

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION WIOA - DW
	CORRESPONDENCE SYMBOL OWI
	DATE April 29, 2020

ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 19-19

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE LIAISONS

FROM: JOHN PALLASCH 
Assistant Secretary

SUBJECT: Reallocation of Workforce Innovation and Opportunity Act (WIOA) Title I Formula-Allotted Funds for Dislocated Worker (DW) Activities for Program Year (PY 2019)

1. **Purpose.** To provide adjusted funding levels for PY 2019 allotments for the DW program under WIOA Title I Section 132(c) on recapture and reallocation.
2. **Action Requested.** Distribute this guidance letter to the appropriate WIOA staff.
3. **Summary and Background.**
 - a. Summary – This document provides grantees with notification and guidance associated with recapture and reallocation of Dislocated Worker funding from PY 2019 allotments.
 - b. Background - WIOA Sections 127(c) and 132(c) require the Secretary of Labor (Secretary) to conduct reallocation of excess unobligated WIOA Adult, Youth, and DW formula funds based on ETA 9130 financial reports submitted at the end of the prior program year. TEGL 16-17, announcing the DW allotment levels for PY 2018, alerted states to the recapture and reallocation of funds provisions, and notified states that any recapture/reallocation of funds based on obligation of PY 2018 DW funding would impact PY 2019 DW allotments.

In the FY 2019 Appropriations Act, Congress appropriated DW PY 2019 funds in two portions: 1) funds available for obligation July 1, 2019 (i.e., PY 2019 “base” funds), and 2) funds available for obligation October 1, 2019 (i.e., FY 2020 “advance” funds). Together, these two portions make up the total PY 2019 WIOA funding. TEGL 16-18 announced the DW allotment levels for PY 2019.

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4. **Recapture and Reallotment.**

- a. **Recapture and Reallotment Requirement.** The WIOA Regulation at 20 CFR 683.135 describes the procedures the Secretary uses for recapture and reallotment of funds. ETA will not recapture any PY 2019 funds for the Adult and Youth programs because there are no states where PY 2018 unobligated funds exceed 20 percent of the allotment for that program year for those programs. For the Dislocated Worker program, however, Puerto Rico had unobligated PY 2018 funds in excess of 20 percent of its allotment. Therefore, ETA will recapture a total of \$2,677,483 from PY 2019 funding from Puerto Rico and reallot those funds to the remaining eligible states, as required by WIOA Section 132(c).
- b. **Notice of Award (NOA) Adjustment.** ETA will issue NOAs for the states to reflect the recapture and reallotment of these funds. The adjustment of funds will be made to the FY 2020 advance portion of the PY 2019 allotments, which ETA issued in October 2019. The attached tables display the changes to PY 2019 formula allotments and a description of the reallotment methodology.
- c. **Procedures and Reporting.** Neither WIOA statutory language, nor WIOA regulatory language provides specific requirements by which states must distribute reallotted funds, so states have flexibility to determine the methodology used.

For any state subject to recapture of funds, WIOA Section 132(c)(5) requires the Governor to prescribe equitable procedures for reacquiring funds from the state and local areas.

As mentioned in Section 4.a of this TEGL, the recapture/reallotment adjustments will be made to the FY 2020 advance portion of the PY 2019 allotment. Therefore, for reporting purposes, states must reflect the recapture/reallotment amount (decrease or increase) in the “Total Federal Funds Authorized” line of any affected FY 2020 ETA 9130 financial reports (State Dislocated Worker Activities, Statewide Rapid Response, Local Dislocated Worker Activities) in a manner consistent with the method of distribution of these amounts to state and local areas used by the state. The state must include an explanation of the adjustment in the remarks section of the adjusted reports.

5. **Inquiries.** Please direct questions regarding the revised allotments to the appropriate regional office.

6. **References.**

- Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019, Public Law (Pub.L.) 115-245 (Fiscal Year (FY) 2019 Appropriations Act);
- Workforce Innovation and Opportunity Act Section 132(c), P.L. 113-128, 29 U.S.C. 3172(c);
- WIOA Regulations at 20 CFR 683.135

- Training and Employment Guidance Letter (TEGL) 16-18, *Workforce Innovation and Opportunity Act (WIOA) Adult, Dislocated Worker and Youth Activities Program Allotments for Program Year (PY) 2019; Final PY 2019 Allotments for the Wagner-Peyser Act Employment Service (ES) Program Allotments; and Workforce Information Grants to States Allotments for PY 2019; and*
- TEGL 16-17, *Workforce Innovation and Opportunity Act (WIOA) Adult, Dislocated Worker and Youth Activities Program Allotments for Program Year (PY) 2018; final allotments for PY 2018 for the Wagner-Peyser ES Program Allotments; and the Allotments of Workforce Information Grants to States for PY 2018.*

7. Attachments.

- Attachment I - WIOA Dislocated Worker Activities, PY 2019 Reallotment to States
- Attachment II - WIOA Dislocated Worker Activities, PY 2019 Revised Allotments with Reallotment – PY/FY Split

**U.S. DEPARTMENT OF LABOR
Employment and Training Administration
WIOA Dislocated Worker Activities
PY 2019 Reallotment to States**

	Calculating Reallotment Amount			Impact on PY 2019 Allotments		
	Excess Unobligated PY 2018 Funds to be Recaptured from PY 2019 funds	Eligible States' PY 2018 ^{1/} Dislocated Worker Allotments	Reallotment Amount for Eligible States (Based on eligible states' share of PY 2018 Allotments)	Total Original PY 2019 Allotments Before Reallotment	Recapture/ Reallotment Adjustment to PY 2019 Allotments	Revised Total PY 2019 Allotments
Alabama	0	19,403,477	52,149	18,309,732	52,149	18,361,881
Alaska	0	4,931,804	13,255	6,399,704	13,255	6,412,959
Arizona **	0	23,325,333	62,689	30,267,873	62,689	30,330,562
Arkansas	0	6,424,584	17,267	6,221,613	17,267	6,238,880
California	0	155,293,670	417,368	147,659,670	417,368	148,077,038
Colorado	0	10,206,542	27,431	10,049,482	27,431	10,076,913
Connecticut	0	14,714,935	39,548	14,170,098	39,548	14,209,646
Delaware	0	2,469,027	6,636	2,403,520	6,636	2,410,156
District of Columbia	0	6,506,323	17,486	8,442,862	17,486	8,460,348
Florida	0	53,879,224	144,806	52,151,777	144,806	52,296,583
Georgia	0	40,579,379	109,061	38,513,750	109,061	38,622,811
Hawaii	0	1,625,873	4,370	1,605,251	4,370	1,609,621
Idaho	0	1,975,683	5,310	1,957,840	5,310	1,963,150
Illinois	0	63,122,436	169,648	59,460,547	169,648	59,630,195
Indiana	0	14,131,852	37,981	13,667,363	37,981	13,705,344
Iowa	0	4,157,398	11,173	4,118,716	11,173	4,129,889
Kansas	0	4,687,349	12,598	4,621,465	12,598	4,634,063
Kentucky	0	17,824,530	47,905	16,798,451	47,905	16,846,356
Louisiana	0	20,809,229	55,927	21,222,160	55,927	21,278,087
Maine	0	2,691,605	7,234	2,599,954	7,234	2,607,188
Maryland	0	15,388,755	41,359	15,269,819	41,359	15,311,178
Massachusetts	0	15,932,959	42,821	15,775,499	42,821	15,818,320
Michigan	0	30,030,680	80,711	28,899,538	80,711	28,980,249
Minnesota	0	8,735,306	23,477	8,623,538	23,477	8,647,015
Mississippi	0	12,819,787	34,454	12,825,657	34,454	12,860,111
Missouri	0	14,197,509	38,157	13,734,131	38,157	13,772,288
Montana	0	1,566,557	4,210	1,586,432	4,210	1,590,642
Nebraska	0	2,406,312	6,467	2,406,131	6,467	2,412,598
Nevada	0	13,969,031	37,543	14,017,016	37,543	14,054,559
New Hampshire	0	1,764,499	4,742	1,776,723	4,742	1,781,465
New Jersey	0	32,143,202	86,388	31,170,385	86,388	31,256,773
New Mexico **	0	13,715,866	36,863	17,798,250	36,863	17,835,113
New York	0	51,705,216	138,963	50,835,990	138,963	50,974,953
North Carolina	0	30,287,711	81,401	29,115,622	81,401	29,197,023
North Dakota	0	814,876	2,190	825,733	2,190	827,923
Ohio	0	39,817,416	107,013	38,626,510	107,013	38,733,523
Oklahoma	0	7,752,077	20,835	7,581,568	20,835	7,602,403
Oregon	0	11,711,251	31,475	11,256,414	31,475	11,287,889
Pennsylvania	0	53,708,691	144,348	51,069,267	144,348	51,213,615
Puerto Rico	2,677,483	0	0	57,906,791	(2,677,483)	55,229,308
Rhode Island	0	4,145,795	11,142	3,965,517	11,142	3,976,659
South Carolina	0	15,568,291	41,841	14,906,311	41,841	14,948,152
South Dakota	0	1,167,155	3,137	1,177,885	3,137	1,181,022
Tennessee	0	19,170,626	51,523	18,173,009	51,523	18,224,532
Texas	0	62,335,256	167,532	61,050,104	167,532	61,217,636
Utah **	0	4,410,694	11,854	4,319,231	11,854	4,331,085
Vermont	0	862,723	2,319	866,255	2,319	868,574
Virginia	0	14,034,717	37,720	13,826,714	37,720	13,864,434
Washington	0	26,872,218	72,222	26,650,470	72,222	26,722,692
West Virginia	0	7,526,410	20,228	9,766,567	20,228	9,786,795
Wisconsin	0	11,810,606	31,742	11,437,989	31,742	11,469,731
Wyoming	0	1,102,839	2,964	1,087,106	2,964	1,090,070
STATE TOTAL	\$2,677,483	\$996,235,284	\$2,677,483	\$1,038,970,000	\$0	\$1,038,970,000

** Includes Navajo Nation

^{1/} PY 2018 allotment amounts are used to determine the reallotment amount eligible states receive of the recaptured amount.

U.S. DEPARTMENT OF LABOR
Employment and Training Administration
WIOA Dislocated Worker Activities
PY 2019 Revised Allotments with Reallotment - PY/FY Split

	Total Allotment			Available 7/1/19			Available 10/1/19		
	Original	Recapture/ Reallotment	Revised	Original	Recapture/ Reallotment	Revised	Original	Recapture/ Reallotment	Revised
Alabama	18,309,732	52,149	18,361,881	3,187,290	-	3,187,290	15,122,442	52,149	15,174,591
Alaska	6,399,704	13,255	6,412,959	1,114,036	-	1,114,036	5,285,668	13,255	5,298,923
Arizona *	30,267,873	62,689	30,330,562	5,268,918	-	5,268,918	24,998,955	62,689	25,061,644
Arkansas	6,221,613	17,267	6,238,880	1,083,035	-	1,083,035	5,138,578	17,267	5,155,845
California	147,659,670	417,368	148,077,038	25,704,042	-	25,704,042	121,955,628	417,368	122,372,996
Colorado	10,049,482	27,431	10,076,913	1,749,376	-	1,749,376	8,300,106	27,431	8,327,537
Connecticut	14,170,098	39,548	14,209,646	2,466,678	-	2,466,678	11,703,420	39,548	11,742,968
Delaware	2,403,520	6,636	2,410,156	418,396	-	418,396	1,985,124	6,636	1,991,760
District of Columbia	8,442,862	17,486	8,460,348	1,469,702	-	1,469,702	6,973,160	17,486	6,990,646
Florida	52,151,777	144,806	52,296,583	9,078,386	-	9,078,386	43,073,391	144,806	43,218,197
Georgia	38,513,750	109,061	38,622,811	6,704,329	-	6,704,329	31,809,421	109,061	31,918,482
Hawaii	1,605,251	4,370	1,609,621	279,436	-	279,436	1,325,815	4,370	1,330,185
Idaho	1,957,840	5,310	1,963,150	340,813	-	340,813	1,617,027	5,310	1,622,337
Illinois	59,460,547	169,648	59,630,195	10,350,669	-	10,350,669	49,109,878	169,648	49,279,526
Indiana	13,667,363	37,981	13,705,344	2,379,163	-	2,379,163	11,288,200	37,981	11,326,181
Iowa	4,118,716	11,173	4,129,889	716,971	-	716,971	3,401,745	11,173	3,412,918
Kansas	4,621,465	12,598	4,634,063	804,487	-	804,487	3,816,978	12,598	3,829,576
Kentucky	16,798,451	47,905	16,846,356	2,924,211	-	2,924,211	13,874,240	47,905	13,922,145
Louisiana	21,222,160	55,927	21,278,087	3,694,274	-	3,694,274	17,527,886	55,927	17,583,813
Maine	2,599,954	7,234	2,607,188	452,590	-	452,590	2,147,364	7,234	2,154,598
Maryland	15,269,819	41,359	15,311,178	2,658,113	-	2,658,113	12,611,706	41,359	12,653,065
Massachusetts	15,775,499	42,821	15,818,320	2,746,140	-	2,746,140	13,029,359	42,821	13,072,180
Michigan	28,899,538	80,711	28,980,249	5,030,724	-	5,030,724	23,868,814	80,711	23,949,525
Minnesota	8,623,538	23,477	8,647,015	1,501,153	-	1,501,153	7,122,385	23,477	7,145,862
Mississippi	12,825,657	34,454	12,860,111	2,232,642	-	2,232,642	10,593,015	34,454	10,627,469
Missouri	13,734,131	38,157	13,772,288	2,390,786	-	2,390,786	11,343,345	38,157	11,381,502
Montana	1,586,432	4,210	1,590,642	276,160	-	276,160	1,310,272	4,210	1,314,482
Nebraska	2,406,131	6,467	2,412,598	418,850	-	418,850	1,987,281	6,467	1,993,748
Nevada	14,017,016	37,543	14,054,559	2,440,030	-	2,440,030	11,576,986	37,543	11,614,529
New Hampshire	1,776,723	4,742	1,781,465	309,285	-	309,285	1,467,438	4,742	1,472,180
New Jersey	31,170,385	86,388	31,256,773	5,426,024	-	5,426,024	25,744,361	86,388	25,830,749
New Mexico *	17,798,250	36,863	17,835,113	3,098,253	-	3,098,253	14,699,997	36,863	14,736,860
New York	50,835,990	138,963	50,974,953	8,849,338	-	8,849,338	41,986,652	138,963	42,125,615
North Carolina	29,115,622	81,401	29,197,023	5,068,338	-	5,068,338	24,047,284	81,401	24,128,685
North Dakota	825,733	2,190	827,923	143,741	-	143,741	681,992	2,190	684,182
Ohio	38,626,510	107,013	38,733,523	6,723,958	-	6,723,958	31,902,552	107,013	32,009,565
Oklahoma	7,581,568	20,835	7,602,403	1,319,771	-	1,319,771	6,261,797	20,835	6,282,632
Oregon	11,256,414	31,475	11,287,889	1,959,474	-	1,959,474	9,296,940	31,475	9,328,415
Pennsylvania	51,069,267	144,348	51,213,615	8,889,946	-	8,889,946	42,179,321	144,348	42,323,669
Puerto Rico	57,906,791	(2,677,483)	55,229,308	10,080,197	-	10,080,197	47,826,594	(2,677,483)	45,149,111
Rhode Island	3,965,517	11,142	3,976,659	690,302	-	690,302	3,275,215	11,142	3,286,357
South Carolina	14,906,311	41,841	14,948,152	2,594,835	-	2,594,835	12,311,476	41,841	12,353,317
South Dakota	1,177,885	3,137	1,181,022	205,042	-	205,042	972,843	3,137	975,980
Tennessee	18,173,009	51,523	18,224,532	3,163,489	-	3,163,489	15,009,520	51,523	15,061,043
Texas	61,050,104	167,532	61,217,636	10,627,373	-	10,627,373	50,422,731	167,532	50,590,263
Utah*	4,319,231	11,854	4,331,085	751,875	-	751,875	3,567,356	11,854	3,579,210
Vermont	866,255	2,319	868,574	150,795	-	150,795	715,460	2,319	717,779
Virginia	13,826,714	37,720	13,864,434	2,406,902	-	2,406,902	11,419,812	37,720	11,457,532
Washington	26,650,470	72,222	26,722,692	4,639,214	-	4,639,214	22,011,256	72,222	22,083,478
West Virginia	9,766,567	20,228	9,786,795	1,700,127	-	1,700,127	8,066,440	20,228	8,086,668
Wisconsin	11,437,989	31,742	11,469,731	1,991,082	-	1,991,082	9,446,907	31,742	9,478,649
Wyoming	1,087,106	2,964	1,090,070	189,239	-	189,239	897,867	2,964	900,831
STATE TOTAL	1,038,970,000	-	1,038,970,000	180,860,000	-	180,860,000	858,110,000	-	858,110,000

* Includes funds allocated to the Navajo Nation