7%	-42.6%	15.2%	-57.0%
Florida	41.6%	-13.3%	28.5%	-5.0%	19.1%	-6.3%	24.3%	-12.2%
Georgia	26.8%	-9.0%	63.9%	-5.0%	30.2%	1.2%	23.6%	-0.4%
Hawaii	40.4%	-49.9%	16.9%	-19.2%	7.7%	-18.8%	6.2%	-24.5%
Idaho	63.7%	-35.4%	29.2%	-12.6%	19.1%	-6.4%	22.6%	-6.4%
Illinois	120.9%	-30.4%	22.2%	-8.6%	28.1%	-1.0%	41.4%	-0.9%
Indiana	52.8%	-8.2%	49.3%	-1.6%	42.6%	5.8%	61.6%	-6.5%
Iowa	9.1%	-11.4%	34.7%	-15.9%	33.2%	-3.6%	31.4%	-6.2%
Kansas	16.2%	-8.0%	67.2%	-8.3%	40.9%	-1.4%	27.8%	1.2%
Kentucky	37.2%	-38.8%	14.0%	-12.5%	11.1%	-20.7%	11.6%	-30.1%
Louisiana	91.5%	-49.9%	9.2%	-22.5%	15.1%	-33.3%	9.8%	-36.3%
Maine	7.4%	-28.3%	32.3%	-14.8%	31.8%	-11.6%	54.6%	-13.1%
Maryland	36.2%	-18.2%	51.0%	-12.4%	40.5%	-9.0%	16.9%	-9.8%
Massachusetts	32.7%	-18.6%	35.1%	-5.5%	81.9%	-8.2%	69.8%	-5.4%
Michigan	78.1%	-0.9%	55.7%	-7.5%	66.0%	-4.3%	93.1%	-28.9%
Minnesota	30.5%	-5.4%	37.7%	-5.9%	44.8%	1.9%	63.5%	2.5%
Mississippi	129.3%	-35.8%	14.7%	-12.8%	13.4%	-18.0%	16.0%	-28.6%
Missouri	27.7%	-19.3%	63.5%	-16.5%	52.0%	-4.6%	76.3%	-15.0%

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Appendix VI: Possible Largest and Smallest Year-to-Year Increases under Alternative Dislocated Worker Formulas, Program Years 1999 to 2003 (continued)

	Actual allocations		Alternative DW 1		Alternative DW 2		Alternative DW 3	
Overall volatility	0.382%		0.271%		0.243%		0.292%	
State	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase
Montana	68.7%	-53.5%	42.7%	-26.8%	17.9%	-20.6%	20.3%	-16.4%
Nebraska	25.5%	-7.4%	59.8%	-7.5%	54.4%	-2.1%	27.9%	1.6%
Nevada	41.1%	-15.9%	41.0%	1.3%	62.4%	1.0%	53.5%	-11.3%
New Hampshire	41.9%	-30.3%	31.4%	1.3%	25.2%	-7.1%	47.0%	-11.2%
New Jersey	13.5%	-16.1%	9.2%	-20.0%	9.1%	-10.7%	3.2%	-14.9%
New Mexico	44.7%	-60.0%	14.8%	-26.6%	14.2%	-43.8%	10.7%	-45.4%
New York	27.1%	-36.2%	6.7%	-24.5%	6.6%	-21.3%	13.7%	-35.2%
North Carolina	60.4%	0.3%	69.3%	3.3%	80.0%	2.3%	71.7%	5.7%
North Dakota	79.7%	-20.7%	51.9%	-17.4%	48.4%	-18.4%	40.1%	-17.2%
Ohio	14.7%	-6.6%	39.2%	-7.5%	23.2%	0.1%	62.6%	-7.7%
Oklahoma	24.4%	-18.8%	88.5%	-21.6%	58.3%	-11.2%	46.9%	-19.4%
Oregon	72.2%	-13.4%	22.1%	-6.9%	17.5%	-1.8%	27.2%	-8.2%
Pennsylvania	8.0%	-18.8%	10.7%	-9.2%	17.5%	-4.8%	19.4%	-9.3%
Rhode Island	7.3%	-24.1%	12.7%	-15.7%	41.6%	-15.0%	14.6%	-25.6%
South Carolina	47.5%	-51.2%	38.3%	-34.2%	23.6%	-29.6%	28.7%	-41.5%
South Dakota	49.8%	-23.3%	101.3%	-4.6%	46.6%	-2.5%	16.3%	-11.7%
Tennessee	27.5%	-24.0%	12.2%	-6.9%	9.9%	-9.0%	5.8%	-5.9%
Texas	53.2%	-14.7%	14.6%	-7.2%	16.9%	-12.7%	19.1%	-17.0%
Utah	49.2%	-2.2%	130.4%	-9.2%	97.1%	0.8%	77.4%	6.7%
Vermont	7.2%	-12.3%	48.1%	-9.9%	58.6%	-12.3%	19.0%	-4.8%
Virginia	26.3%	-10.9%	31.5%	-6.1%	17.0%	-7.6%	14.4%	-8.3%
Washington	152.5%	-43.8%	27.6%	-7.8%	15.2%	-3.9%	25.7%	-7.6%
West Virginia	45.3%	-54.4%	15.0%	-32.2%	14.4%	-38.6%	14.2%	-49.8%
Wisconsin	26.7%	10.2%	72.7%	-1.6%	95.7%	-2.2%	186.3%	-12.4%
Wyoming	59.6%	-25.7%	46.3%	-16.6%	24.4%	-17.6%	24.4%	-17.6%

Source: GAO analysis.

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Appendix VII: Possible Average Allocations under Alternative Formulas for H.R. 1261 Youth Program, Program Years 1999 to 2003

State	Actual average allocation	HY_1 Average allocation under HY_1	HY_1 Difference between actual and HY_1	HY_2 Average allocation under HY_2	HY_2 Difference between actual and HY_2	HY_3 Average allocation under HY_3	HY_3 Difference between actual and HY_3
	a	b	(b-a)/a	c	(c-a)/a	d	(d-a)/a
Alabama	16,865,000	18,579,000	10.2%	18,194,000	7.9%	16,363,000	-3.0%
Alaska	3,612,000	3,164,000	-12.4%	3,164,000	-12.4%	3,164,000	-12.4%
Arizona	17,611,000	21,201,000	20.4%	22,847,000	29.7%	19,811,000	12.5%
Arkansas	10,221,000	12,176,000	19.1%	11,189,000	9.5%	10,026,000	-1.9%
California	165,782,000	135,503,000	-18.3%	139,181,000	-16.0%	154,562,000	-6.8%
Colorado	7,175,000	12,302,000	71.5%	12,726,000	77.4%	13,147,000	83.2%
Connecticut	8,567,000	7,416,000	-13.4%	7,411,000	-13.5%	8,399,000	-2.0%
Delaware	2,880,000	3,080,000	6.9%	3,080,000	6.9%	3,080,000	6.9%
District of Columbia	4,189,000	3,185,000	-24.0%	3,185,000	-24.0%	3,380,000	-19.3%
Florida	41,012,000	45,103,000	10.0%	49,379,000	20.4%	46,472,000	13.3%
Georgia	20,391,000	29,386,000	44.1%	30,111,000	47.7%	25,672,000	25.9%
Hawaii	5,473,000	4,889,000	-10.7%	3,850,000	-29.7%	3,804,000	-30.5%
Idaho	4,193,000	5,376,000	28.2%	5,103,000	21.7%	4,240,000	1.1%
Illinois	46,862,000	41,503,000	-11.4%	40,148,000	-14.3%	48,176,000	2.8%
Indiana	13,214,000	15,977,000	20.9%	15,487,000	17.2%	14,702,000	11.3%
Iowa	3,745,000	6,626,000	76.9%	6,935,000	85.2%	7,720,000	106.1%
Kansas	4,727,000	7,379,000	56.1%	7,451,000	57.6%	8,347,000	76.6%
Kentucky	16,263,000	15,877,000	-2.4%	15,499,000	-4.7%	14,878,000	-8.5%
Louisiana	22,911,000	24,973,000	9.0%	23,474,000	2.5%	20,032,000	-12.6%
Maine	3,715,000	3,290,000	-11.4%	3,249,000	-12.5%	3,941,000	6.1%
Maryland	13,637,000	13,506,000	-1.0%	12,812,000	-6.1%	16,368,000	20.0%
Massachusetts	14,415,000	15,900,000	10.3%	15,536,000	7.8%	18,030,000	25.1%
Michigan	33,003,000	33,460,000	1.4%	33,339,000	1.0%	33,734,000	2.2%
Minnesota	9,437,000	10,280,000	8.9%	11,348,000	20.2%	13,932,000	47.6%
Mississippi	14,817,000	14,396,000	-2.8%	13,495,000	-8.9%	11,579,000	-21.9%
Missouri	15,324,000	16,255,000	6.1%	17,266,000	12.7%	18,818,000	22.8%

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Appendix VII: Possible Average Allocations under Alternative Formulas for H.R. 1261 Youth Program, Program Years 1999 to 2003 (continued)

State	Actual average allocation	HY_1 Average allocation under HY_1	HY_1 Difference between actual and HY_1	HY_2 Average allocation under HY_2	HY_2 Difference between actual and HY_2	HY_3 Average allocation under HY_3	HY_3 Difference between actual and HY_3
	a	b	(b-a)/a	c	(c-a)/a	d	(d-a)/a
Montana	3,818,000	3,285,000	-14.0%	3,324,000	-12.9%	3,227,000	-15.5%
Nebraska	2,880,000	3,937,000	36.7%	4,259,000	47.9%	5,795,000	101.2%
Nevada	4,591,000	6,444,000	40.4%	6,573,000	43.2%	5,424,000	18.2%
New Hampshire	2,880,000	3,080,000	6.9%	3,080,000	6.9%	3,080,000	6.9%
New Jersey	26,366,000	23,667,000	-10.2%	22,669,000	-14.0%	22,471,000	-14.8%
New Mexico	9,777,000	8,221,000	-15.9%	8,574,000	-12.3%	8,091,000	-17.2%
New York	79,461,000	70,580,000	-11.2%	69,501,000	-12.5%	72,043,000	-9.3%
North Carolina	19,504,000	24,309,000	24.6%	25,334,000	29.9%	23,020,000	18.0%
North Dakota	2,880,000	3,080,000	6.9%	3,080,000	6.9%	3,080,000	6.9%
Ohio	43,311,000	37,834,000	-12.6%	35,964,000	-17.0%	36,098,000	-16.7%
Oklahoma	9,137,000	11,591,000	26.9%	12,171,000	33.2%	12,432,000	36.1%
Oregon	14,093,000	12,433,000	-11.8%	11,960,000	-15.1%	11,285,000	-19.9%
Pennsylvania	36,563,000	37,352,000	2.2%	34,276,000	-6.3%	36,216,000	-0.9%
Rhode Island	2,949,000	3,080,000	4.4%	3,080,000	4.4%	3,749,000	27.1%
South Carolina	14,002,000	14,217,000	1.5%	14,411,000	2.9%	13,217,000	-5.6%
South Dakota	2,880,000	3,080,000	6.9%	3,080,000	6.9%	3,080,000	6.9%
Tennessee	19,585,000	21,017,000	7.3%	19,991,000	2.1%	23,054,000	17.7%
Texas	89,107,000	91,788,000	3.0%	95,819,000	7.5%	78,014,000	-12.4%
Utah	3,508,000	6,801,000	93.8%	6,447,000	83.7%	5,954,000	69.7%
Vermont	2,880,000	3,080,000	6.9%	3,080,000	6.9%	3,080,000	6.9%
Virginia	15,122,000	18,387,000	21.6%	17,682,000	16.9%	17,051,000	12.8%
Washington	24,483,000	21,259,000	-13.2%	19,378,000	-20.9%	18,007,000	-26.5%
West Virginia	10,183,000	9,474,000	-7.0%	8,191,000	-19.6%	8,360,000	-17.9%
Wisconsin	10,832,000	11,855,000	9.4%	13,252,000	22.3%	12,429,000	14.7%
Wyoming	2,880,000	3,080,000	6.9%	3,080,000	6.9%	3,080,000	6.9%

Source: GAO analysis.

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Appendix VIII: Possible Largest and Smallest Year-to-Year Increases under Alternative H.R.1261 Youth Formulas, Program Years 1999 to 2003

	Actual allocations		Alternative HY 1		Alternative HY 2		Alternative HY 3	
Overall volatility	0.186%		0.165%		0.180%		0.171%	
State	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase
Alabama	33.4%	-19.4%	15.6%	-16.7%	13.2%	-11.2%	10.2%	-10.0%
Alaska	26.4%	-20.6%	8.6%	-11.8%	8.6%	-11.8%	8.6%	-11.8%
Arizona	17.7%	-10.0%	21.9%	-13.8%	16.2%	-17.0%	15.1%	-15.7%
Arkansas	5.3%	-16.2%	15.8%	-16.1%	13.6%	-14.6%	12.8%	-15.0%
California	5.2%	-17.3%	7.4%	-13.5%	11.5%	-13.4%	10.6%	-13.5%
Colorado	14.7%	-10.0%	30.0%	-6.2%	30.0%	-10.8%	30.0%	-10.4%
Connecticut	23.5%	-20.6%	-0.8%	-12.5%	-0.8%	-15.4%	8.6%	-13.0%
Delaware	35.6%	-20.6%	20.0%	-11.8%	20.0%	-11.8%	20.0%	-11.8%
District of Columbia	20.0%	-20.6%	6.8%	-11.8%	6.8%	-11.8%	8.9%	-10.0%
Florida	9.5%	-5.5%	10.2%	-11.8%	12.5%	-13.6%	11.7%	-15.5%
Georgia	9.4%	-12.8%	30.0%	-16.5%	30.0%	-15.6%	20.1%	-14.0%
Hawaii	11.5%	-20.6%	10.7%	-17.7%	-0.8%	-13.6%	-0.8%	-15.7%
Idaho	12.9%	-20.6%	20.0%	-15.2%	17.1%	-11.2%	14.7%	-9.5%
Illinois	21.3%	-16.9%	14.6%	-9.8%	11.7%	-10.0%	13.7%	-11.5%
Indiana	23.5%	-10.0%	14.5%	-10.1%	15.3%	-12.2%	14.0%	-8.7%
Iowa	23.5%	-10.0%	30.0%	-15.7%	30.0%	-20.2%	38.6%	-19.1%
Kansas	35.0%	-10.5%	30.0%	-10.7%	30.0%	-9.2%	37.6%	-12.8%
Kentucky	10.4%	-8.1%	11.1%	-10.0%	6.7%	-10.0%	7.3%	-10.0%
Louisiana	21.3%	-20.6%	10.7%	-16.0%	7.5%	-10.5%	7.5%	-11.2%
Maine	7.8%	-20.6%	5.5%	-10.0%	4.6%	-10.0%	5.5%	-3.2%
Maryland	23.9%	-15.1%	18.1%	-5.7%	17.4%	-10.0%	20.2%	-7.9%
Massachusetts	23.5%	-20.6%	17.9%	-10.0%	22.8%	-10.0%	17.9%	-2.5%
Michigan	30.0%	-9.6%	12.8%	-9.3%	11.4%	-13.8%	10.9%	-14.7%
Minnesota	23.5%	-20.6%	14.0%	-3.2%	13.1%	-14.0%	30.0%	-13.9%
Mississippi	38.0%	-20.6%	11.0%	-15.3%	6.6%	-7.9%	4.0%	-10.0%
Missouri	6.8%	-10.0%	9.4%	-7.2%	10.1%	-6.0%	22.9%	-6.0%

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Appendix VIII: Possible Largest and Smallest Year-to-Year Increases under Alternative H.R.1261 Youth Formulas, Program Years 1999 to 2003 (continued)

	Actual Allocations		Alternative HY 1		Alternative HY 2		Alternative HY 3	
Overall Volatility	0.186%		0.165%		0.180%		0.171%	
State	Largest % Increase	Smallest % Increase	Largest % Increase	Smallest % Increase	Largest % Increase	Smallest % Increase	Largest % Increase	Smallest % Increase
Montana	16.6%	-20.6%	13.6%	-19.6%	14.1%	-16.6%	12.9%	-18.5%
Nebraska	35.6%	-20.6%	30.0%	-5.2%	30.0%	-10.9%	43.2%	-1.8%
Nevada	23.5%	-10.0%	24.7%	-8.4%	22.2%	-7.0%	20.9%	-4.8%
New Hampshire	35.6%	-20.6%	14.5%	-11.8%	14.5%	-11.8%	14.5%	-11.8%
New Jersey	23.5%	-20.6%	1.2%	-14.1%	-0.8%	-16.1%	-0.8%	-20.6%
New Mexico	10.6%	-20.6%	-0.8%	-10.0%	0.5%	-10.0%	-0.8%	-12.1%
New York	11.4%	-15.5%	4.9%	-15.4%	7.0%	-12.4%	7.7%	-11.7%
North Carolina	33.6%	-5.1%	30.0%	-3.3%	30.0%	-7.9%	30.0%	-8.4%
North Dakota	35.6%	-20.6%	20.0%	-11.8%	20.0%	-11.8%	20.0%	-11.8%
Ohio	17.9%	-14.5%	11.3%	-14.4%	10.1%	-10.7%	9.9%	-10.0%
Oklahoma	29.9%	-17.9%	30.0%	-8.7%	30.0%	-10.6%	30.0%	-19.4%
Oregon	18.7%	-7.2%	10.5%	-8.6%	9.7%	-11.0%	6.6%	-10.5%
Pennsylvania	11.2%	-16.0%	5.1%	-9.8%	8.8%	-12.0%	9.0%	-10.1%
Rhode Island	33.8%	-20.6%	10.2%	-11.8%	10.2%	-11.8%	18.2%	-3.6%
South Carolina	23.5%	-10.0%	9.6%	-10.0%	10.2%	-10.9%	9.9%	-10.0%
South Dakota	35.6%	-20.6%	20.0%	-11.8%	20.0%	-11.8%	20.0%	-11.8%
Tennessee	8.3%	-13.2%	10.5%	-9.0%	5.1%	-4.1%	19.8%	-7.5%
Texas	11.1%	-9.1%	14.8%	-13.3%	10.4%	-10.2%	10.1%	-10.0%
Utah	20.3%	-9.2%	43.2%	-7.0%	43.2%	-11.9%	36.1%	-10.1%
Vermont	35.6%	-20.6%	20.0%	-11.8%	20.0%	-11.8%	20.0%	-11.8%
Virginia	23.5%	-13.7%	9.4%	-4.4%	11.4%	-7.7%	10.9%	-7.5%
Washington	32.3%	-10.0%	13.1%	-10.0%	10.6%	-10.0%	4.2%	-10.0%
West Virginia	8.3%	-20.6%	11.0%	-14.4%	5.3%	-13.6%	4.6%	-13.2%
Wisconsin	33.4%	-5.9%	19.1%	-7.5%	28.2%	-13.6%	24.3%	-5.5%
Wyoming	35.6%	-20.6%	20.0%	-11.8%	20.0%	-11.8%	20.0%	-11.8%

Source: GAO analysis.

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Appendix IX: Possible Average Allocations under Alternative Formulas for H.R. 1261 Comprehensive Adult Program, Program Years 1999 – 2003

State	Actual average allocation	HC_1 Average allocation under HC_1	HC_1 Difference between actual and HC_1	HC_2 Average allocation under HC_2	HC_2 Difference between actual and HC_2	HC_3 Average allocation under HC_3	HC_3 Difference between actual and HC_3
	a	b	(b-a)/a	c	(c-a)/a	d	(d-a)/a
Alabama	42,772,000	42,615,000	-0.4%	45,620,000	6.7%	39,039,000	-8.7%
Alaska	18,942,000	13,208,000	-30.3%	13,208,000	-30.3%	13,208,000	-30.3%
Arizona	40,970,000	45,296,000	10.6%	47,148,000	15.1%	44,075,000	7.6%
Arkansas	25,070,000	25,459,000	1.6%	27,243,000	8.7%	23,661,000	-5.6%
California	483,194,000	401,610,000	-16.9%	381,766,000	-21.0%	422,715,000	-12.5%
Colorado	25,372,000	32,040,000	26.3%	35,693,000	40.7%	30,936,000	21.9%
Connecticut	22,655,000	25,728,000	13.6%	26,649,000	17.6%	28,314,000	25.0%
Delaware	6,375,000	8,657,000	35.8%	8,657,000	35.8%	8,657,000	35.8%
District of Columbia	15,275,000	10,125,000	-33.7%	10,125,000	-33.7%	10,889,000	-28.7%
Florida	118,232,000	138,370,000	17.0%	147,078,000	24.4%	129,852,000	9.8%
Georgia	57,986,000	70,038,000	20.8%	75,725,000	30.6%	71,744,000	23.7%
Hawaii	15,665,000	13,704,000	-12.5%	11,993,000	-23.4%	13,382,000	-14.6%
Idaho	15,795,000	13,944,000	-11.7%	12,948,000	-18.0%	11,345,000	-28.2%
Illinois	128,769,000	130,009,000	1.0%	114,901,000	-10.8%	118,245,000	-8.2%
Indiana	37,848,000	45,318,000	19.7%	48,967,000	29.4%	47,826,000	26.4%
Iowa	15,208,000	19,092,000	25.5%	23,389,000	53.8%	24,045,000	58.1%
Kansas	16,772,000	22,713,000	35.4%	23,438,000	39.7%	21,426,000	27.7%
Kentucky	36,971,000	38,084,000	3.0%	41,340,000	11.8%	41,268,000	11.6%
Louisiana	60,013,000	48,164,000	-19.7%	49,483,000	-17.5%	47,173,000	-21.4%
Maine	10,708,000	11,236,000	4.9%	11,745,000	9.7%	12,390,000	15.7%
Maryland	43,508,000	48,141,000	10.6%	45,383,000	4.3%	43,378,000	-0.3%
Massachusetts	41,111,000	48,636,000	18.3%	52,455,000	27.6%	52,749,000	28.3%
Michigan	82,589,000	91,258,000	10.5%	89,719,000	8.6%	93,400,000	13.1%
Minnesota	30,629,000	35,871,000	17.1%	39,776,000	29.9%	42,894,000	40.0%
Mississippi	38,496,000	29,698,000	-22.9%	30,924,000	-19.7%	27,739,000	-27.9%
Missouri	43,049,000	48,341,000	12.3%	50,711,000	17.8%	52,316,000	21.5%

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Appendix IX: Possible Average Allocations under Alternative Formulas for H.R. 1261 Comprehensive Adult Program, Program Years 1999 to 2003 (cont'd.)

State	Actual average allocation a	HC_1 Average allocation under HC_1 b	HC_1 Difference between actual and HC_1 (b-a)/a	HC_2 Average allocation under HC_2 c	HC_2 Difference between actual and HC_2 (c-a)/a	HC_3 Average allocation under HC_3 d	HC_3 Difference between actual and HC_3 (d-a)/a
Montana	14,000,000	10,474,000	-25.2%	10,009,000	-28.5%	9,627,000	-31.2%
Nebraska	11,569,000	11,226,000	-3.0%	13,721,000	18.6%	13,236,000	14.4%
Nevada	15,675,000	18,309,000	16.8%	16,893,000	7.8%	14,794,000	-5.6%
New Hampshire	7,457,000	9,108,000	22.2%	9,458,000	26.8%	9,067,000	21.6%
New Jersey	73,749,000	82,610,000	12.0%	76,875,000	4.2%	75,370,000	2.2%
New Mexico	31,553,000	22,296,000	-29.3%	22,369,000	-29.1%	24,088,000	-23.7%
New York	232,747,000	199,754,000	-14.2%	200,368,000	-13.9%	230,503,000	-1.0%
North Carolina	61,182,000	68,432,000	11.9%	72,012,000	17.7%	66,859,000	9.3%
North Dakota	9,078,000	8,657,000	-4.6%	8,657,000	-4.6%	8,657,000	-4.6%
Ohio	101,905,000	109,168,000	7.1%	103,970,000	2.0%	106,347,000	4.4%
Oklahoma	23,591,000	26,237,000	11.2%	31,843,000	35.0%	28,921,000	22.6%
Oregon	49,344,000	42,781,000	-13.3%	35,886,000	-27.3%	32,098,000	-34.9%
Pennsylvania	104,289,000	117,472,000	12.6%	110,981,000	6.4%	112,480,000	7.9%
Rhode Island	8,016,000	9,487,000	18.4%	9,206,000	14.8%	11,820,000	47.5%
South Carolina	34,087,000	37,530,000	10.1%	39,040,000	14.5%	35,160,000	3.1%
South Dakota	8,728,000	8,657,000	-0.8%	8,657,000	-0.8%	8,657,000	-0.8%
Tennessee	46,413,000	50,518,000	8.8%	54,066,000	16.5%	55,889,000	20.4%
Texas	204,281,000	213,468,000	4.5%	213,314,000	4.4%	197,730,000	-3.2%
Utah	17,492,000	17,771,000	1.6%	17,760,000	1.5%	16,068,000	-8.1%
Vermont	6,064,000	8,579,000	41.5%	8,579,000	41.5%	8,579,000	41.5%
Virginia	41,676,000	46,138,000	10.7%	57,242,000	37.3%	51,702,000	24.1%
Washington	73,970,000	68,357,000	-7.6%	58,373,000	-21.1%	61,855,000	-16.4%
West Virginia	32,977,000	22,039,000	-33.2%	22,464,000	-31.9%	22,648,000	-31.3%
Wisconsin	37,572,000	47,368,000	26.1%	45,968,000	22.3%	38,970,000	3.7%
Wyoming	7,770,000	8,657,000	11.4%	8,657,000	11.4%	8,657,000	11.4%

Source: GAO analysis.

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Appendix X: Possible Largest and Smallest Year-to-Year Increases under Alternative H.R.1261 Adult Formulas, Program Years 1999 to 2003

	Actual allocations		Alternative HC 1		Alternative HC 2		Alternative HC 3	
Overall volatility	0.185%		0.149%		0.126%		0.121%	
State	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase
Alabama	21.6%	-12.0%	18.8%	-14.8%	15.2%	-8.0%	6.4%	-6.6%
Alaska	29.8%	-31.5%	-4.9%	-14.8%	-4.9%	-14.8%	-4.9%	-14.8%
Arizona	18.9%	-14.1%	22.1%	-7.6%	18.2%	-0.9%	6.4%	-2.0%
Arkansas	8.6%	-19.9%	8.6%	-13.6%	9.8%	-6.6%	5.4%	-6.9%
California	10.6%	-13.2%	-0.1%	-9.1%	-1.8%	-9.2%	4.6%	-9.3%
Colorado	32.9%	-6.1%	23.1%	-8.6%	31.3%	-2.5%	22.8%	-6.6%
Connecticut	0.6%	-15.4%	8.5%	-11.1%	4.2%	-10.0%	2.3%	-10.0%
Delaware	8.6%	-15.3%	31.0%	-5.3%	31.0%	-5.3%	31.0%	-5.3%
District of Columbia	32.3%	-38.8%	-4.9%	-11.1%	-4.9%	-11.1%	4.7%	-10.0%
Florida	20.7%	-4.0%	14.2%	-2.3%	15.0%	-1.9%	11.8%	-5.6%
Georgia	9.1%	-6.9%	20.0%	-4.2%	26.0%	-0.9%	28.5%	-3.9%
Hawaii	23.8%	-32.0%	12.9%	-14.8%	-4.9%	-12.6%	6.8%	-9.7%
Idaho	20.0%	-14.1%	12.1%	-13.4%	3.4%	-9.1%	-4.9%	-11.1%
Illinois	48.7%	-20.6%	10.3%	-10.6%	15.7%	-7.0%	17.0%	-11.5%
Indiana	23.3%	-6.1%	15.2%	-1.9%	13.9%	-0.2%	9.1%	4.8%
Iowa	1.4%	-6.5%	14.7%	-10.0%	30.5%	-2.2%	29.0%	-1.4%
Kansas	12.8%	-5.2%	31.3%	-5.2%	31.3%	-4.5%	27.1%	-0.8%
Kentucky	12.8%	-18.0%	4.5%	-12.5%	8.2%	-9.1%	7.7%	-9.1%
Louisiana	45.8%	-32.9%	9.0%	-14.8%	4.0%	-9.1%	-0.5%	-9.1%
Maine	5.1%	-13.8%	6.6%	-11.1%	5.1%	-5.0%	5.0%	-2.0%
Maryland	19.7%	-11.2%	31.3%	-14.8%	9.2%	-8.3%	8.2%	-7.0%
Massachusetts	10.0%	-10.0%	23.1%	-2.8%	11.2%	-2.5%	10.7%	-1.5%
Michigan	30.9%	-3.9%	27.5%	-8.8%	11.2%	-9.3%	21.9%	-6.8%
Minnesota	11.4%	-6.2%	22.9%	-6.5%	14.8%	-3.9%	18.7%	-0.2%
Mississippi	68.1%	-21.8%	18.0%	-11.1%	8.4%	-4.5%	0.8%	-5.8%
Missouri	15.5%	-10.1%	21.8%	-10.0%	20.5%	-3.3%	21.8%	-4.2%

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Appendix X: Possible Largest and Smallest Year-to-Year Increases under Alternative H.R.1261 Adult Formulas, Program Years 1999 to 2003 (continued)

	Actual allocations		Alternative HC 1		Alternative HC 2		Alternative HC 3	
Overall volatility	0.185%		0.149%		0.126%		0.121%	
State	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase	Largest % increase	Smallest % increase
Montana	20.5%	-24.1%	10.0%	-14.8%	2.7%	-14.7%	3.0%	-9.1%
Nebraska	5.5%	-1.9%	12.2%	-12.3%	15.0%	-4.5%	18.0%	-2.7%
Nevada	22.4%	-8.2%	14.9%	-7.0%	8.9%	0.4%	7.8%	-9.1%
New Hampshire	9.0%	-11.2%	18.0%	-0.2%	7.8%	2.6%	7.2%	0.0%
New Jersey	7.6%	-10.7%	5.0%	-9.5%	1.2%	-10.0%	-0.1%	-10.0%
New Mexico	24.9%	-36.6%	-4.9%	-14.8%	-4.9%	-10.0%	8.5%	-14.3%
New York	15.0%	-20.4%	0.2%	-11.1%	-2.4%	-9.1%	10.0%	-9.1%
North Carolina	32.4%	0.5%	28.4%	-0.3%	31.3%	4.4%	31.3%	0.6%
North Dakota	7.0%	-4.7%	5.7%	-5.3%	5.7%	-5.3%	5.7%	-5.3%
Ohio	8.3%	-3.5%	11.0%	-7.8%	14.4%	-3.3%	8.2%	-4.9%
Oklahoma	14.5%	-10.3%	18.1%	-11.1%	31.3%	-5.6%	31.3%	-6.7%
Oregon	38.8%	-4.5%	17.9%	-4.2%	11.3%	-9.1%	1.8%	-9.1%
Pennsylvania	8.0%	-7.5%	6.9%	-9.4%	10.8%	-9.1%	10.8%	-6.5%
Rhode Island	-0.8%	-13.5%	6.0%	-7.3%	4.6%	-5.3%	12.3%	1.1%
South Carolina	23.1%	-24.7%	8.5%	-9.1%	4.8%	-9.1%	0.4%	-9.1%
South Dakota	5.6%	-3.4%	5.7%	-5.3%	5.7%	-5.3%	5.7%	-5.3%
Tennessee	8.9%	-7.1%	6.9%	-11.9%	9.1%	-4.1%	7.4%	-2.8%
Texas	15.2%	-6.4%	10.7%	-7.4%	9.6%	-5.1%	3.3%	-9.1%
Utah	14.0%	-2.6%	22.0%	-9.1%	12.7%	-3.2%	9.0%	-9.1%
Vermont	1.5%	-3.0%	31.3%	-5.3%	31.3%	-5.3%	31.3%	-5.3%
Virginia	12.4%	-7.2%	11.2%	-6.4%	14.4%	-3.0%	8.3%	-2.3%
Washington	73.9%	-27.5%	23.2%	-8.5%	5.9%	-9.1%	12.9%	-9.1%
West Virginia	24.7%	-31.8%	-4.9%	-14.8%	-4.9%	-10.0%	0.5%	-11.1%
Wisconsin	15.8%	1.4%	23.1%	-3.6%	27.3%	-1.2%	22.3%	0.1%
Wyoming	9.3%	-6.4%	9.2%	-5.3%	9.2%	-5.3%	9.2%	-5.3%

Source: GAO analysis.

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Appendix XI: Average Hypothetical Distribution of Funds Under H.R. 1261 Formulas, Program Years 1999 to 2003, if Phase-in Provisions Are Not Applied

	Comprehensive Adult Program		Youth Program	
	5-year average share of available funds, PY99 - PY03		5-year average share of available funds, PY99 - PY03	
	Actual average share of historical allocations	Hypothetical effect of applying proposed formula to historical appropriations, without adjusting for allotment differences	Actual average share of historical allocations	Hypothetical effect of applying proposed formula to historical appropriations, if new formula Is applied to all funds
Alabama	1.57%	1.43%	1.73%	1.72%
Alaska	0.69%	0.58%	0.37%	0.32%
Arizona	1.50%	1.40%	1.81%	1.79%
Arkansas	0.92%	0.91%	1.05%	1.02%
California	17.70%	18.56%	17.03%	13.67%
Colorado	0.93%	1.14%	0.74%	1.27%
Connecticut	0.83%	0.99%	0.88%	0.83%
Delaware	0.23%	0.23%	0.30%	0.32%
District of Columbia	0.56%	0.52%	0.43%	0.33%
Florida	4.33%	4.21%	4.21%	4.86%
Georgia	2.12%	2.14%	2.09%	2.62%
Hawaii	0.57%	0.68%	0.56%	0.40%
Idaho	0.58%	0.52%	0.43%	0.53%
Illinois	4.72%	4.11%	4.81%	4.51%
Indiana	1.39%	1.52%	1.36%	1.91%
Iowa	0.56%	0.71%	0.38%	0.84%
Kansas	0.61%	0.74%	0.49%	0.87%
Kentucky	1.35%	1.33%	1.67%	1.73%
Louisiana	2.20%	2.08%	2.35%	2.05%
Maine	0.39%	0.37%	0.38%	0.40%
Maryland	1.59%	1.50%	1.40%	1.59%
Massachusetts	1.51%	1.62%	1.48%	1.69%
Michigan	3.03%	2.99%	3.39%	3.91%
Minnesota	1.12%	1.30%	0.97%	1.72%
Mississippi	1.41%	1.35%	1.52%	1.27%
Missouri	1.58%	1.56%	1.57%	1.98%

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Appendix XI: Average Hypothetical Distribution of Funds under H.R. 1261 Formulas, PY 1999 to 2003, if Phase-in Provisions Are Not Applied (continued)

	Comprehensive Adult Program		Youth Program	
	5-year average share of available funds, PY99 - PY03		5-year average share of available funds, PY99 - PY03	
	Actual average share of historical allocations	Hypothetical effect of applying proposed formula to historical appropriations, without adjusting for allotment differences	Actual average share of historical allocations	Hypothetical effect of applying proposed formula to historical appropriations, if new formula is applied to all funds
Montana	0.51%	0.49%	0.39%	0.41%
Nebraska	0.42%	0.45%	0.30%	0.51%
Nevada	0.57%	0.58%	0.47%	0.59%
New Hampshire	0.27%	0.30%	0.30%	0.34%
New Jersey	2.70%	2.78%	2.71%	2.51%
New Mexico	1.16%	1.38%	1.00%	0.87%
New York	8.53%	8.43%	8.16%	6.62%
North Carolina	2.24%	2.17%	2.00%	2.44%
North Dakota	0.33%	0.25%	0.30%	0.32%
Ohio	3.73%	3.40%	4.45%	4.23%
Oklahoma	0.86%	0.87%	0.94%	1.19%
Oregon	1.81%	1.89%	1.45%	1.33%
Pennsylvania	3.82%	3.84%	3.76%	4.13%
Rhode Island	0.29%	0.29%	0.30%	0.32%
South Carolina	1.25%	1.27%	1.44%	1.41%
South Dakota	0.32%	0.25%	0.30%	0.32%
Tennessee	1.70%	1.76%	2.01%	1.97%
Texas	7.49%	6.91%	9.15%	8.27%
Utah	0.64%	0.60%	0.36%	0.70%
Vermont	0.22%	0.22%	0.30%	0.32%
Virginia	1.53%	1.70%	1.55%	1.93%
Washington	2.71%	2.46%	2.51%	2.21%
West Virginia	1.21%	1.44%	1.05%	0.81%
Wisconsin	1.38%	1.54%	1.11%	1.79%
Wyoming	0.28%	0.22%	0.30%	0.32%

Source: GAO analysis.

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Appendix XII: Data Sources and Time Lags for Potential New Formula Factors

Factor	Data source	Potential time lag Labor uses most recent data available 6 months before the program year for which funds are allocated
High school dropouts age 16 – 21/24 (3-year moving average)	**Current Population Survey (CPS)** Monthly national survey with annual supplement of about 50,000 scientifically selected households, sponsored by the Bureau of Labor Statistics and Census Bureau. Census Bureau recommends use of three-year moving averages for some state-level annual data. http://www.bls.gov/cps/home.htm	9 months between end of data collection year and beginning of program year (when 3-year moving average is used, time lag is 9 to 33 months)
Jobless out-of-school youth age 16 – 21/24 (3-year moving average)		
Permanent job losers (3-year moving average)		
Civilian labor force Age 16 – 19		
Total unemployed	**Local Area Unemployment Statistics (LAUS)** Bureau of Labor Statistics program that produces monthly estimates of employment and unemployment, at the state and sub-state levels. Applies statistical techniques to several data sources, including the CPS and state Unemployment Insurance records. http://www.bls.gov/lau/home.htm	9 months between end of data collection year and beginning of program year
Civilian labor force		

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Appendix XII: Data Sources and Time Lags for Potential New Formula Factors (continued)

Factor	Data source	Potential time lag Labor uses most recent data available 6 months before the program year for which funds are allocated
Low-income youth under age 18 **Low-income adults age 18 and Older**	**Small Area Income and Poverty Estimates (SAIPE)** Census Bureau program that produces annual estimates of the number of people in poverty at the state and sub-state levels. Applies statistical techniques to several data sources, including the CPS, the decennial census long-form questionnaire, and administrative records. http://www.census.gov/hhes/www/saipe.html	42 months between end of data collection year and beginning of program year
Insured unemployed	**Unemployment Insurance (UI) Weekly Claims Report** Administrative data on all UI claimants submitted weekly by states to the Employment and Training Administration. http://www.ows.doleta.gov/news/news.asp	6 months between end of data collection year and beginning of program year
Workers affected by extended mass layoffs	**Mass Layoff Statistics (MLS)** Data on all workers laid-off as part of extended mass layoffs. States obtain data from employers, and submit them to the Bureau of Labor Statistics. No data reported for states with fewer than three mass layoffs in a year. http://www.bls.gov/mls/home.htm	12 months between end of data collection year and beginning of program year

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Appendix XII: Data Sources and Time Lags for Potential New Formula Factors (continued)

Factor	Data source	Potential time lag Labor uses most recent data available 6 months before the program year for which funds are allocated
Public assistance recipients	**Temporary Assistance for Needy Families (TANF) Annual Report to Congress** Administrative data on all TANF recipients submitted annually by states to Department of Health and Human Services as part of required annual reports. http://www.acf.hhs.gov/programs/ofa/indexar.htm	21 months between end of data collection year and beginning of program year
Youths in foster care age 16 - 21	**Adoption and Foster Care Analysis and Reporting System (AFCARS)** Administrative data on all children served by state foster care systems, submitted semi-annually by states to Department of Health and Human Services. http://www.acf.hhs.gov/programs/cb/dis/index.htm/	21 months between point-in-time data and beginning of program year
Teen Births	**National Vital Statistics System (NVSS)** Federal compilation of data from birth certificates and other records, as reported by states to the National Center for Health Statistics through standardized methods. http://www.cdc.gov/nchs/births.htm	18 months between end of data collection year and beginning of program year

Source: GAO analysis.

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