

U. S. Department of Labor
Employment and Training Administration

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

Formula Descriptions

WIA Youth Activities

Formula:

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

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

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

Minimums:

(a) If total amount available for States is \$1 billion or less:
State allotment cannot be less than

(1) 90% of State relative share of prior year funding

(2) 0.25% of total available funds for States

(b) If total amount available for States exceeds \$1 billion:
State allotment cannot be less than

(1) 90% of State relative share of prior year funding

(2) 1998 allotment amount

(3) 0.3% of first \$1 billion plus 0.4% of amount over \$1 billion

Maximum:

130% of State relative share of prior year funding

WIA Adult Activities

Same as Youth Activities, except

(a) Formula uses economically disadvantaged ADULTS instead of YOUTH

(b) Threshold for selecting minimum provisions is \$960 million instead of \$1 billion

WIA Dislocated Workers

Formula:

1/3: State relative share of total unemployed (average 12 months ending 09/30)

1/3: State relative share of excess unemployed (average 12 months ending 09/30)

1/3: State relative share of long-term unemployed (average 12 months ending 09/30)

Minimum: none

Maximum: none

Employment Service (Wagner-Peyser Act)

Formula for 97% of funds:

2/3: State relative share of civilian labor force (average 12 months ending 9/30 (preliminary) or 12/31 (final))

1/3: State relative share of total unemployment (average 12 months ending 9/30 (preliminary) or 12/31 (final))

Minimums:

(a) 90% of State relative share of prior year funding

(b) 0.28% of total available funds for States

Maximum:

Distribution of 3% of funds:

(1) States with civilian labor force below 1 million and under the national median civilian labor force density receive an amount which when added to their share of the 97% portion will result in an amount equal to 100% of their relative share of the prior year funding

(2) Remaining States losing in relative share receive a share of the remaining funds prorated based on the amount needed to achieve 100% of their relative share of prior year funding.

Formula Data Factor Definitions

WIA Youth and Adults Programs

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

Excess unemployed: higher of:

(1) excess unemployed (unemployment in excess of 4.5%) in ASU's; or

(2) excess unemployed (unemployment in excess of 4.5%) in all areas

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

OMB poverty level or

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

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

OMB poverty level or

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

WIA Dislocated Workers Program

Excess unemployed: unemployment in excess of 4.5%

Long-term unemployed: number unemployed 15 or more weeks

Employment Service (Wagner-Peyser):

Self-explanatory