

U. S. Department of Labor  
Employment and Training Administration

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

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### State Allotment Formula Descriptions

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#### 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 percent of state relative share of prior year funding
  - (2) 0.25 percent of total available funds for states
- (b) If total amount available for states exceeds \$1 billion:  
State allotment cannot be less than
  - (1) 90 percent of state relative share of prior year funding
  - (2) 1998 allotment amount
  - (3) 0.3 percent of first \$1 billion plus 0.4 percent 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 percent of state relative share of prior year funding
- (b) 0.28 percent 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 percent portion, will result in an amount equal to 100 percent 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 percent of their relative share of prior year funding.

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### Formula Data Factor Definitions

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#### WIA Youth and Adults Programs

ASU: contiguous areas with unemployment rate of 6.5 percent or more excess unemployed. Higher of:

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

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

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

#### WIA Dislocated Workers Program

Excess unemployed: unemployment in excess of 4.5 percent

Long-term unemployed: number unemployed 15 or more weeks

#### Employment Service (Wagner-Peyser) - Self-explanatory